
School Board of Sarasota County, Florida



Comprehensive Annual Financial Statement Report

For the Fiscal Year Ended June 30, 2016

**SCHOOL BOARD OF
SARASOTA COUNTY,
FLORIDA
Sarasota, Florida**

**Comprehensive Annual
Financial Report**

**For the
Fiscal Year
Ended June 30, 2016**

Prepared By:
Financial Services Department

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Comprehensive Annual Financial Report
For the Year Ended June 30, 2016

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School Board of Sarasota County, Florida



SARASOTA
County Schools

Comprehensive Annual Financial Statement Report

For the Fiscal Year Ended June 30, 2016



December 14, 2016

Dear Chairman, School Board Members, and Citizens of Sarasota County:

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) of the School Board of Sarasota County, Florida (District) for the fiscal year ended June 30, 2016. State law requires that all school districts publish within twelve months of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States (GAAP) and audited in accordance with generally accepted auditing standards by an independent certified public accountant. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the District for the fiscal year ended June 30, 2016.

We believe the information, as presented, is accurate in all material aspects; that it is presented in a manner designed to set forth fairly, in all material respects, the financial position and results of operations of the District as measured and reported by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain an adequate understanding of the District's financial affairs have been included. The responsibility for the preparation of the accompanying financial statements and other information contained in this CAFR, based on the above standards, rests with the District's management. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed to compile sufficient reliable information for the District's financial statements in conformance with GAAP. Because the cost of internal controls should not outweigh the benefits, the District's comprehensive framework has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material

misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The District's financial statements have been audited by Cherry Bekaert, L.L.P. The goal of the independent audit is to provide reasonable assurance that the basic financial statements of the District for the fiscal year ended June 30, 2016, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded that there was a reasonable basis for rendering unmodified opinions that the District's financial statements for the fiscal year ended June 30, 2016, are fairly presented in conformity with GAAP. The report of independent auditor is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the District was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The District is required to undergo an annual single audit in conformity with the provisions *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance.) The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. Information related to this single audit, including the schedule of expenditures of federal awards, findings and questioned costs, and the independent auditor's report on the system of internal control and on compliance with applicable requirements, are included in the single audit section.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The District's MD&A can be found immediately following the independent auditor's report.

This accompanying report includes all funds of the District, The Financing Corporation for the School Board of Sarasota County (Corporation), and its charter schools that meet the requirements for inclusion, which comprise the reporting entity. The Corporation was formed by the School Board to be the lessor in connection with financing the acquisition and/or construction of certain educational facilities. Charter schools are public schools operating under a performance contract with the School Board. The Corporation was identified as a component unit, requiring blended presentation of the financial statements. The District's charter schools, except for SKY Academy Venice and SKY Academy Englewood, are included as discretely presented component units.

Profile of the Government

The District and its governing board were created pursuant to Section 4, Article IX of the Constitution of the State of Florida. The District is an independent taxing and reporting entity managed, controlled, operated, administered and supervised by the District school officials in accordance with Chapter 1001, Florida Statutes. The Board consists of five elected officials responsible for the adoption of policies, which govern the operation of District public schools. The appointed Superintendent of Schools (Superintendent) is the secretary and executive officer of the Board and is responsible for the administration and management of the schools within the applicable parameters of Florida Statutes, State Board of Education Rules, and School Board policies. The Superintendent is also specifically delegated the responsibility of maintaining a uniform system of records and accounts in the District by State Board of Education Rule 6A-1001, Florida Administrative Code.

Geographic boundaries of the District correspond with those of Sarasota County. During the 2015-16 fiscal year, the District operated 55 schools, including 23 elementary schools, 7 middle schools, 6 high schools, 12 charter schools, 1 technical center and 6 other types of schools, such as a virtual school and an all gifted school for grades 2 through 12.

The District receives the majority of its operating funds through a State funding formula that is intended to equalize funding received from the State and local property tax between school districts within the State. Charter schools operate through a contract with the District and are provided with the proportionate share of these funds, based upon the number of full-time equivalent students enrolled at the charter school. The District provided a full range of educational programs, including kindergarten through 12th grade basic and enriched programs, and exceptional student education to 42,148 unweighted full-time equivalent students. Student enrollment is expected to increase by 1.5, 0.4 and 0.3 percent each in fiscal years ending June 30, 2017, 2018, and 2019, respectively. The District also provides career technical and adult education programs.

Economic Condition and Outlook

Sarasota County is part of the Sarasota-Bradenton-Venice Metropolitan Statistical Area (MSA) along with Manatee County. According to the Bureau of Economic and Business Research at the University of Florida, the 2016 population of Sarasota County was 399,538 and is projected to be 478,113 by 2040 and 489,311 by 2045.

Based upon the latest survey by the U.S. Census Bureau, the population of Sarasota County has increased 16.4 percent from 2000 to 2010 compared to the State of Florida which increased 17.6 percent. The population of the County differs significantly from the State. The largest age group, at 34.6 percent, are persons 65 years and older. The State average for this age group is 19.4 percent. The average household size is 2.13 and the average household income is \$54,147 as of 2014. The American Community Survey done by the U.S. Census Bureau shows 92.2 percent of the County residents

were high school graduates and 31.1 percent had a bachelor's degree or higher. Persons without federally mandated health insurance, under age 65 years are 19.8 percent.

The District recognizes that the continued enhancement of the local economy is of mutual benefit to both the District and the County and that an excellent system of public education is a significant factor in attracting new business and industry to the County. The County's unemployment rate has decreased to 4.5 percent in June 2016 from 5.0 percent in June 2015. In addition, sales tax revenues along with property values continue to rise with median home sales prices of \$248,000 in June 2016 from \$230,000 in June 2015. The District remains Sarasota County's largest employer, employing 5,611 full and part-time employees, including 2,955 teachers.

Financial Information

The District follows procedures established by Florida Statutes and the State Board of Education Rules in establishing and adopting annual budgets for each of the governmental fund types. Budgets are prepared using the same modified accrual basis as is used to account for governmental funds. Appropriations are controlled at the function level (e.g. instruction, pupil personnel services, and school administration) within each fund and may be amended by resolution at any Board meeting prior to the due date for the annual financial report.

The District reviews the Capital Improvement Program goals and objectives to ensure that current and future educational service needs are met through planning efforts that accommodate current student populations, prepare for future student demands and provide for the overall educational facility needs of Sarasota County schools. The District conducts facility condition assessments to objectively rate the condition of all our buildings and building systems. Each building is assessed every four years and includes infield verification and inspection. Buildings are rated and deficiencies are noted in the District's building management system where a condition index is calculated for each building and building system. This is used as the basis for developing the District's Capital Improvement plan on existing facilities. In addition, the long-range planning department monitors capacity needs at each school and worksite to assist in determining permanent and temporary capital needs. The District ensures instructional programs and educational services are able to adapt to changes in district strategic priorities, student population demands and capital funding capabilities.

The District has an investment policy in place for the investment of temporarily idle funds. The purpose of the policy is to outline the responsibility, authority, and general guidelines for the investment management of the District's cash reserves and to ensure compliance with Florida Statutes.

The District has a fund balance policy that specifies the unassigned fund balance in the General Fund will at a minimum be 7.5 percent of the total budgeted appropriations and transfers out. The District currently exceeds this policy with an unassigned fund balance at 8.8 percent.

The District has a debt policy that establishes guidance for incurring and managing the debt of the District. The purpose of this policy is to set forth a structure to facilitate the management of debt in accordance with stated objectives.

The District has a capital asset policy that specifies the categories of capital assets and the dollar thresholds for capitalizing purchases. It also specifies the length of depreciation for each asset category.

The District is self-insured for workers' compensation, health and dental benefits, and general and automobile liability with outside contractors providing various administrative services. All funds make payments to the District's applicable internal service fund based on the personnel staffing levels, number of vehicles, or square footage. Resources have been accumulated in order to meet potential losses.

On March 25, 2014, voters in Sarasota County voted by a 77 percent margin to continue the one-mill levy to preserve quality schools. This vote continued the tax levy that was originally passed by the voters in 2002. This vote allows the District to maintain existing programs and continues the District's commitment to quality education. This revenue source will continue until the fiscal year ended June 30, 2018.

Major Initiatives

Class Size Reduction Amendment

In November 2002, the voters of Florida amended the State Constitution to limit class size. By the beginning of the 2010-11 fiscal year, the amendment established the maximum number of students in core-curricula courses assigned to a teacher in each of the following three grade groupings: (1) pre-kindergarten through grade 3, 18 students; (2) grades 4 through 8, 22 students; and (3) grades 9 through 12, 25 students.

For the 2015-16 fiscal year, the District continued its efforts to meet the constitutional maximums for the three grade groupings at either the statutory school-wide or classroom-level. Based on the annual review by the Florida Department of Education, the District fully complied with the constitutional maximums in all classrooms.

Capital Outlay Program

During the 2015-16 fiscal year, the District Capital Outlay program focused primarily on the continuation of the rebuild and improvements projects at Sarasota High School, Pine View School and Fruitville Elementary School. In October 2015, the District completed a Long-Range Growth Management Plan and an Educational System Impact

Fee Study to address the ability for the District to meet future needs with capacity available at existing schools vs. new schools; the timing and location of residential development within Sarasota County; the influence of other school options, such as charter, private, home, and virtual schools; and the Identification of capital funding needs and options.

Accomplishments

One of the ways to judge a school district is to compare the results of its students on national and statewide tests and the accomplishments of its staff. The District believes that its students and staff have performed remarkably well based on various tests and accomplishments as noted below.

Schools throughout Florida are held accountable and receive school grades based on the results of statewide assessments. The Florida Comprehensive Assessment Test (FCAT) began in fiscal year 1997-98 and transitioned to FCAT 2.0 and End of Course (EOC) Assessments in fiscal year 2010-11. Fiscal year 2013-14 marked the last year of the FCAT accountability program. Beginning in fiscal year 2014-15, Florida’s assessment and accountability system was changed to Florida Standards Assessments (FSA). Reports from the Florida Department of Education reflect that this year 18 schools received a grade of ‘A’, 11 received a grade of ‘B’, and 9 received a grade of ‘C’. The District has received an overall grade of ‘A’.

The Florida Department of Education provides a grading report for all public schools in the state and for each of the 67 school districts as part of their school accountability report. The District has again received an ‘A’ grade and ranks third in the state in terms of student achievement for the 2015-16 fiscal year. The District is also one of two school districts to have received a grade of ‘A’ every year since 2004.

The District met or exceeded National and Florida averages for 2016 high school graduates on college admission examinations. A comparison of the average scores is reflected in the table below.

<u>Examination</u>	<u>Sarasota</u>	<u>National</u>	<u>Florida</u>
ACT Composite	21.6	20.8	19.9
SAT:			
Critical Reading	538	494	481
Math	535	508	475
Writing	514	482	462

Sixty-two percent of Sarasota District teachers have earned Master’s degrees or higher. The School Board of Sarasota County has 61 teachers that have successfully completed the rigorous and time-intensive program of the National Board of Professional Teaching Standards. To achieve the highly esteemed National Certification, teachers are required to provide a portfolio of information regarding

teaching styles, examples of work performed by students, and successfully pass an examination.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded to the District a Certificate of Achievement for Excellence in Financial Reporting and the Association of School Business Officials (ASBO) awarded an International Certificate of Excellence in Financial Reporting for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2015. This was the twelfth consecutive year that the District has received these prestigious awards. In order to be awarded the Certificate of Achievement for Excellence in Financial Reporting and the Certificate of Excellence in Financial Reporting, the District must publish an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

These awards are valid for one year only. We believe that our current CAFR continues to meet the Certificate Programs' requirements, and we are submitting it to both GFOA and ASBO, to determine its eligibility to receive their respective prestigious awards.

The preparation of this CAFR could not have been accomplished without the commitment and dedication of the Financial Services Department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report.

In closing, we would like to thank the members of the School Board for their leadership and support in planning and conducting the financial operations of the District.

Respectfully submitted,


Lori White
Superintendent


Mitsi Corcoran
Chief Financial Officer

**LIST OF PRINCIPAL OFFICIALS –
ELECTED**



**Mrs. Shirley Brown, Chair
Term expires November 2018**

**Mrs. Caroline Zucker, Vice Chair
Term expires November 2016**

**Ms. Jane Goodwin
Term expires November 2018**

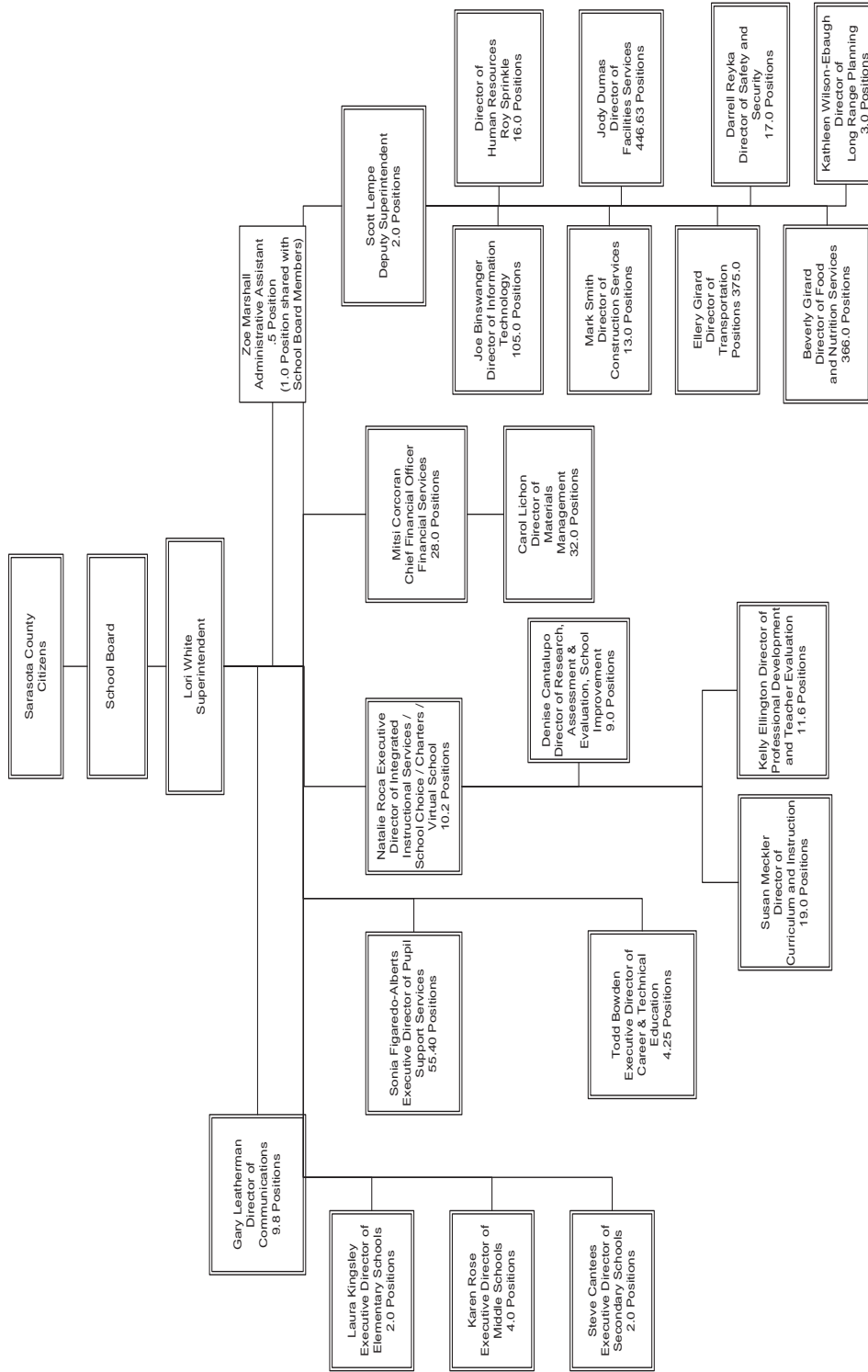
**Mr. Frank Kovach
Term expires November 2016**

**Mrs. Bridget Ziegler
Term expires November 2018**

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
LIST OF PRINCIPAL OFFICIALS – APPOINTED

Mrs. Lori White	Superintendent
Mr. Scott Lempe	Deputy Superintendent
Mrs. Mitsi Corcoran	Chief Financial Officer
Mr. Al Weidner	Deputy Chief Financial Officer
Dr. Laura Kingsley	Executive Director Elementary Schools
Mrs. Karen Rose	Executive Director Middle Schools
Mr. Steve Cantees	Executive Director High Schools
Mrs. Sonia Figaredo-Alberts	Executive Director Pupil Support Services
Dr. Natalie Roca	Executive Director Integrated Instructional Services
Dr. Todd Bowden	Executive Director Career and Technical Education
Mr. Joe Binswanger	Director Information Technology
Mr. Gary Leatherman	Director Communications
Mr. Roy Sprinkle	Director Human Services

The School Board of Sarasota County, Florida Organizational Chart June 30, 2016





ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

**The Certificate of Excellence in Financial Reporting Award
is presented to**

The School Board of Sarasota County

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2015.**

The CAFR has been reviewed and met or exceeded
ASBO International's Certificate of Excellence standards.



Brenda Burkett

Brenda R. Burkett, CPA, CSBA, SFO
President

John D. Musso

John D. Musso, CAE, RSBA
Executive Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**School Board of Sarasota County
Florida**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2015

Executive Director/CEO

School Board of Sarasota County, Florida



SARASOTA
County Schools

Comprehensive Annual Financial Statement Report

For the Fiscal Year Ended June 30, 2016

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FINANCIAL SECTION

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Report of Independent Auditor

The Honorable Members of the
School Board of Sarasota County, Florida
Sarasota, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the School Board of Sarasota County, Florida (the "District"), as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit any of the financial statements of the aggregate discretely presented component units, which represent 100 percent of the transactions and account balances of the aggregate discretely presented component units' columns. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the aggregate discretely presented component units, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District, as of June 30, 2016, the respective changes in financial position and, where applicable, cash flows, and the respective budgetary comparison for the General Fund thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

OTHER MATTERS

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 18 and the Schedule of Funding Progress – Other Postemployment Benefit Plan, Schedule of District's Proportionate Share of the Net Pension Liability – Florida Retirement System Pension Plan, Schedule of District Contributions – Florida Retirement System Pension Plan, Schedule of the District's Proportionate Share of the Net Pension Liability – Health Insurance Subsidy Pension Plan, and the Schedule of District Contributions – Health Insurance Subsidy Pension Plan, on pages 85 through 89 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We and the other auditors have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual fund statements and schedules, and statistical section, as listed in the table of contents are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards on page 174 is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards ("Uniform Guidance") and is also not a required part of the basic financial statements.

The combining and individual fund statement and schedules and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare or to the basic financial statements or the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, by us and the other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of the others auditors, the combining and individual fund statements and schedules and the schedule of expenditures of federal awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 14, 2016 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

 Cherry Bekant LLP

Tampa, Florida
December 14, 2016

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Management's Discussion and Analysis
June 30, 2016

The management of the School Board of Sarasota County, Florida (the District) has prepared the following discussion and analysis to (a) assist the reader in focusing on significant financial issues; (b) provide an overview and analysis of the District's financial activities; (c) identify changes in the District's financial position; (d) identify material deviations from the approved budget; and (e) highlight significant issues in individual funds.

Because the information contained in the Management's Discussion and Analysis (MD&A) is intended to highlight significant transactions, events and conditions, it should be considered in conjunction with the District's financial statements and notes to the basic financial statements.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2015-16 fiscal year are as follows:

- General revenues totaled \$483,979,540, or 89 percent of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions totaled \$61,980,556, or 11 percent. Total revenues increased by \$31,821,154 from \$514,138,942 in fiscal year 2014-15 to \$545,960,096 in fiscal year 2015-16. The change is primarily attributed to an increase in the required local portion of funding the Florida Education Finance Program (FEFP) through property tax revenues.
- Expenses totaled \$514,176,924, only \$61,980,556 of these expenses were offset by program specific charges, with the remainder paid from general revenues. Total revenues exceeded total expenses by \$31,783,172. Total expenses increased \$20,569,135 or 4 percent, from \$493,607,789 in fiscal year 2014-15. This change is primarily attributed to additional instructional positions and increased pass-through charter school payments due to enrollment growth, an average 2.5 percent negotiated salary settlement and numerous non-capitalized remodeling projects.
- The expenses in the District's proprietary funds increased by \$23,402,654 from \$5,356,877 in fiscal year 2014-15 to \$28,759,531 in fiscal year 2015-16. This change is primarily attributed to the District's decision to self-insure the cost of medical benefits beginning January 1, 2016.
- The unassigned fund balance of the General Fund, representing the net current financial resources available for general appropriation by the Board, totaled \$36,118,713 at June 30, 2016 or 8.8 percent of General Fund total budgeted appropriations and transfers out.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Management's Discussion and Analysis
June 30, 2016

OVERVIEW OF THE FINANCIAL STATEMENTS

The basic financial statements consist of three components:

- Government-wide financial statements
- Fund financial statements
- Notes to the basic financial statements

In addition, this report presents certain required supplementary information, which includes management's discussion and analysis.

GOVERNMENT- WIDE FINANCIAL STATEMENTS

The Government-wide financial statements provide both short-term and long-term information about the District's overall financial condition in a manner similar to those of a private-sector business. The statements include a statement of net position and a statement of activities that are designed to provide consolidated financial information about the governmental activities of the primary government presented on the accrual basis of accounting. The statement of net position provides information about the government's financial position, its assets, deferred outflows of resources, liabilities, and deferred inflows of resources using an economic resources measurement focus. The difference between the assets, deferred outflows of resources, liabilities, and deferred inflows of resources, the net position, is a measure of the financial health of the District. The statement of activities presents information about the change in the District's net position, the results of operations, during the fiscal year.

The Government-wide statements present the District's activities in two categories:

- Governmental activities – This represents most of the District's services including its educational programs: basic, vocational, adult and exceptional education. Support functions such as transportation and administration are also included. Local property taxes and the State's education finance program provide most of the resources that support these activities.
- Component units –The District presents eleven separate legal entities in this report. Although legally separate organizations, the component units are included in this report because they meet the criteria for inclusion provided by generally accepted accounting principles. Ten of these organizations are charter schools. Financial information for these component units is reported separately from the financial information presented for the primary government. The Financing Corporation for the School Board of Sarasota County (Corporation), although also legally separate, was formed to facilitate financing for the acquisition of facilities and equipment. Due to the substantive economic relationship between the Board and the Corporation, the Corporation is included as an integral part of the primary government. Please refer to Note 1 to the basic financial statements for more information on the District's component units.

Over a period of time, changes in the District's net position are an indication of improving or deteriorating financial condition. This information should be evaluated in conjunction with other non-financial factors, such as changes in the District's property tax base, student enrollment, and the condition of the District's capital assets including its school buildings and administrative facilities.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
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FUND FINANCIAL STATEMENTS

Fund financial statements are one of the components of the basic financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements and prudent fiscal management. State law establishes certain funds, while others are created by legal agreements, such as bond covenants. Fund financial statements provide more detailed information about the District's financial activities, focusing on its most significant or "major" funds rather than fund types. This is in contrast to the entity-wide perspective contained in the Government-wide statements.

All of the District's funds may be classified within one of three broad categories:

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the Government-wide financial statements. However, the governmental funds utilize a spendable financial resources measurement focus rather than the economic resources measurement focus found in the Government-wide financial statements. This financial resources measurement focus allows the governmental fund statements to provide information on near-term inflows and outflows of spendable resources as well as balances of spendable resources available at the end of the fiscal year. Consequently, the governmental fund statements provide a detailed short-term view that may be used to evaluate the District's near-term financing requirements. This short-term view is useful when compared to the long-term view presented as governmental activities in the Government-wide financial statements. To facilitate this comparison, both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation of governmental funds to governmental activities.

Proprietary Funds. Proprietary funds may be established to account for activities in which a fee is charged for services. The District maintains one type of proprietary fund, the internal service fund to account for the District's self-insurance programs. Since these services predominantly benefit governmental rather than business-type functions, the internal service funds have been included within governmental activities in the Government-wide financial statements.

Fiduciary Funds. Fiduciary funds are used to report assets held in a trustee or fiduciary capacity for the benefit of external parties, such as student activity funds. Fiduciary funds are not reflected in the Government-wide statements because the resources are not available to support the District's own programs. In its fiduciary capacity, the District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes. The District uses agency funds to account for resources held for student activities and groups.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
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GOVERNMENT- WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position and provides a perspective of the District as a whole. The following is a summary of the District's net position as of June 30, 2016, compared to net position as of June 30, 2015:

	Governmental Activities		Increase (Decrease)	Percentage Change
	6/30/2016	6/30/2015		
Current and other assets	\$ 235,392,360	\$ 200,023,241	\$ 35,369,119	
Capital assets, net	966,884,418	959,356,019	7,528,399	
Total assets	1,202,276,778	1,159,379,260	42,897,518	4%
Deferred outflows of resources	45,501,294	29,290,482	16,210,812	
Total deferred outflows	45,501,294	29,290,482	16,210,812	55%
Other liabilities	59,443,230	40,840,564	18,602,666	
Long-term liabilities, current	41,266,861	33,687,891	7,578,970	
Long-term liabilities, noncurrent	358,645,312	314,409,309	44,236,003	
Total liabilities	459,355,403	388,937,764	70,417,639	18%
Deferred inflows of resources	23,492,373	66,584,854	(43,092,481)	
Total deferred inflows	23,492,373	66,584,854	(43,092,481)	100%
Net investment in capital assets	794,655,165	777,726,583	16,928,582	
Restricted	99,819,203	84,677,632	15,141,571	
Unrestricted	(129,544,072)	(129,257,091)	(286,981)	
Total net position	\$ 764,930,296	\$ 733,147,124	\$ 31,783,172	4%

The largest portion of the District's net position reflects its investment in capital assets (e.g., land, buildings, furniture and equipment), less any related debt still outstanding. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending.

As a result of implementing GASB 68, *Accounting and Financial Reporting for Pensions*, and GASB 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, the unrestricted portion of the District's net position as of 6/30/2016 and 6/30/2015 reflects a negative balance. The net pension liability and deferred outflows and inflows related to pensions represents more than 100% of the negative unrestricted net position. Thus, the unrestricted net position excluding pensions as of 6/30/16 and 6/30/15 is \$16,566,812 and \$21,587,150 respectively.

The restricted portion of the District's net position represents resources that are subject to external restrictions on how they may be used.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
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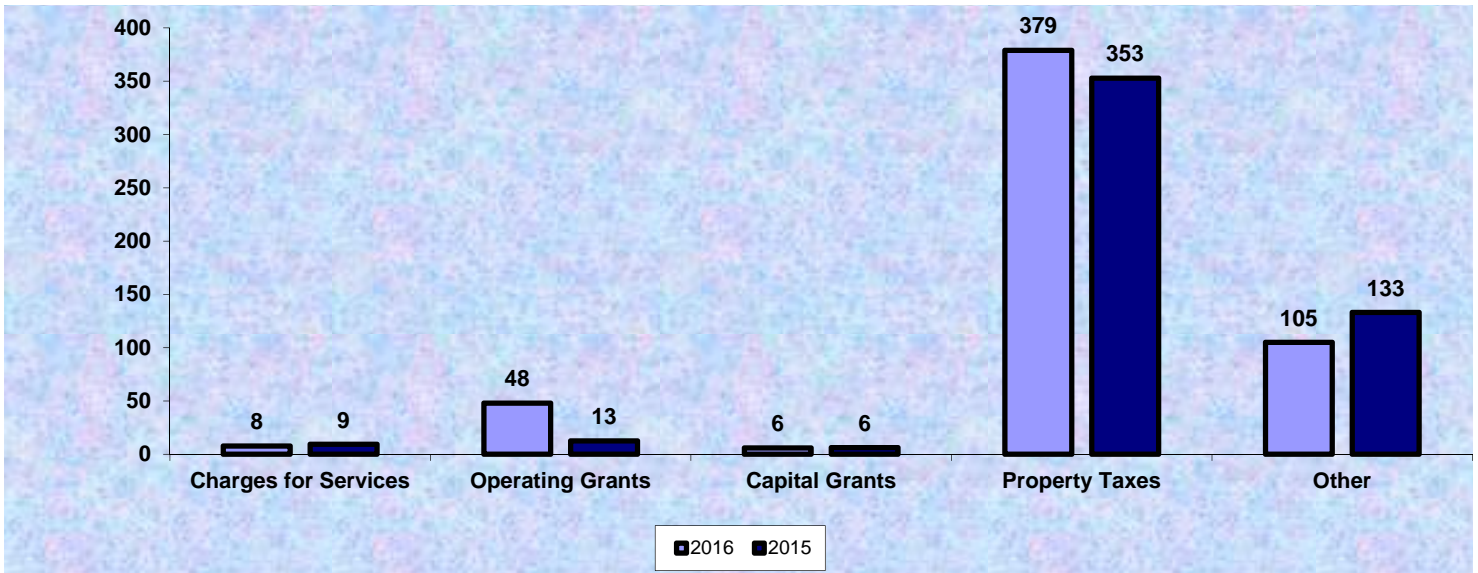
The key elements of the changes in the District's net position for the fiscal years ended June 30, 2016, and June 30, 2015, are shown in the following table and graphs:

Changes in Net Position from Operating Results

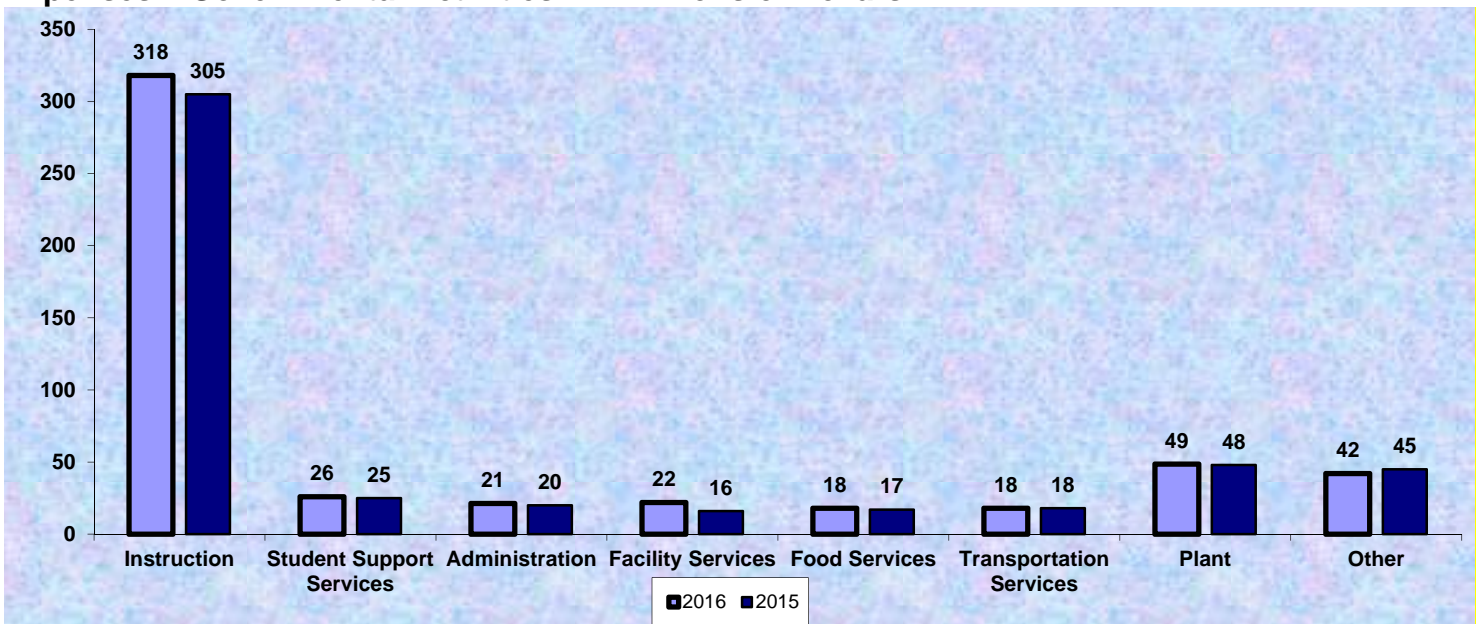
	Governmental Activities			Percentage Change
	6/30/2016	6/30/2015	Increase (Decrease)	
Revenues:				
Program revenues				
Charges for services	\$ 7,745,715	\$ 9,066,089	\$ (1,320,374)	-15%
Operating grants and contributions	48,213,215	12,622,205	35,591,010	282%
Capital grants and contributions	6,021,626	5,774,799	246,827	4%
General revenues				
Property taxes - general	305,488,678	284,782,027	20,706,651	7%
Property taxes - capital projects	73,219,437	68,078,087	5,141,350	8%
Local sales taxes	18,312,133	17,293,948	1,018,185	6%
Grants and contributions not restricted to specific programs	73,924,680	108,386,450	(34,461,770)	-32%
Miscellaneous	9,876,880	6,756,842	3,120,038	46%
Unrestricted investment earnings	3,157,732	1,378,495	1,779,237	129%
Total revenues	545,960,096	514,138,942	31,821,154	6%
Expenses:				
Instruction	317,993,211	304,759,710	13,233,501	4%
Student support services	26,177,975	24,796,691	1,381,284	6%
Instructional media services	4,505,216	6,706,553	(2,201,337)	-33%
Instruction and curriculum development services	3,350,535	3,230,349	120,186	4%
Instructional staff training services	4,105,576	4,691,992	(586,416)	-12%
Instruction related technology	4,924,996	3,572,269	1,352,727	38%
Board	946,510	1,104,220	(157,710)	-14%
General administration	3,189,440	3,128,034	61,406	2%
School administration	18,031,984	17,269,900	762,084	4%
Facility services - non-capitalized	22,209,758	16,399,611	5,810,147	35%
Fiscal services	2,013,262	2,017,043	(3,781)	0%
Food services	18,101,850	17,009,351	1,092,499	6%
Central services	6,128,154	6,698,741	(570,587)	-9%
Student transportation services	18,157,778	18,261,021	(103,243)	-1%
Operation of plant	33,634,202	33,445,833	188,369	1%
Maintenance of plant	14,933,393	14,294,204	639,189	4%
Administrative technology services	3,679,800	3,989,386	(309,586)	-8%
Community services	3,304,544	3,589,142	(284,598)	-8%
Interest on long-term debt	8,788,740	8,643,739	145,001	2%
Total expenses	514,176,924	493,607,789	20,569,135	4%
Increase in net position	31,783,172	20,531,153	11,252,019	55%
Beginning net position	733,147,124	712,615,971	20,531,153	
Ending net position	\$ 764,930,296	\$ 733,147,124	\$ 31,783,172	

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
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Revenues by Source – Governmental Activities – in Millions of Dollars



Expenses – Governmental Activities – in Millions of Dollars



Overall total revenues increased by \$31,821,154, or 6 percent from the fiscal year ended June 30, 2015. The change was primarily attributed to an increase in the required local funding portion of the FEFP through property tax revenues.

Total expenses increased by \$20,569,135, or 4 percent from the fiscal year ended June 30, 2015. The increase was primarily attributed to additional instructional positions and increased pass-through charter school payments due to enrollment growth, an average 2.5% negotiated salary settlement and numerous non-capitalized remodeling projects.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
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FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The District completed the year with a total governmental fund balance of \$141,938,436, an increase of \$5,677,987 or 4 percent from last year's ending fund balance of \$136,260,449. The increase in total District fund balance is primarily due to an increase in the repaid medical insurance premiums to the self-insured fund, increase in sinking fund reserves for the Qualified School Construction Bonds and reduced average instructional salaries as the result of a considerable number of retirements.

Major Governmental Funds

General Fund

The General Fund is the primary operating fund for the District. Presented below is an overall analysis of the General Fund as compared to the prior year:

	<u>6/30/2016</u>	<u>6/30/2015</u>	<u>(Decrease)</u>	<u>Change</u>
Revenue	\$ 397,890,030	\$ 376,948,057	\$ 20,941,973	6%
Other financing sources	19,787,173	20,051,012	(263,839)	-1%
Beginning fund balance	44,840,713	50,883,264	(6,042,551)	-12%
Total	<u>\$ 462,517,916</u>	<u>\$ 447,882,333</u>	<u>\$ 14,635,583</u>	3%
Expenditures	403,062,210	402,491,341	570,869	0%
Other financing uses	577,910	550,279	27,631	5%
Ending fund balance	58,877,796	44,840,713	14,037,083	31%
Total	<u>\$ 462,517,916</u>	<u>\$ 447,882,333</u>	<u>\$ 14,635,583</u>	3%

The District's General Fund ending fund balance increased by \$14,037,083 or 31 percent. This increase is primarily attributed to revenue received from discretionary property taxes as a result of increased assessed valuation, reduction in instructional materials and textbook adoption costs and reduced average instructional salaries as the result of a considerable number of retirements. While the District's increased enrollment generated additional earned revenue, there was a holdback of state funding in the amount of \$541,103 for a proration to funds available which reduced the amount of actual state revenue received by the District. It should be noted that \$2,877,971 of ending fund balance has been encumbered for specific projects.

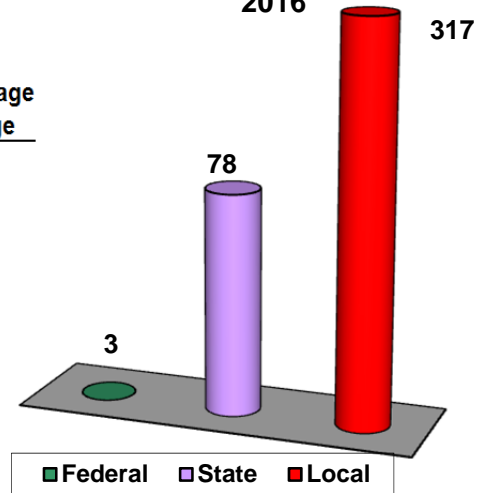
SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
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Revenues – Overall revenues increased by \$20,941,973 or 6 percent as follows:

Revenues By Source - General Fund

	<u>6/30/2016</u>	<u>6/30/2015</u>	<u>Increase (Decrease)</u>	<u>Percentage Change</u>
Federal	\$ 2,612,345	\$ 2,583,617	\$ 28,728	1%
State	78,196,386	78,782,270	(585,884)	-1%
Local	317,081,299	295,582,170	21,499,129	7%
Total	\$ 397,890,030	\$ 376,948,057	\$ 20,941,973	6%

**Composition of Revenues
In Millions of Dollars -
2016**



Federal sources increased by \$28,728, or 1 percent, mainly attributed to an increase in ROTC program revenue.

State sources decreased by \$585,884 or 1 percent, mainly attributed to the decrease in the required funding of the Florida Education Program Funding.

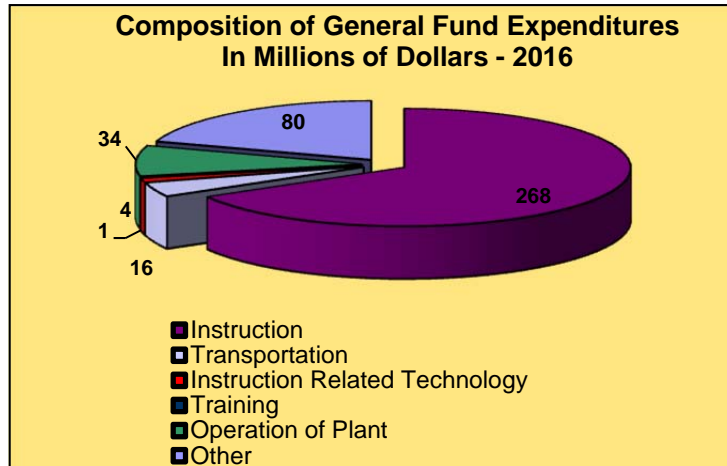
Local sources increased by \$21,499,129, or 7 percent, mainly as a result of an increase in the required local funding portion of the FEFP through property tax general revenues of \$17,299,048 and an increase in a voted additional property tax revenue of \$3,407,603.

Expenditures - Total General Fund expenditures increased by \$570,869 from \$402,491,341 to \$403,062,210 for the fiscal year ended June 30, 2016, an increase of less than 1 percent.

Expenditures By Function - General Fund

	<u>6/30/2016</u>	<u>6/30/2015</u>	<u>Increase (Decrease)</u>	<u>Percentage Change</u>
Instruction	\$ 268,261,917	\$ 265,147,079	\$ 3,114,838	1%
Instructional staff training services	751,884	1,033,502	(281,618)	-27%
Student transportation services	15,498,218	16,175,505	(677,287)	-4%
Operation of plant	33,509,505	33,994,410	(484,905)	-1%
Instruction related technology	4,464,344	3,229,764	1,234,580	38%
Other	80,576,342	82,911,081	(2,334,739)	-3%
Total	\$ 403,062,210	\$ 402,491,341	\$ 570,869	0%

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
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Debt Service – Other Debt Service Fund

An overall analysis of the District's Other Debt Service Fund is presented below. The decrease in expenditures was due to the payoff of the Series 2004 Certificates of Participation at 07/01/2015. There is a corresponding decrease in transfers from the Capital Projects – Local Capital Improvement Tax Fund. In addition, the increase in other financing sources and uses is a result of the District issuing Series 2016 Refunding Certificates of Participation to refund the callable portion of the Series 2009 and Series 2010B Certificates of Participation.

	<u>6/30/2016</u>	<u>6/30/2015</u>	<u>Increase (Decrease)</u>	<u>Percentage Change</u>
Revenue	\$ 38,058	\$ 37,550	\$ 508	1%
Other financing sources	90,789,603	27,526,417	63,263,186	230%
Beginning fund balance	1,044,561	1,007,427	37,134	4%
Total	<u>\$ 91,872,222</u>	<u>\$ 28,571,394</u>	<u>\$ 63,300,828</u>	<u>222%</u>
Expenditures	\$ 22,611,094	\$ 27,526,833	\$ (4,915,739)	-18%
Other financing uses	68,168,044	-	68,168,044	
Ending fund balance	1,093,084	1,044,561	48,523	5%
Total	<u>\$ 91,872,222</u>	<u>\$ 28,571,394</u>	<u>\$ 63,300,828</u>	<u>222%</u>

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
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Capital Projects – Local Capital Improvement Tax Fund

An overall analysis of the District's Capital Projects – Local Capital Improvement Tax Fund is presented below:

	<u>6/30/2016</u>	<u>6/30/2015</u>	<u>Increase (Decrease)</u>	<u>Percentage Change</u>
Revenue	\$ 73,524,690	\$ 68,234,007	\$ 5,290,683	8%
Beginning fund balance	30,745,763	39,320,891	(8,575,128)	-22%
Total	<u>\$ 104,270,453</u>	<u>\$ 107,554,898</u>	<u>\$ (3,284,445)</u>	-3%
Expenditures	\$ 28,676,787	\$ 29,572,426	\$ (895,639)	-3%
Other financing uses	42,295,840	47,236,709	(4,940,869)	-10%
Ending fund balance	33,297,826	30,745,763	2,552,063	8%
Total	<u>\$ 104,270,453</u>	<u>\$ 107,554,898</u>	<u>\$ (3,284,445)</u>	-3%

During the fiscal year 2015-16, revenue in the Capital Projects – Local Capital Improvement Tax Fund increased by \$5,290,683 or 8 percent. Expenditures decreased by \$895,639 or 3 percent, primarily due to the substantial completion of Sarasota High School and completion of various improvements at Bay Haven School. Of the total fund balance, \$21,151,238 has been encumbered for specific projects.

Capital Projects - Other Capital Projects Fund

The District's Other Capital Projects Fund is used primarily to report revenues and expenditures from sales tax collections and expenditures from the District's Series 2009 and Series 2010B Certificates of Participation issuance. An overall analysis of this fund is presented below:

	<u>6/30/2016</u>	<u>6/30/2015</u>	<u>Increase (Decrease)</u>	<u>Percentage Change</u>
Revenue	\$ 21,424,372	\$ 19,565,201	\$ 1,859,171	10%
Other financing sources	9,804,168	8,867,710	936,458	11%
Beginning fund balance	41,020,870	51,662,991	(10,642,121)	-21%
Total	<u>\$ 72,249,410</u>	<u>\$ 80,095,902</u>	<u>\$ (7,846,492)</u>	-10%
Expenditures	\$ 37,680,708	\$ 37,077,841	\$ 602,867	2%
Other financing uses	8,215,234	1,997,191	6,218,043	311%
Ending fund balance	26,353,468	41,020,870	(14,667,402)	-36%
Total	<u>\$ 72,249,410</u>	<u>\$ 80,095,902</u>	<u>\$ (7,846,492)</u>	-10%

Other financing uses increased by \$6,218,043 due primarily to a transfer to the Self Insurance Fund. It should be noted that \$9,500,090 of fund balance has been encumbered for specific projects.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Management's Discussion and Analysis
June 30, 2016

GENERAL FUND BUDGETARY HIGHLIGHTS

During the fiscal year, the District revised its budget and brought two amendments to the Board. These amendments were needed to adjust to actual revenues and direct resources where needed. The Board approves the final amendment to the budget after year-end. The original 2015-16 budget was prepared on a conservative basis as the State of Florida had experienced multiple years of revenue shortfalls and corresponding prorations of state funding were imposed on school districts. Budgeted expenditures decreased \$8,836,423 from the original budget due to reduction in instructional materials and textbook adoption costs and reduced average instructional salaries as the result of a considerable number of retirements. Actual expenditures were \$4,510,244 below the final amended expenditure budget.

CAPITAL ASSETS AND LONG-TERM DEBT

At June 30, 2016, the District had \$966,884,418 invested in a broad range of capital assets, including land, improvements, buildings, and equipment; net of accumulated depreciation. This amount represents a net increase (including additions, deductions and depreciation) of \$7,528,399 or 1 percent, from last fiscal year due primarily to the improvements and rebuilds at Fruitville Elementary School, Pineview School, and Sarasota High School.

	Governmental Activities			Percentage Change
	<u>6/30/2016</u>	<u>6/30/2015</u>	<u>Change</u>	
Capital assets not being depreciated:				
Land	\$ 33,139,925	\$ 31,919,253	\$ 1,220,672	4%
Land improvements	76,585,315	76,100,656	484,659	1%
Construction in progress	49,986,449	32,926,846	17,059,603	52%
Capital assets being depreciated:				
Improvements other than buildings	66,569,178	63,508,044	3,061,134	5%
Buildings and fixed equipment	986,810,242	979,620,856	7,189,386	1%
Furniture, fixtures and equipment and Audio visual materials	56,868,772	55,526,101	1,342,671	2%
Motor vehicles	33,998,898	34,506,372	(507,474)	-1%
Equipment under capital leases	45,818,994	36,014,826	9,804,168	27%
Computer software	13,033,449	12,687,795	345,654	3%
Total Capital Assets	1,362,811,222	1,322,810,749	40,000,473	3%
Less accumulated depreciation	(395,926,804)	(363,454,730)	(32,472,074)	9%
Total Capital Assets, net	<u>\$ 966,884,418</u>	<u>\$ 959,356,019</u>	<u>\$ 7,528,399</u>	1%

Detailed information regarding the District's capital asset balances and activity for the fiscal year ended June 30, 2016, is provided in Note 5 to the basic financial statements.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Management's Discussion and Analysis
June 30, 2016

Long-Term Debt

At June 30, 2016, the District had \$180,605,272 in bonds payable, obligations under capital leases, and certificates of participation versus \$183,084,157 last fiscal year, a decrease of 1 percent. A summary of the long-term debt obligations are listed in the following table:

	<u>6/30/2016</u>	<u>6/30/2015</u>	<u>Increase (Decrease)</u>	<u>Percentage Change</u>
Obligations under capital leases	\$ 24,895,361	\$ 23,351,213	\$ 1,544,148	7%
State school bonds	7,627,743	8,966,174	(1,338,431)	-15%
Qualified zone academy bonds	1,299,696	1,299,696	-	0%
Certificates of participation	<u>146,782,472</u>	<u>149,467,074</u>	<u>(2,684,602)</u>	-2%
Total	<u>\$ 180,605,272</u>	<u>\$ 183,084,157</u>	<u>\$ (2,478,885)</u>	-1%

The District's decrease in debt is primarily due to payments made on Certificates of Participation.

The District has been given the following ratings for their outstanding Certificates of Participation:

<u>Certificates of Participation</u>		
<u>Rating Agency</u>	<u>Rating</u>	<u>Issue Series</u>
Standard & Poor's	AA-	2009, 2010B
Moody's	Aa3	2009, 2010B
Fitch Ratings	AA	2009, 2010B

For more details concerning long-term debt, refer to Notes 7 to 11 in the basic financial statements.

ECONOMIC FACTORS

The unemployment rate in June 2016 for Sarasota County was 4.5 percent, which is a decrease of 0.5 percent from June 2015. The State's average unemployment rate in June 2016 was 4.9 percent. Florida's unemployment rate has decreased 0.7 percent while the nation's unemployment rate has decreased 0.4 percent from the prior year.

The State of Florida funds the District through the FEFP which is based on student enrollment. During the economic downturn, revenue to the District through the State and Local FEFP declined due to the slowing of growth as well as state funding shortfalls. Beginning in fiscal year 2012-13, the District realized its first small increase in FEFP funding since the economic downturn. The District has continued to see an incremental increase in funding, but revenue growth has not kept pace with the change in the Consumer Price Index. Growth in student enrollment has also contributed to the steady increase in State revenue generated by the FEFP.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
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June 30, 2016

In fiscal year 2015-16, taxable property values increased 7 percent from the prior year to \$50.3 billion. It is anticipated that property values will continue to increase next year as real property sales have increased with average home prices continuing to rise over the prior year.

During the current fiscal year, unassigned fund balance of the General Fund totaled \$36,118,713. It is anticipated that the unassigned fund balance at June 30, 2016 will be in excess of the Board required minimum of 7.5 percent of total appropriations and transfers out.

REQUESTS FOR INFORMATION

This financial report is designed to provide our citizens, taxpayers, and investors and creditors with a general overview of the District's finances and to demonstrate compliance and accountability for its resources. Questions concerning any of the information provided in this report or requests for additional information should be addressed to Mitsi Corcoran, Chief Financial Officer, 1960 Landings Boulevard, Sarasota, Florida 34231.

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BASIC FINANCIAL STATEMENTS

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SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Statement of Net Position
June 30, 2016

	Primary Government	Component Units
	Governmental Activities	Charter Schools
Assets		
Cash and cash equivalents	\$ 119,521,385	\$ 6,863,966
Restricted cash	500,000	1,078,367
Investments	102,001,951	127,645
Accounts receivable	472,546	142,517
Interest receivable	94,458	-
Deposits receivable	75,000	-
Due from other agencies	6,385,021	136,632
Due from related parties	-	2,030,977
Prepaid items	5,026,193	602,751
Inventories	1,315,806	-
Other	-	503,923
Capital assets:		
Nondepreciable	159,711,689	10,904,613
Depreciable, net	807,172,729	27,886,403
Total assets	1,202,276,778	50,277,794
Deferred outflows of resources		
Pensions	37,581,573	1,826,065
Loss on refunding	7,919,721	-
Total deferred outflows of resources	45,501,294	1,826,065
Liabilities		
Accounts payable and other current liabilities	36,604,647	4,202,191
Due to other agencies	3,984,545	-
Due to related parties	-	1,331,697
Matured debt payable	8,940,000	-
Matured interest payable	2,201,707	-
Accrued interest payable	161,328	-
Unearned revenue	7,551,003	-
Portion due within one year:		
Notes payable	-	864,088
Bonds payable	1,352,000	599,785
Obligations under capital leases	9,602,692	1,977
Certificates of participation payable	10,650,000	-
Liability for compensated absences	10,443,855	40,940
Estimated insurance claims payable	6,107,350	-
Early retirement incentive payable	148,496	-
Net pension liability	2,962,468	-
Portion due in more than one year:		
Notes payable	-	6,227,050
Bonds payable	7,575,439	22,547,837
Interest rate swap	-	867,665
Obligations under capital leases	15,292,669	2,841
Certificates of participation payable	136,132,472	-
Liability for compensated absences	24,995,446	35,977
Estimated insurance claims payable	6,169,727	-
Early retirement incentive payable	98,767	-
Other postemployment healthcare benefits payable	11,131,158	-
Net pension liability	157,249,634	4,694,309
Total liabilities	459,355,403	41,416,357
Deferred inflows of resources		
Pensions	23,480,355	754,227
Unearned revenue-unavailable	12,018	-
Total deferred inflows of resources	23,492,373	754,227
Net position		
Net investment in capital assets	794,655,165	8,737,071
Restricted for:		
Capital projects	59,180,172	301,184
Debt service	17,753,440	1,357,199
Food service	4,881,907	-
State categorical programs	10,671,246	-
Other purposes	7,332,438	351,732
Unrestricted	(129,544,072)	(813,911)
Total net position	\$ 764,930,296	\$ 9,933,275

The accompanying notes are an integral part of the basic financial statements.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Statement of Activities
For the Fiscal Year Ended June 30, 2016

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
Instruction	\$ 317,993,211	\$ 2,641,709	\$ 22,271,903	\$ -
Student support services	26,177,975	-	3,223,558	-
Instructional media services	4,505,216	-	-	-
Instruction and curriculum development services	3,350,535	-	441,409	-
Instructional staff training services	4,105,576	-	2,864,633	-
Instruction related technology	4,924,996	-	72,245	-
Board	946,510	-	-	-
General administration	3,189,440	-	1,117,393	-
School administration	18,031,984	-	3,097	-
Facility services - non-capitalized	22,209,758	-	23,667	2,463,836
Fiscal services	2,013,262	-	25,753	-
Food services	18,101,850	4,639,412	18,066,609	-
Central services	6,128,154	-	13,196	-
Student transportation services	18,157,778	259,658	15,183	-
Operation of plant	33,634,202	-	74,569	-
Maintenance of plant	14,933,393	-	-	-
Administrative technology services	3,679,800	-	-	-
Community services	3,304,544	204,936	-	-
Interest on long-term debt	8,788,740	-	-	3,557,790
Total primary government	<u>\$ 514,176,924</u>	<u>\$ 7,745,715</u>	<u>\$ 48,213,215</u>	<u>\$ 6,021,626</u>
Component units:				
Charter schools	\$ 54,614,760	\$ 473,515	\$ 1,189,626	\$ 3,009,088
Total component units	<u>\$ 54,614,760</u>	<u>\$ 473,515</u>	<u>\$ 1,189,626</u>	<u>\$ 3,009,088</u>
General revenues:				
Property taxes, levied for general purposes				
Property taxes, levied for capital projects				
Local sales taxes				
Grants and contributions not restricted to specific programs				
Miscellaneous				
Unrestricted investment earnings				
Total general revenues				
Change in net position				
Net position, beginning of year				
Net position, end of year				

Net (Expense) Revenue and Changes in Net Position	
Primary Government	Component Units
Governmental Activities	Charter Schools
\$ (293,079,599)	\$ -
(22,954,417)	-
(4,505,216)	-
(2,909,126)	-
(1,240,943)	-
(4,852,751)	-
(946,510)	-
(2,072,047)	-
(18,028,887)	-
(19,722,255)	-
(1,987,509)	-
4,604,171	-
(6,114,958)	-
(17,882,937)	-
(33,559,633)	-
(14,933,393)	-
(3,679,800)	-
(3,099,608)	-
(5,230,950)	-
<u>(452,196,368)</u>	<u>-</u>
	<u>(49,942,531)</u>
	<u>(49,942,531)</u>
305,488,678	-
73,219,437	-
18,312,133	-
73,924,680	49,025,420
9,876,880	2,281,418
3,157,732	-
<u>483,979,540</u>	<u>51,306,838</u>
<u>31,783,172</u>	<u>1,364,307</u>
<u>733,147,124</u>	<u>8,568,968</u>
<u>\$ 764,930,296</u>	<u>\$ 9,933,275</u>

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Balance Sheet
Governmental Funds
June 30, 2016

	General Fund	Debt Service- Other Debt Service	Capital Projects Funds	
			Local Capital Improvement Tax	Other Capital Projects
Assets				
Cash and cash equivalents	\$ 30,483,637	\$ 10,106,416	\$ 25,291,197	\$ 19,324,644
Restricted cash	-	-	500,000	-
Investments	48,242,951	1,082,106	10,251,242	10,251,242
Accounts receivable	426,148	-	-	-
Interest receivable	17,444	-	22,018	22,018
Due from other funds	438,625	-	972,431	-
Due from other agencies	1,121,636	-	60,590	267,840
Prepaid items	4,812,525	-	14,323	501
Inventories	951,814	-	-	-
Total assets	\$ 86,494,780	\$ 11,188,522	\$ 37,111,801	\$ 29,866,245
Liabilities, deferred inflows of resources and fund balances				
Liabilities:				
Salaries and wages payable	\$ 22,169,220	\$ -	\$ 709	\$ 1,079
Payroll deductions and withholdings payable	142,173	-	-	-
Accounts payable	1,086,217	16,473	1,250,017	1,183,021
Construction contracts payable	-	-	2,162,240	2,321,027
Deposits payable	13,450	-	-	-
Due to other funds	375,379	-	400,960	7,518
Due to other agencies	3,830,545	-	49	132
Matured debt payable	-	8,940,000	-	-
Matured interest payable	-	1,138,965	-	-
Unearned revenue	-	-	-	-
Total liabilities	27,616,984	10,095,438	3,813,975	3,512,777
Deferred inflows of resources:				
Unearned revenue-unavailable	-	-	-	-
Total deferred inflows of resources	-	-	-	-
Fund Balances:				
Nonspendable	5,764,339	-	14,323	501
Restricted	10,691,981	1,093,084	33,283,503	26,352,967
Assigned	6,302,763	-	-	-
Unassigned	36,118,713	-	-	-
Total fund balances	58,877,796	1,093,084	33,297,826	26,353,468
Total liabilities, deferred inflows of resources and fund balances	\$ 86,494,780	\$ 11,188,522	\$ 37,111,801	\$ 29,866,245

The accompanying notes are an integral part of the basic financial statements.

Nonmajor Governmental Funds	Total Governmental Funds
\$ 8,384,741	\$ 93,590,635
-	500,000
16,821,684	86,649,225
36,170	462,318
-	61,480
363,575	1,774,631
4,892,044	6,342,110
184,606	5,011,955
363,992	1,315,806
<u>\$ 31,046,812</u>	<u>\$ 195,708,160</u>

\$ 2,152,193	\$ 24,323,201
-	142,173
331,247	3,866,975
-	4,483,267
-	13,450
1,002,578	1,786,435
153,811	3,984,537
-	8,940,000
1,062,742	2,201,707
4,015,961	4,015,961
<u>8,718,532</u>	<u>53,757,706</u>

12,018	12,018
<u>12,018</u>	<u>12,018</u>

548,598	6,327,761
21,767,664	93,189,199
-	6,302,763
-	36,118,713
<u>22,316,262</u>	<u>141,938,436</u>

<u>\$ 31,046,812</u>	<u>\$ 195,708,160</u>
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SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Reconciliation of the Balance Sheet of Governmental Funds to the
Statement of Net Position
June 30, 2016

Total fund balances - governmental funds \$ 141,938,436

Amounts reported for governmental activities in the statement of net position are different because:

Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources, and therefore, are not reported as assets in governmental funds. 966,884,418

The loss on refunding is the difference between old and new debt and is reported in the statement of net position as deferred outflows of resources and amortized over the life of the debt in the statement of activities, but not reported in governmental funds. 7,919,721

Interest on long-term debt is accrued as a liability in the government-wide statements, but is not recognized in the governmental funds until due. (161,328)

Long-term liabilities, including bonds payable, are not due and payable in the current period, and therefore, are not reported in the funds. Long-term liabilities at year-end consist of:

Bonds payable	(8,927,439)
Obligations under capital leases	(24,895,361)
Certificates of participation payable	(146,782,472)
Liability for compensated absences (net of \$16,377 related to the internal service funds)	(35,422,924)
Early retirement incentive payable	(247,263)
Other Postemployment healthcare benefits payable	(11,131,158)

On the governmental fund statements, a net pension liability is not recorded until an amount is due and payable and the pension plan's fiduciary net position is not sufficient for payment of those benefits (no such liability exists at the end of the current fiscal year). On the Statement of Net Position, the District's proportionate share of the net pension liability of the cost-sharing defined benefit pension plans in which the District participates is reported as a noncurrent liability. Additionally, deferred outflows and deferred inflows related to pensions are also reported in accordance with GASB Statement No. 68 and 71.

Net pension liability	(160,212,102)
Deferred outflows related to pensions	37,581,573
Deferred inflows related to pensions	(23,480,355)

Internal service funds are used by the District to charge the costs of certain activities such as insurance to individual funds. The assets and liabilities of internal service funds are included in governmental activities in the statement of net position. 21,866,550

Total net position of governmental activities \$ 764,930,296

The accompanying notes are an integral part of the basic financial statements.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2016

	General Fund	Debt Service- Other Debt Service	Capital Projects Funds	
			Local Capital Improvement Tax	Other Capital Projects
Revenues				
Federal direct	\$ 393,575	\$ -	\$ -	\$ -
Federal through state and local	2,218,770	-	-	-
State sources	78,196,386	-	-	1,551,605
Local sources:				
Property taxes levied for operational purposes	305,488,678	-	-	-
Property taxes levied for capital projects	-	-	73,219,437	-
Sales tax collections	-	-	-	18,312,133
Charges for services	3,106,303	-	-	-
Impact fee collections	-	-	-	601,604
Other local revenue	8,486,318	38,058	305,253	959,029
Total revenues	<u>397,890,030</u>	<u>38,058</u>	<u>73,524,690</u>	<u>21,424,371</u>
Expenditures				
Current:				
Instruction	268,261,917	-	-	-
Student support services	22,579,952	-	-	-
Instructional media services	4,518,196	-	-	-
Instruction and curriculum development services	2,846,538	-	-	-
Instructional staff training services	751,884	-	-	-
Instruction related technology	4,464,344	-	-	-
Board	945,580	-	-	-
General administration	1,901,318	-	-	-
School administration	18,036,387	-	-	-
Facility services - non-capitalized	765	-	12,946,011	6,776,521
Fiscal services	1,991,919	-	-	-
Food services	51,209	-	-	-
Central services	5,597,659	-	-	-
Student transportation services	15,498,218	-	-	-
Operation of plant	33,509,505	-	-	-
Maintenance of plant	14,810,464	-	-	-
Administrative technology services	3,654,680	-	-	-
Community services	2,546,305	-	-	-
Capital outlay:				
Facilities acquisition and construction	-	-	15,730,776	30,904,187
Other capital outlay	1,095,370	-	-	-
Debt service:				
Principal	-	17,200,021	-	-
Interest	-	5,220,063	-	-
Dues and fees	-	191,010	-	-
Total expenditures	<u>403,062,210</u>	<u>22,611,094</u>	<u>28,676,787</u>	<u>37,680,708</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(5,172,180)</u>	<u>(22,573,036)</u>	<u>44,847,903</u>	<u>(16,256,337)</u>
Other financing sources (uses)				
Inception of capital leases	-	-	-	9,804,169
Refunding certificates of participation	-	68,365,000	-	-
Payments to refunded escrow agent	-	(68,168,044)	-	-
Loss recoveries	50,557	-	-	-
Transfers in	19,736,616	22,424,603	-	-
Transfers out	(577,910)	-	(42,295,840)	(8,215,234)
Total other financing sources (uses)	<u>19,209,263</u>	<u>22,621,559</u>	<u>(42,295,840)</u>	<u>1,588,935</u>
Net change in fund balances	<u>14,037,083</u>	<u>48,523</u>	<u>2,552,063</u>	<u>(14,667,402)</u>
Fund balance - beginning	<u>44,840,713</u>	<u>1,044,561</u>	<u>30,745,763</u>	<u>41,020,870</u>
Fund balance - ending	<u>\$ 58,877,796</u>	<u>\$ 1,093,084</u>	<u>\$ 33,297,826</u>	<u>\$ 26,353,468</u>

The accompanying notes are an integral part of the basic financial statements.

Nonmajor Governmental Funds	Total Governmental Funds
\$ 3,185,958	\$ 3,579,533
34,878,235	37,097,005
2,691,685	82,439,676
-	305,488,678
-	73,219,437
-	18,312,133
4,639,414	7,745,717
-	601,604
5,188,438	14,977,096
<u>50,583,730</u>	<u>543,460,879</u>
14,483,686	282,745,603
3,640,599	26,220,551
2,637	4,520,833
507,883	3,354,421
3,327,482	4,079,366
465,396	4,929,740
-	945,580
1,127,604	3,028,922
8,837	18,045,224
331,104	20,054,401
25,753	2,017,672
17,922,752	17,973,961
148,453	5,746,112
40,892	15,539,110
74,569	33,584,074
21,669	14,832,133
-	3,654,680
765,137	3,311,442
-	46,634,963
1,728,509	2,823,879
1,260,000	18,460,021
2,520,631	7,740,694
9,305	200,315
<u>48,412,898</u>	<u>540,443,697</u>
<u>2,170,832</u>	<u>3,017,182</u>
-	9,804,169
-	68,365,000
-	(68,168,044)
-	50,557
2,314,075	44,475,294
(777,187)	(51,866,171)
<u>1,536,888</u>	<u>2,660,805</u>
3,707,720	5,677,987
<u>18,608,542</u>	<u>136,260,449</u>
<u>\$ 22,316,262</u>	<u>\$ 141,938,436</u>

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Reconciliation of the Statement of Revenues, Expenditures and
Changes in Fund Balances of Governmental Funds to the
Statement of Activities
For the Fiscal Year Ended June 30, 2016

Net change in fund balances - total governmental funds	\$	5,677,987
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceed depreciation expense in the current period.		
Capital Outlay	\$	49,458,842
Less, Depreciation Expense		(41,586,107)
		7,872,735
The loss on disposal of capital assets during the current period is reported in the statement of activities. In the government funds, the costs of these assets was recognized as an expenditure in the year purchased. Thus the change in net position differs from the change in fund balances by the undepreciated cost of the disposed assets.		
		(344,336)
Debt proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position.		
Certificates of Participation 2016 Issued	\$	(68,365,000)
Certificates of Participation 2009 Refunded		31,235,000
Certificates of Participation 2010 Refunded		28,460,000
Capital Leases Issued		(9,804,169)
		(18,474,169)
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount of repayments.		
Certificates of Participation	\$	8,940,000
State School Bonds		1,260,000
Capital Leases		8,260,021
		18,460,021
Premiums on new debt issues and losses on debt refundings are reported when issued as expenditures and other financing sources in the governmental funds, but are deferred and amortized as expenses over the life of the debt in the statement of activities.		
Unamortized Loss on Debt Refunding:		
Current Year	\$	7,919,721
Less, Prior Year		(336,166)
Net Change in Deferred Loss on Refunding		7,583,555
Unamortized Premiums:		
Prior Year	\$	4,546,248
Less, Current Year		(2,053,215)
Net Decrease in Revenue from Unamortized Premiums		2,493,033
The net change in the liability for early retirement benefits is reported in the government-wide statements but not in the governmental funds until due.		
		147,691
Interest on long-term debt is recognized as an expenditure in the governmental funds when due, but is recognized as interest accrues in the statement of activities.		
Prior Year	\$	203,085
Less, Current Year		(161,328)
Net Reduction in Expenses from Accrued Interest Payable		41,757
In the statement of activities, the cost of compensated absences is measured by the amounts earned during the year, while in the governmental funds expenditures are recognized based on the amounts actually paid for leave used. This is the net amount of vacation and sick leave earned in excess of the amount used in the current period, net of \$755 recorded in the internal service funds.		
		(2,991,130)
Internal service funds are used by management to charge the cost of insurance to individual funds. The net revenue of internal service funds is reported with governmental activities.		
		7,473,262
The net change in the net pension liability is reported in the government-wide statements, but not in the governmental fund statements		
		(11,513,068)
Retirement contributions are reported as expenditures in the fund statements but shown as a deferred outflow in the government wide statements.		
		16,246,425
The net change in the liability for postemployment healthcare benefits is reported in the government-wide statements, but not in the governmental fund statements		
		(890,591)
Change in net position of governmental activities	\$	31,783,172

The accompanying notes are an integral part of the basic financial statements.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
General Fund
For the Fiscal Year Ended June 30, 2016

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Federal direct	\$ 356,747	\$ 2,620,500	\$ 393,575	\$ (2,226,925)
Federal through state and local	2,083,865	-	2,218,770	2,218,770
State sources	84,912,719	78,200,500	78,196,386	(4,114)
Local sources:				
Property taxes levied for operational purposes	302,970,378	305,803,347	305,488,678	(314,669)
Charges for services	3,637,032	4,553,394	3,106,303	(1,447,091)
Other local revenue	2,131,610	7,093,259	8,486,318	1,393,059
Total revenues	<u>396,092,351</u>	<u>398,271,000</u>	<u>397,890,030</u>	<u>(380,970)</u>
Expenditures				
Current:				
Instruction	274,904,168	269,266,911	268,261,917	1,004,994
Student support services	23,228,519	22,681,700	22,579,952	101,748
Instructional media services	7,039,926	4,538,301	4,518,196	20,105
Instruction and curriculum development services	2,833,277	2,995,291	2,846,538	148,753
Instructional staff training services	1,069,259	788,884	751,884	37,000
Instruction related technology	3,342,333	4,765,345	4,464,344	301,001
Board	1,154,091	1,018,960	945,580	73,380
General administration	1,997,527	1,927,496	1,901,318	26,178
School administration	18,653,152	18,547,105	18,036,387	510,718
Facility services - non-capitalized	45,037	2,771	765	2,006
Fiscal services	2,080,690	2,072,651	1,991,919	80,732
Food services	47,588	51,764	51,209	555
Central services	6,121,486	5,905,642	5,597,659	307,983
Student transportation services	16,740,872	16,559,644	15,498,218	1,061,426
Operation of plant	35,174,770	33,850,450	33,509,505	340,945
Maintenance of plant	14,890,709	14,910,513	14,810,464	100,049
Administrative technology services	4,138,033	3,935,519	3,654,680	280,839
Community services	2,947,440	2,658,137	2,546,305	111,832
Capital outlay:				
Other capital outlay	-	1,095,370	1,095,370	-
Total expenditures	<u>416,408,877</u>	<u>407,572,454</u>	<u>403,062,210</u>	<u>4,510,244</u>
Deficiency of revenues under expenditures	<u>(20,316,526)</u>	<u>(9,301,454)</u>	<u>(5,172,180)</u>	<u>4,129,274</u>
Other financing sources (uses)				
Loss recoveries	-	-	50,557	50,557
Transfers in	19,345,336	19,832,242	19,736,616	(95,626)
Transfers out	(577,910)	(577,910)	(577,910)	-
Total other financing sources (uses)	<u>18,767,426</u>	<u>19,254,332</u>	<u>19,209,263</u>	<u>(45,069)</u>
Net change in fund balance	<u>\$ (1,549,100)</u>	<u>\$ 9,952,878</u>	<u>14,037,083</u>	<u>\$ 4,084,205</u>
Fund balance - beginning			<u>44,840,713</u>	
Fund balance - ending			<u>\$ 58,877,796</u>	

The accompanying notes are an integral part of the basic financial statements

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Statement of Fund Net Position
Proprietary Funds
June 30, 2016

	Governmental Activities Internal Service Funds
Assets	
Current assets	
Cash and cash equivalents	\$ 25,930,750
Investments	15,352,726
Accounts receivable	10,228
Interest receivable	32,978
Deposits receivable	75,000
Due from other funds	11,804
Due from other agencies	42,911
Prepaid items	14,238
Total current assets	41,470,635
Total assets	41,470,635
Liabilities	
Current liabilities	
Salaries and wages payable	349
Accounts payable	3,775,232
Due to other agencies	8
Unearned revenue	3,535,042
Estimated insurance claims payable	6,107,350
Total current liabilities	13,417,981
Long-term liabilities	
Liability for compensated absences	16,377
Estimated insurance claims payable	6,169,727
Total long-term liabilities	6,186,104
Total liabilities	19,604,085
Net position	
Restricted	7,247,630
Unrestricted	14,618,920
Total net position	\$ 21,866,550

The accompanying notes are an integral part of the basic financial statements.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2016

	Governmental Activities Internal Service Funds
Operating revenues	
Charges for services	\$ 28,541,952
Total operating revenues	<u>28,541,952</u>
Operating expenses	
Salaries	306,588
Employee benefits	83,964
Purchased services	2,145,340
Materials and supplies	684
Insurance claims	26,222,955
Total operating expenses	<u>28,759,531</u>
Operating loss	(217,579)
Nonoperating revenues	
Investment income	<u>299,964</u>
Income before transfers	82,385
Transfers in	<u>7,390,877</u>
Change in net position	7,473,262
Total net position - beginning	<u>14,393,288</u>
Total net position - ending	<u><u>\$ 21,866,550</u></u>

The accompanying notes are an integral part of the basic financial statements.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2016

	Governmental Activities Internal Service Funds
Cash flows from operating activities	
Cash receipts from interfund services provided	\$ 32,048,868
Cash payments to suppliers	(2,255,723)
Cash payments to employees	(390,672)
Cash payments for insurance claims	(18,882,343)
Net cash provided by operating activities	10,520,130
Cash flows from noncapital financing activities	
Transfer from other funds	7,390,877
Net cash provided by noncapital financing activities	7,390,877
Cash flows from investing activities	
Investment income received	331,258
Purchase of investments	(238,874)
Net cash provided by investing activities	92,384
Net increase in cash	18,003,391
Cash and cash equivalents - beginning of year	7,927,359
Cash and cash equivalents - end of year	\$ 25,930,750
Reconciliation of operating loss to net cash provided (used) by operating activities	
Operating loss	\$ (217,579)
Adjustments to reconcile operating loss to net cash used by operating activities:	
Change in assets and liabilities	
(Increase) in accounts receivable	(10,228)
(Increase) in due from other funds	(8,949)
(Increase) in due from other agencies	(6,354)
(Increase) in prepaid items	(2,933)
(Decrease) in salaries and wages payable	(515)
Increase in accounts payable	3,643,240
(Decrease) in due to other agencies	(22)
Increase in unearned revenue	3,535,042
Increase in liability for compensated absences	755
Increase in estimated insurance claims payable	3,587,673
Total adjustments	10,737,709
Net cash provided by operating activities	\$ 10,520,130

The accompanying notes are an integral part of the basic financial statements.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Statement of Fiduciary Assets and Liabilities
Fiduciary Funds
June 30, 2016

	Agency Funds School Internal Accounts
Assets	
Cash and cash equivalents	\$ 6,925,413
Accounts receivable, net of allowance of \$50,710	247,994
Inventories	356,174
	7,529,581
Total assets	\$ 7,529,581
Liabilities	
Accounts payable and other	\$ 229,977
Internal accounts payable	7,299,604
	7,529,581
Total liabilities	\$ 7,529,581

The accompanying notes are an integral part of the basic financial statements.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

➤ **Reporting Entity**

The School Board of Sarasota County, Florida, (the "District") has direct responsibility for operation, control, and supervision of District schools and is considered a primary government for financial reporting. The Sarasota County School District is considered part of the Florida system of public education. The governing body of the school district is the Sarasota County District School Board (Board) that is composed of five elected members. The appointed Superintendent of Schools is the executive officer of the Board. Geographic boundaries of the District correspond with those of Sarasota County.

Criteria for determining if other entities are potential component units that should be reported within the District's basic financial statements are identified and described in the Governmental Accounting Standards Board's (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*, Sections 2100 and 2600. The rationale for including charter schools in the District's financial statements is pursuant to Article VII, Section 9 of the Florida Constitution and Section 1002.33(9)(l), Florida Statutes, which provides that charter schools do not have the constitutional authority to levy taxes, making charter schools fiscally dependent on school districts. Because it may be misleading to exclude charter schools, GASB Sections 2100 and 2600 provide the option to consider charter schools as component units of school districts.

Based on the application of these criteria, the following component units are included within the District's reporting entity:

- **Blended Component Unit** The Financing Corporation for the School Board of Sarasota County (Corporation), was founded to facilitate financing for the acquisition of facilities and equipment as further discussed in Note 8. Due to the substantive economic relationship between the Board and the Corporation, the financial activities of the Corporation are included in the accompanying basic financial statements. Separate financial statements for the Corporation are not published.
- **Discretely Presented Component Units** The component units columns in the government-wide financial statements include the financial data of the District's other component units. For financial reporting purposes, ten charter schools are included in the financial statements of the District as discretely presented component units. These schools operate under a charter approved by their sponsor, the Board. The component units are as follows:

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Island Village Montessori Charter School, Inc., Sarasota Suncoast Academy, Inc., Student Leadership Academy of Venice, Inc., Imagine School at North Port, Inc., Sarasota Military Academy, Inc. operating as two separate charters - Sarasota Military Academy and Sarasota Military Academy Prep, Sarasota School of Arts and Sciences, Inc., Sarasota Academy of the Arts, Inc., and Suncoast School for Innovative Studies, Inc., (charter schools) are separate not-for-profit corporations organized pursuant to Chapter 617, Florida Statutes, and Section 1002.33, Florida Statutes. Imagine School at Sarasota, LLC, doing business as Imagine School at Palmer Ranch (charter school) is organized as a limited liability company pursuant to Chapter 608, Florida Statutes, and Section 1002.33, Florida Statutes. The Board is responsible for the prudent use of the public funds received for providing an appropriate educational program for its targeted enrollment. The financial data reported on the accompanying statements was derived from the charter schools' audited financial statements for the fiscal year ended June 30, 2016. Audits of the charter schools for the fiscal year ended June 30, 2016, were conducted by independent certified public accountants and are filed at the District's administrative office at 1960 Landings Boulevard, Sarasota, FL 34231.

The District considered the two SKY Academy charter schools located in Venice and Englewood for inclusion as component units of the District. However, they are organized under an existing not-for-profit organization and are not legally separate entities but a division of the South County Family YMCA, Inc., and therefore, are excluded from the District's reporting entity.

➤ **Basis of Presentation**

Government-wide Financial Statements - Government-wide financial statements, including the statement of net position and the statement of activities, present information about the District as a whole. These statements include the nonfiduciary financial activity of the primary government and its component units.

Government-wide financial statements are prepared using the economic resources measurement focus. The statement of activities presents a comparison between direct expenses and program revenues for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are thereby clearly identifiable to a particular function. Depreciation expenses are allocated to functions/programs of the primary government. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

particular program. Revenues that are not classified as program revenues are presented as general revenues, with certain exceptions.

The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

The effects of interfund activities have been eliminated from the government-wide financial statements. Interfund transactions, consisting of transactions involving the internal service funds, were eliminated by allocating the change in net position of internal service funds in direct proportion as they were charged as expenses to the various functions.

Fund Financial Statements - Fund financial statements report detailed information about the District in the governmental, proprietary, and fiduciary funds. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is reported in a separate column. Nonmajor funds are aggregated and reported in a single column. Because the focus of governmental fund financial statements differs from the focus of government-wide financial statements, a reconciliation is presented with each of the governmental fund financial statements. The District reports the following major governmental funds:

- General Fund - to account for all financial resources not required to be accounted for in another fund, and for certain revenues from the State that are legally restricted to be expended for specific current operating purposes.
- Debt Service – Other Debt Service Fund – to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs on the long-term certificates of participation and capital leases.
- Capital Projects – Local Capital Improvement Tax Fund - to account for the financial resources generated by the local capital improvement tax levy to be used for educational capital outlay needs, including new construction, and renovation and remodeling projects.
- Capital Projects – Other Capital Projects Fund – to account for the financial resources such as sales tax proceeds, impact fees, and certificates of participation, which are used for capital outlay needs.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Additionally the District reports the following proprietary and fiduciary fund types:

- Internal Service Funds - to account for the District's individual self-insurance programs.
- Agency Funds - to account for resources of the school internal funds, which are used to administer moneys collected at the District's schools in connection with school, student athletic, class, and club activities.

➤ **Basis of Accounting**

Basis of accounting refers to when revenues and expenditures, or expenses, are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The government-wide financial statements are prepared using the accrual basis of accounting, as are the proprietary funds and fiduciary funds financial statements. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized in the year for which they are levied.

Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been satisfied.

Governmental fund financial statements are prepared using the modified accrual basis of accounting. Revenues, except for certain grant revenues, are recognized when they become measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Significant revenues susceptible to accrual include ad valorem taxes, reimbursable-type grants and interest on investments. The District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. When grant terms provide that the expenditure of resources is the prime factor for determining eligibility for Federal, State, and other grant resources, revenue is recognized at the time the expenditure is made.

Under the modified accrual basis of accounting, expenditures are generally recognized when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, early retirement incentive payments, pensions, postemployment healthcare benefits, and compensated absences, which are recognized when due. Allocations of cost, such as depreciation, are not recognized in governmental funds.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary funds' principal ongoing operations. The principal operating revenues of the District's internal service funds are charges for workers' compensation and employee dental insurance. Operating expenses include insurance claims, excess coverage premiums, employee compensation and purchased services. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed. When committed, assigned, or unassigned resources are available for use in governmental fund financial statements, it is the District's policy to use committed resources first, followed by assigned resources, and then unassigned resources as they are needed.

The charter schools are accounted for as governmental organizations and follow the same accounting model as the District's governmental activities.

➤ **Change in Accounting Principle**

On March 2, 2015, GASB released Statement No. 72, *Fair Value Measurement and Application*, which would generally require entities to measure investments at fair value. GASB's goal is to enhance comparability of governmental financial statements by requiring fair value measurement for certain assets and liabilities using a consistent definition and accepted valuation techniques. This standard expands fair value disclosures to provide comprehensive information for financial statement users about the impact of fair value measurements on an entity's financial position. The District implemented GASB No. 72 in the fiscal year ending June 30, 2016 (see Note 3).

➤ **Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

➤ **Deposits and Investments**

Cash balances from the majority of funds are pooled for investment purposes. Earnings from such investments are allocated to the respective funds based on applicable cash participation by each fund. The investment pools are managed such that all participating funds have the ability to deposit and withdraw cash as if they were demand deposit accounts, and therefore all balances representing participants' equity in the investment pools are classified as cash equivalents for purposes of these statements. For investments which are held separately from the pools, those which are highly liquid (including restricted assets) with an original maturity of 90 days or less are considered to be cash equivalents, except for investments held with paying agents. The amounts reported as cash and cash equivalents consist of cash in demand deposits; amounts placed with the State Board of Administration (SBA) in Florida PRIME, formerly known as the Local Government Surplus Funds Trust Fund Investment Pool; and amounts placed in the Wells Fargo Heritage Money Market Fund and the Florida Education Investment Trust Fund.

Cash deposits are held by banks qualified as public depositories under Florida law. All deposits are insured by the Federal Depository Insurance Corporation and collateralized with securities held in Florida's multiple financial institution collateral pool as required by Chapter 280, Florida Statutes. The statement of cash flows considers cash and cash equivalents as those accounts used as demand deposit accounts and all highly liquid investments with an original maturity of 90 days or less.

Investments consist of amounts placed in the SBA debt service accounts for investment of debt service moneys, with SBA for participation in the Florida PRIME investment pool created by Sections 218.405, Florida Statutes, and those made locally. The investment pool operates under investment guidelines established by Section 218.415, Florida Statutes.

Agencies and Instrumentalities and The District's investments in Florida PRIME and the Florida Education Investment Trust Fund (FEITF), which the SBA and the FEITF indicate are Securities and Exchange Commission Rule 2a7-like external investment pools, as of June 30, 2016, are similar to money market funds in which shares are owned in the fund rather than the underlying investments.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments held locally consist of money market mutual funds, commercial paper, corporate notes, United States Treasury notes and strips, and obligations of United States are reported at fair value. The District categorizes its fair value measurements within the fair value hierarchy established in accordance with generally accepted accounting principles. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are other observable inputs; Level 3 inputs are significant unobservable inputs. Types and amounts of investments held by the District at June 30, 2016 are further described in Note 3.

➤ **Inventories and Prepaid Items**

Inventories consist of expendable supplies held for consumption in the course of District operations. Inventories are stated at cost on a weighted average basis, except that United States Department of Agriculture donated foods are stated at their acquisition value as determined at the time of donation to the District's food service program by the Florida Department of Agriculture and Consumer Services, Bureau of Food Distribution. The costs of inventories are recorded as expenditures at the time individual inventory items are requisitioned for consumption.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both government-wide and fund financial statements. The purchase method is used to account for prepaid items.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

➤ **Capital Assets**

Expenditures for capital assets acquired or constructed for general District purposes are reported in the governmental fund that financed the acquisition or construction. The capital assets so acquired are reported in the government-wide statement of net position but are not reported in the governmental fund financial statements. Capital assets are defined by the District as those costing more than \$750. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed.

Donated assets are recorded at acquisition value at the date of donation. Capital assets shall be depreciated over their estimated useful lives unless they are inexhaustible (i.e. land and land improvements) or construction in progress. Land improvements consist of betterments, site preparation and site improvements that ready land for its intended use. Land improvements are characterized as having an unlimited life and are therefore not depreciated.

The costs of normal maintenance and repairs that does not add to the value of the asset or materially extends the assets lives are not capitalized. Interest costs incurred during construction of capital assets are not considered material and are not capitalized as part of the cost of construction.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Improvements Other than Buildings	5-40 years
Buildings and Fixed Equipment	10-50 years
Furniture, Fixtures and Equipment and Audio Visual Materials	3-15 years
Motor Vehicles	5-10 years
Equipment Under Capital Leases	4-6 years
Computer Software	5-10 years

Changes in capital assets for the current year are further described in Note 5.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

➤ **Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate section, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an expense or expenditure until then. The District has two types of items that meet this criterion- those related to the loss on refunding which is the difference between reacquisition price and net carrying amount of old debt and those related to pension plans which are further discussed in Note 17, State Retirement Programs.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate section *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has two types of items that meet this criterion-those related to Capital Outlay and Debt Service (CO&DS) from the Florida Department of Education (Department) and those related to pension plans which are further discussed in Note 17, State Retirement Programs.

➤ **Compensated Absences**

Vacation benefits are accrued as a liability as the benefits are earned if the employee's right to receive compensation is attributable to services already rendered and it is probable that the District will compensate the employees for the benefits through paid time off or some other means. Sick leave benefits are accrued as a liability using the vesting method.

The liability is based on the sick leave accumulated at June 30th by those employees who are currently eligible to receive termination payments and those employees for whom it is probable that they will become eligible to receive termination benefits in the future. The criteria for determining the vacation and sick leave liability is derived from Board policy, negotiated agreements, and State law.

The entire compensated absence liability is reported on the government-wide financial statements. For governmental fund financial statements, only the amount payable to employees who terminated their employment as of the end of the fiscal year is reported. The liability at year-end includes salary related payments such as Social Security, Medicare and FRS contributions.

Changes in compensated absences liability for the current year are further described in Note 11.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

➤ **Long-Term Debt**

Long-term debt obligations that will be financed from resources to be received in the future by governmental funds are reported as liabilities in the government-wide statement of net position. Bond and certificates of participation premiums are deferred and amortized over the life of the bonds and certificates of participation using the effective interest method. Bonds and certificates of participation payable are reported net of the applicable premium.

In the governmental fund financial statements, bonds and other long-term obligations are not recognized as liabilities until due. Governmental fund types recognize bond and certificates of participation premiums, as well as bond and certificates of participation issuance costs, during the current period. The face amount of debt issued is reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Changes in long-term debt obligations for the current year are further described in Note 11.

➤ **Pensions**

In the government-wide statement of net position, liabilities are recognized for the District's proportionate share of each pension plan's net pension liability. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the FRS defined benefit plan and the HIS defined benefit plan and additions to/deductions from the FRS's and the HIS's fiduciary net position have been determined on the same basis as they are reported by the FRS and the HIS plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value. The District's retirement plans and related amounts are further described in Note 17.

➤ **State Revenue Sources**

Significant revenues from State sources for current operations include the Florida Education Finance Program administered by the Florida Department of Education (Department) under the provisions of Section 1011.62, Florida Statutes.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

In accordance with this law, the District determines and reports the number of full-time equivalent (FTE) students and related data to the Department. The Department performs certain edit checks on the reported number of FTE and related data, and calculates the allocation of funds to the District. The District is permitted to amend its original reporting for a period of five months following the date of original reporting. Such amendments may impact funding allocations for subsequent years. The Department may also adjust subsequent fiscal period allocations based upon an audit of the District's compliance in determining and reporting FTE and related data. Normally, such adjustments are treated as reductions or additions of revenue in the year when the adjustments are made.

The State provides financial assistance to administer certain educational programs. State Board of Education (SBE) rules require that revenue earmarked for certain programs be expended only for the program for which the money is provided, and require that the money not expended as of the close of the fiscal year be carried forward into the following year to be expended for the same educational programs. The Department generally requires that these educational program revenues be accounted for in the General Fund. A portion of the fund balance of the General Fund is restricted in the governmental funds financial statements for the unspent balance of categorical and earmarked educational program resources.

The State allocates gross receipts taxes, generally known as Public Education Capital Outlay money, to the District on an annual basis. The District is authorized to expend these funds only upon applying for and receiving an encumbrance authorization from the Department. Accordingly, the District recognizes the allocation of Public Education Capital Outlay funds as advanced revenue until such time as an encumbrance authorization is received.

A schedule of revenue from State sources for the current year is further described in Note 15.

➤ **District Property Taxes**

The Board is authorized by State law to levy property taxes for district school operations, capital improvements, and debt service.

Property taxes consist of ad valorem taxes on real and personal property within the District. Property values are determined by the Sarasota County Property Appraiser, and property taxes are collected by the Sarasota County Tax Collector.

The Board adopted the 2015 tax levy on September 15, 2015. Tax bills are mailed in October and taxes are payable between November 1 of the year assessed and March 31 of the following year at discounts of up to 4 percent for early payment.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Taxes become a lien on the property on January 1, and are delinquent on April 1, of the year following the year of assessment. State law provides for enforcement of collection of personal property taxes by seizure of the property to satisfy unpaid taxes, and for enforcement of collection of real property taxes by the sale of interest bearing tax certificates to satisfy unpaid taxes. The procedures result in the collection of essentially all taxes prior to June 30 of the year following the year of assessment.

Property tax revenues are recognized in the government-wide financial statements when the Board adopts the tax levy. Property tax revenues are recognized in the governmental fund financial statements when taxes are received by the District, except that revenue is accrued for taxes collected by the Sarasota County Tax Collector at fiscal year-end but not yet remitted to the District.

Millage rates and taxes levied for the current year are further described in Note 16.

➤ **School Capital Outlay Surtax (Local Sales Tax)**

The citizens of Sarasota County on November 4, 1997, approved a one-cent sales tax authorized under Section 212.055(6), Florida Statutes. The Board receives one-fourth of the one-cent sales tax. The surtax levy commenced on September 1, 1999, and remained in effect for a period of 10 years through 2009. The voters of Sarasota County approved the continuation of this tax effective September 1, 2009, which remains in effect for a period of 15 years through 2024.

➤ **Federal Revenue Sources**

The District receives Federal awards for the enhancement of various educational programs. Federal awards are generally received based on applications submitted to, and approved by, various granting agencies. For Federal awards in which a claim to these grant proceeds is based on incurring eligible expenditures, revenue is recognized to the extent that eligible expenditures have been incurred.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

2. BUDGETARY COMPLIANCE AND ACCOUNTABILITY

The Board follows procedures established by State statutes and SBE rules in establishing budget balances for governmental funds as described below:

- Budgets are prepared, public hearings are held, and original budgets are adopted annually for all governmental fund types in accordance with procedures and time intervals prescribed by law and SBE rules.
- Appropriations are controlled at the function level within each fund (e.g., instruction, student support services, and school administration) and may be amended by resolution at any Board meeting prior to the due date for the annual financial report.
- Budgets are prepared using the same modified accrual basis as is used to account for governmental funds.
- Budgetary information is integrated into the accounting system and, to facilitate budget control, budget balances are encumbered when purchase orders are issued.
- Appropriations lapse at fiscal year-end and encumbrances outstanding are honored from the subsequent year's appropriations.
- The reported budgetary data consists of the original budget as well as the final appropriated budget after amendments approved by the Board.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

3. INVESTMENTS

- The District's investment policy authorizes the following investments:
 - Savings accounts
 - Certificates of deposits
 - Intergovernmental investment pools
 - Money market mutual funds
 - State and/or local government taxable and/or tax-exempt debt
 - Securities of the United States Government including obligations of the United States Treasury
 - United States Government agencies
 - Federal Instrumentalities
 - Mortgage-Backed Securities
 - Repurchase agreements
 - Commercial paper
 - Corporate notes
 - Bankers' acceptances

- Investments are reported at fair value other than those using the Net Asset Value ("NAV") or amortized cost. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value determinations, other than those measured using the "NAV" as a practical expedient, are made based upon a hierarchy that prioritizes the inputs to valuation techniques. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).
 - Level 1 - Inputs are unadjusted quoted prices for identical assets or liabilities in active markets that the District has the ability to access.
 - Level 2 - Inputs include quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in inactive markets; inputs other than quoted prices that are observable for the asset or liability; inputs that are derived principally from or corroborated by observable market data by correlation or other means. If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.
 - Level 3 - Inputs to the valuation methodology are unobservable inputs in situations where there is little or no market activity for the asset or liability, and the reporting entity makes estimates and assumptions related to the pricing of the asset or liability including assumptions regarding risk.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

3. INVESTMENTS (continued)

- “NAV” - Investments in State Board of Education and Florida Education Investment Trust Fund represent \$15,665,038 in pooled investment programs. No specific investments are assigned to the District, rather the value of the District's investment is equal to the total fund net asset value times the District's units as a percentage of total units outstanding.

Any dividends or interest of the programs are reinvested. In addition the District may withdraw either a portion of or its entire investment at any time in the Program with the exception of State Board of Education. The District investment in The Wells Fargo Money Heritage Money Market Fund may not be withdrawn. There were no unfunded commitments related to the Program as of June 30, 2016.

- Amortized Cost - Florida PRIME is a 2a7-like pool, which is not registered with the SEC as an investment company, but nevertheless has a policy that it will, and does, operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940, governing money market funds. Thus, this pool operates essentially as a money market fund. Florida PRIME has a Standard & Poor's rating of AAAM at June 30, 2016 and is recorded at amortized cost.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs. While the District believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different estimate of fair value at the reporting date.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

3. INVESTMENTS (continued)

At June 30, 2016, the District had the following investments:

	Maturities	6/30/2016	Fair Value Measurement Using		
			Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level					
Obligations of US Agencies and Instrumentalities	Nov 2016-June 2019 ⁽³⁾	\$ 13,822,173	\$ -	\$ 13,822,173	\$ -
United States Treasury Strip	5/15/2027 ⁽⁴⁾	14,532,995	-	14,532,995	-
United States Treasury Notes	Aug 2017-May 2019	16,249,843	-	16,249,843	-
Municipal Bonds	5/4/2018	441,008	-	441,008	-
Commerical Paper	July 2016-Oct 2016	43,190,393	-	-	43,190,393
Corporate Notes	May 2017-July 2018	11,476,850	-	11,476,850	-
Total investments by fair value level		<u>99,713,262</u>	<u>\$ -</u>	<u>\$ 56,522,869</u>	<u>\$ 43,190,393</u>
instruments measured at the net asset value (NAV)					
State Board of Administration:					
State Board of Education Investment Pool	6 Months	162,011			
Wells Fargo Heritage Money Market	16 Day Average ⁽¹⁾⁽²⁾	8,109,490			
FL Education Investment Trust Fund	41 Day Average ⁽¹⁾	<u>15,503,027</u>			
Total Investments measured at NAV		<u>23,774,528</u>			
Investments at amortized cost					
State Board of Administration:					
Florida PRIME	39 Day Average ⁽¹⁾	<u>90,732,217</u>			
Total Investments		<u>\$ 214,220,007</u>			

⁽¹⁾ Investments are reported as cash equivalents.

⁽²⁾ Includes cash totaling \$2,126,676 held under a paying agent agreement for investment purposes for the 2010 A Qualified School Construction Bonds (Note 8).

⁽³⁾ Includes FHLB Discount Note totaling \$1,081,419 held under a paying agent agreement for the Qualified Zone Academy Bonds (Note 9).

⁽⁴⁾ Investment held under a paying agent agreement for the 2010 A Qualified School Construction Bonds (Note 8).

➤ **Interest Rate Risk**

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Section 218.415, Florida Statutes, limits investment maturities to provide sufficient liquidity to pay obligations as they come due. The District has a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses from increasing interest rates. See table under concentration of credit risk for further detail on investment maturities.

Florida PRIME had weighted average days to maturity (WAM) of 39 days and FEITF had a WAM of 41 days at June 30, 2016. A portfolio's WAM reflects the average maturity in days based on final maturity or reset date, in the case of floating rate instruments. WAM measures the sensitivity of the portfolio to interest rate changes.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

3. INVESTMENTS (continued)

➤ **Credit Risk**

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Section 218.415(17), Florida Statutes, limits investments in money market funds to Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency; Florida PRIME or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act as provided in Section 163.01, Florida Statutes; and investments in interest-bearing time deposits to qualified public depositories, as defined in Section 280.02, Florida Statutes; and direct obligations of the United States Treasury.

The District's investments in the SBA Debt Service Accounts are to provide for debt service payments on bond debt issued by the SBE for the benefit of the District. The District relies on policies developed by SBA for managing interest rate risk and credit risk on this account.

As of June 30, 2016, the District's investments in the Florida PRIME, the Wells Fargo Heritage Money Market Fund, and the Florida Education Investment Trust Fund were rated AAAM by Standard & Poor's.

Obligations of United States Agencies and Instrumentalities totaling \$13,822,173 and United States Treasury Notes totaling \$16,249,843 were rated AA+ by Standard & Poor's.

Commercial paper was rated A-1 to A-1+ short term by Standard & Poor's.

Corporate notes ratings ranged from AA+ to A- by Standard & Poor's.

The District's investment in Obligations of United States Agencies and Instrumentalities – FHLB Discount Note totaling \$1,081,419 is authorized under a forward delivery agreement with the Qualified Zone Academy Bonds paying agent. The forward delivery agreement authorizes the investment of the sinking fund amounts in certain eligible securities, including, without limitation, the Federal National Mortgage Association (FNMA), Federal Home Loan Mortgage Corporation and Federal Farm Credit Banks. The eligible securities must have a maturity date that is on or before November 16, 2021.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

3. INVESTMENTS (continued)

The District's investment in United States Treasury Strips authorized under the supplemental trust agreement for the 2010A Qualified School Construction Bonds. The agreement authorizes the investment of the sinking fund amounts in certain eligible securities, including, without limitation, U.S. Treasury Strips and Notes and the Federal National Mortgage Association (FNMA), Federal Home Loan Mortgage Corporation and Farm Credit Banks. The eligible securities must have a maturity date that is on or before June 15, 2027. Disclosure of credit risk is not required for the District's investment in a United States Treasury Strip.

➤ **Custodial Credit Risk**

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the District will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

Section 218.415(18), Florida Statutes, requires the District to earmark all investments and 1) if registered with the issuer or its agents, the investment must be immediately placed for safekeeping in a location that protects the governing body's interest in the security; 2) if in book entry form, the investment must be held for the credit of the governing body by a depository chartered by the Federal Government, the State of Florida (State), or any other state or territory of the United States which has a branch or principal place of business in this State, or by a national association organized and existing under the laws of the United States which is authorized to accept and execute trusts and which is doing business in this State, and must be kept by the depository in an account separate and apart from the assets of the financial institution; or 3) if physically issued to the holder but not registered with the issuer or its agents, must be immediately placed for safekeeping in a secured vault. The District's investment policy addresses custodial credit risk in that all securities, with the exception of certificates of deposit, are held with a third-party custodian; and all securities purchased by and all collateral obtained by the District should be properly designated as an asset of the District. The securities must be held in an account separate and apart from the assets of the financial institution.

The District's \$1,081,419 investment in a FHLB discount note and the District's \$14,532,995 investment in the U.S. Treasury Strip were held in a custody account by the paying agent.

➤ **Concentration of Credit Risk**

Concentration of credit risk is the risk of loss attributed to the magnitude of the District's investment in a single issuer. The District has a formal policy that limits the amount the District may invest in any one issuer.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

3. INVESTMENTS (continued)

The below table reflects the District's investment policy minimum rating requirements, maturity limits, maximum investment allocation limits and maximum single issuer limits by investment security type:

Security Type	Minimum Rating Requirement	Maturity Limits	Maximum Allocation Limit	Maximum Issuer Limit
United States Government Securities	N/A	5 Years	100%	N/A
United States Government Agencies (full faith and credit of the United States Government)	N/A	5 Years	50%	25%
Federal Instrumentalities (United States Government Sponsored Enterprises ("GSE") which are non-full faith and credit).*	N/A	5 Years	80%	40%
Mortgage-Backed Securities (MBS) *	N/A	5 Years	20%	15%
Non-Negotiable Interest Bearing Time Certificates of Deposit	N/A	1 Years	50%	25%
Repurchase Agreements	N/A	60 Days	50%	25%
Commercial Paper	P-1/A-1	270 Days	25%	15%
Corporate Notes	Single "A" category by two NRSROs	5 Years	25%	5%
Bankers' Acceptances	P-1/A-1	180 Days	35%	20%
State and/or Local Government Taxable and/or Tax-Exempt Debt	Single "A" category by two NRSROs	5 Years	20%	10%
Registered Investment Companies (Money Market Mutual Funds)	AAAm	N/A	50%	25%
Intergovernmental Investment Pool	AAA	N/A	25%	N/A
Florida PRIME	AAAm	N/A	75%	N/A

*The combined total of available funds invested in Federal Instrumentalities and Mortgage- Backed Securities cannot be more than 80%.

NRSRO - Nationally Recognized Statistical Rating Organization

The District's investments in BNP Paribas Finance, Inc. commercial paper (\$8,997,072), represent 4.2% of total investments.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

4. RECEIVABLES

The majority of receivables are due from other agencies. These receivables and the remaining accounts receivable are considered to be fully collectible. As such, no allowance for uncollectible amounts is accrued.

Due from other agencies at June 30, 2016, are shown below:

Florida Department of Education	\$ 3,613,504
US Government	1,011,232
Agency For Health Care Administration	521,622
Sarasota County Tax Collector	276,948
Miscellaneous Governmental Agencies	245,168
US Department of Agriculture	222,357
State of Florida	200,002
Sarasota County Government	101,128
Florida Retirement System	51,786
Sarasota Area Transit	38,772
SWFWMD Grant	37,919
Sarasota County Sheriff	25,053
University of Florida	23,910
Florida Department of Health	12,045
Sarasota County Fire Department	2,600
Nokomis Fire Department	975
	<u>\$ 6,385,021</u>

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

5. CHANGES IN CAPITAL ASSETS

Changes in capital assets are presented in the table below.

	Balance 7/1/2015	Additions	Deletions	Balance 6/30/2016
GOVERNMENTAL ACTIVITIES				
Capital Assets Not Being Depreciated:				
Land	\$ 31,919,253	\$ 1,220,672	\$ -	\$ 33,139,925
Land Improvements	76,100,656	484,659	-	76,585,315
Construction in Progress	32,926,846	24,371,252	7,311,649	49,986,449
Total Capital Assets Not Being Depreciated	<u>140,946,755</u>	<u>26,076,583</u>	<u>7,311,649</u>	<u>159,711,689</u>
Capital Assets Being Depreciated:				
Improvements Other Than Buildings	63,508,044	3,061,134	-	66,569,178
Buildings and Fixed Equipment	979,620,856	7,860,789	671,403	986,810,242
Furniture, Fixtures, and Equipment and Audio Visual Materials	55,526,101	7,549,669	6,206,998	56,868,772
Motor Vehicles	34,506,372	2,018,094	2,525,568	33,998,898
Equipment Under Capital Leases	36,014,826	9,804,168	-	45,818,994
Computer Software	12,687,795	400,054	54,400	13,033,449
Total Capital Assets Being Depreciated	<u>1,181,863,994</u>	<u>30,693,908</u>	<u>9,458,369</u>	<u>1,203,099,533</u>
Less Accumulated Depreciation for:				
Improvements Other Than Buildings	(32,698,557)	(2,724,984)	-	(35,423,541)
Buildings and Fixed Equipment	(253,213,369)	(22,466,407)	635,141	(275,044,635)
Furniture, Fixtures, and Equipment and Audio Visual Materials	(38,786,246)	(4,454,903)	5,898,924	(37,342,225)
Motor Vehicles	(21,654,487)	(2,477,823)	2,525,568	(21,606,742)
Equipment Under Capital Leases	(13,554,990)	(8,200,813)	-	(21,755,803)
Computer Software	(3,547,081)	(1,261,177)	54,400	(4,753,858)
Total Accumulated Depreciation	<u>(363,454,730)</u>	<u>(41,586,107)</u>	<u>9,114,033</u>	<u>(395,926,804)</u>
Total Capital Assets Being Depreciated, Net	<u>818,409,264</u>	<u>(10,892,199)</u>	<u>344,336</u>	<u>807,172,729</u>
Governmental Activities Capital Assets, Net	<u>\$ 959,356,019</u>	<u>\$ 15,184,384</u>	<u>\$ 7,655,985</u>	<u>\$ 966,884,418</u>

The class of property under capital leases is presented in Note 7.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

5. CHANGES IN CAPITAL ASSETS (continued)

Depreciation expense was charged to functions as follows:

Function	Amount
GOVERNMENTAL ACTIVITIES	
Instruction	\$ 35,797,620
Student Support Services	5,209
Instructional Media Services	2,364
Instruction and Curriculum Development Services	3,188
Instructional Staff Training Services	36,021
Instructional Related Technology	766
General Administration	180,971
School Administration	40,477
Facility Services - non capitalized	2,159,621
Food Services	120,689
Central Services	391,064
Student Transportation Services	2,621,085
Operation of Plant	70,955
Maintenance of Plant	127,972
Administrative Technology Services	28,105
Total Depreciation Expense - Governmental Activities	\$ 41,586,107

6. ACCOUNTS PAYABLE AND OTHER CURRENT LIABILITIES

Accounts payable and other current liabilities at June 30, 2016, are shown below:

Salary and Wages Payable	\$ 24,323,550
Payroll Deductions and Withholdings Payable	142,173
Accounts Payable	7,642,207
Construction Contracts Payable	4,483,267
Deposits Payable	13,450
	\$ 36,604,647

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

7. OBLIGATIONS UNDER CAPITAL LEASES

The class and amount of property being acquired under capital leases are as follows:

<u>Asset Description</u>	<u>Asset Balance</u>
Equipment:	
Copier Equipment	\$ 960,570
Computer Equipment	44,858,424
	\$ 45,818,994

Future minimum capital lease obligations and the present value of the minimum lease payments as of June 30 are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Total</u>
2017	\$ 10,255,230
2018	8,589,083
2019	4,873,482
2020	2,399,062
Total minimum lease payments	26,116,857
Less interest	(1,221,496)
Present value of minimum payments	\$ 24,895,361

The imputed interest rates range from 1.45 to 11.75 percent.

8. CERTIFICATES OF PARTICIPATION PAYABLE

The District entered into a financing arrangement on March 25, 2009. This arrangement was characterized as a lease-purchase agreement, with the Corporation whereby the District secured financing of various educational facilities in the amount of \$75,625,000. The financing was accomplished through the issuance of Certificates of Participation, Series 2009, to be repaid from the proceeds of rents paid by the District.

The District also entered into a financing arrangement on September 1, 2010. This arrangement was characterized as a lease-purchase agreement in the form of Qualified School Construction Bonds, with the Corporation whereby the District secured financing of various education facilities and equipment in the amount of \$43,026,000. The Qualified School Construction Bond financing was accomplished through the issuance of Certificates of Participation, Series 2010A, to be repaid from the proceeds of rents paid by the District.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

8. CERTIFICATES OF PARTICIPATION PAYABLE (continued)

Qualified School Construction Bonds provide for a refundable credit from the United States Department of Treasury in accordance with Section 6431(f) of the Internal Revenue Code of 1986, as amended, equal to the lesser of the amount of interest payable with respect to the Certificates on such date or the amount of interest which would have been payable with respect to the Certificates on such date if such interest were determined at the tax credit rate otherwise applicable to such Certificates in accordance with the Code. The tax credit rate set by the Department on August 30, 2010 was 4.85 percent. This interest rate credit will be paid to the District with respect to the Certificates (the "Subsidy Payment").

Lease principal payments in the amount of \$2,126,395 are required to be deposited by the District into a sinking fund on an annual basis, and interest at the rate of 4.94 percent is paid semiannually. Sinking fund proceeds are invested and accumulate over the life of the issue, ending in a lump sum repayment to the leaseholders at maturity. The annual principal lease payment is adjusted as required based upon final investment earnings.

The District also entered into a financing arrangement on September 16, 2010. This arrangement was characterized as a lease-purchase agreement, with the Corporation whereby the District secured financing of various education facilities in the amount of \$70,070,000. The financing was accomplished through the issuance of Certificates of Participation, Series 2010B, to be repaid from the proceeds of rents paid by the District.

On April 28, 2016 the District entered into a financing arrangement (School Board of Sarasota County, Florida - Certificates of Participation, Series 2016), whereby the District advanced refunded the callable portions of the Series 2009 and Series 2010-B Certificates of Participation in the amount of \$68,365,000. The proceeds from the Series 2016 issue have been placed in escrow to pay the lease payments on the refunded certificates until the call dates of July 1, 2019 for the Series 2009 and July 1, 2020 for the Series 2010-B. The District was able to achieve \$3,857,154 of net present value debt service savings or 6.46% of the refunded par amount. This equates to approximately \$450,000 of annual savings through July 1, 2024 and \$183,000 on July 1, 2025. The lease payments for the Series 2016 issue are payable by the District semiannually on June 15 and December 15 at a fixed interest rate of 1.74%.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

8. CERTIFICATES OF PARTICIPATION PAYABLE (continued)

As a condition of the above financing arrangements, the District has given a ground lease on District property to the Corporation with a rental fee of \$10 per year. The 2009, 2010A and 2010B leases have an original term extending to the date that the Certificates of Participation are paid, or prior to July 1, 2024 for the 2009 certificates, prior to July 1, 2025 for the 2010B certificates, and prior to July 1, 2027 for the 2010A certificates. If the District fails to provide for the rent payment through to term, the District may be required to surrender the sites and financed improvements to the Corporation.

The District properties included in the ground lease under this arrangement include:

Series 2009 Certificates of Participation

Atwater Elementary School
Sarasota County Technical Institute

Series 2010A Certificate of Participation (Qualified School Construction Bonds)

Booker High School

Series 2010B Certificates of Participation

Booker High School
Venice High School

The lease payments are payable by the District semiannually, on July 1 and January 1, with interest rates ranging from 1.74 to 5.00 percent. The following is a schedule by years of future minimum lease payments as of June 30:

Fiscal Year Ending June 30:	Series 2009 Lease	Series 2010A Lease	Series 2010B Lease	Series 2016 Refunding	Total
2017	\$ 5,642,888	\$ 2,125,484	\$ 5,160,900	\$ 2,564,551	\$ 15,493,823
2018	5,645,888	2,125,484	5,161,100	2,565,626	15,498,098
2019	5,642,663	2,125,484	5,158,850	2,566,266	15,493,263
2020	-	2,125,484	5,160,750	8,206,471	15,492,705
2021	-	2,125,484	-	13,368,105	15,493,589
2022-2026	-	10,627,422	-	46,480,890	57,108,312
2027	-	45,151,487	-	-	45,151,487
Total Minimum Lease Payments	16,931,438	66,406,329	20,641,600	75,751,909	179,731,275
Add: Unamortized Premium on Debt	18,697	-	1,332,775	-	1,351,472
Less: Interest	(1,491,438)	(23,380,329)	(2,041,600)	(7,386,909)	(34,300,276)
Total Certificates of Participation	<u>\$ 15,458,697</u>	<u>\$ 43,026,000</u>	<u>\$ 19,932,775</u>	<u>\$ 68,365,000</u>	<u>\$ 146,782,472</u>

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

9. BONDS PAYABLE

Bonds payable at June 30, 2016, are as follows:

<u>Bond Type</u>	<u>Amount Outstanding</u>	<u>Interest Rates (Percent)</u>	<u>Annual Maturity To</u>
State School Bonds:			
Series 2006-A	\$ 955,000	4.125-4.625	2026
Series 2008-A	910,000	4.25-5.00	2028
Series 2009-A	645,000	5.00	2019
Series 2010	1,430,000	3.50-5.00	2030
Series 2011-A	430,000	3.00-5.00	2023
Series 2014-A	556,000	3.00-5.00	2024
Series 2014-B	2,000,000	2.00-5.00	2020
District Revenue Bonds:			
Qualified Zone Academy Bonds	1,299,696		2021
Subtotal	<u>8,225,696</u>		
Add: Unamortized Premium on Debt	701,743		
Total Bonds Payable	<u><u>\$ 8,927,439</u></u>		

The various bonds were issued to finance capital outlay projects of the District.

The following is a description of the bonded debt issues:

➤ **State School Bonds**

These bonds were issued by the SBE on behalf of the District. The bonds mature serially, and are secured by a pledge of the District's portion of the State-assessed motor vehicle license tax. Additionally, the State's full faith and credit is also pledged as security for these bonds. Principal and interest payments, investment of Debt Service Fund resources, and compliance with reserve requirements are administered by the SBE and the SBA.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

9. BONDS PAYABLE (continued)

Annual requirements to amortize all bonded debt outstanding as of June 30, 2016, are as follows:

Fiscal Year Ending June 30: State School Bonds	Total	Principal	Interest
2017	\$ 1,674,655	\$ 1,352,000	\$ 322,655
2018	1,675,053	1,419,000	256,053
2019	842,628	657,000	185,628
2020	617,046	463,000	154,046
2021	515,756	381,000	134,756
2022-2026	2,323,775	1,924,000	399,775
2027-2030	797,000	730,000	67,000
Total	\$ 8,445,913	\$ 6,926,000	\$ 1,519,913

➤ **Qualified Zone Academy Bonds**

The District entered into a purchase contract dated November 1, 2005, under the Qualified Zone Academy Bonds (QZAB) Program. The QZAB program provides no interest cost financing to purchase certain goods or services for schools located in eligible District areas (zones). The District received financing of \$1,299,696 from a local bank on November 16, 2005. Interest on the debt is paid by the United States Government through the issuance of Federal income tax credits to the holder of the QZAB debt (the bank). The rate of return to the bank was established by the United States Government at the time of the sale.

Repayment of the original \$1,299,696 financing proceeds is due in full on November 16, 2021. In connection with the financing, the District entered into a forward delivery agreement dated November 16, 2005, requiring a single deposit of \$726,519 into a sinking fund. The forward delivery agreement provides for a guaranteed investment return of 3.67 percent per annum whereby the required deposit, along with accrued interest, will be sufficient to repay the debt at maturity. The invested assets accumulated pursuant to the forward delivery agreement are held under a custodial agreement until the debt matures. There is \$1,081,419 in this sinking fund at June 30, 2016.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

10. DEFEASED DEBT

In prior years, the Board defeased in substance certain outstanding bonds by placing a portion of the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old debt. Accordingly, the trust account assets and the liability for the in-substance defeased bonds are not included in the District's financial statements.

On April 28, 2016 the District entered into a financing arrangement (School Board of Sarasota County, Florida - Certificates of Participation, Series 2016), whereby the District advanced refunded the callable portions of the Series 2009 and Series 2010-B Certificates of Participation in the amount of \$68,365,000 of which the debt issue below is considered defeased. As a result of this advance refunding the District was able to achieve \$3,857,154 of net present value savings.

On June 30, 2016, debt considered defeased in substance are as follows:

Debt Issue	Amount Outstanding
Certificates of Participation, Series 2009	\$ 31,235,000
Certificates of Participation, Series 2010B	28,460,000
Total Defeased Debt	\$ 59,695,000

11. CHANGES IN LONG-TERM LIABILITIES

The following is a summary of changes in long-term liabilities:

Description	Balance 7/1/2015	Additions	Deductions	Balance 6/30/2016	Due in One Year
GOVERNMENTAL ACTIVITIES					
Bonds Payable	\$ 10,265,870	\$ -	\$ 1,338,431	\$ 8,927,439	\$ 1,352,000
Obligations Under Capital Leases	23,351,213	9,804,169	8,260,021	24,895,361	9,602,692
Certificates of Participation Payable	149,467,074	68,365,000	71,049,602	146,782,472	10,650,000
Liability for Compensated Absences	32,447,416	12,405,679	9,413,794	35,439,301	10,443,855
Estimated Insurance Claims Payable	8,689,404	22,470,016	18,882,343	12,277,077	6,107,350
Early Retirement Incentive Payable	394,954	-	147,691	247,263	148,496
Other Postemployment Healthcare					
Benefits Payable	10,240,567	2,507,142	1,616,551	11,131,158	-
Net Pension Liability	113,240,702	55,879,227	8,907,827	160,212,102	2,962,468
Total Governmental Activities	\$ 348,097,200	\$ 171,431,233	\$ 119,616,260	\$ 399,912,173	\$ 41,266,861

For the governmental activities, compensated absences, early retirement incentive, pensions, and other postemployment healthcare benefits are generally liquidated with resources of the General Fund. The estimated insurance claims are generally liquidated with resources of the internal service funds as discussed in Note 20.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

12. FUND BALANCE REPORTING

There are two major types of fund balances, nonspendable and spendable. Nonspendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, and principal (corpus) of an endowment fund. The District does not have any nonspendable funds related to endowments. The District has inventories totaling \$1,315,806 and prepaid items totaling \$5,011,955 that are considered nonspendable.

Spendable fund balances are classified based on a hierarchy of spending constraints. The District has classified the spendable fund balances as *Restricted, Assigned, and Unassigned* and considered each to have been spent when expenditures are incurred. The District does not report any *Committed* fund balance. When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, then unrestricted resources as they are needed. When committed, assigned, or unassigned resources are available for use in governmental fund financial statements, it is the District's policy to use committed resources first, followed by assigned resources, and then unassigned resources as they are needed.

- Restricted: The portion of fund balance on which constraints have been placed by creditors, grantors, contributors, laws or regulations of other governments, constitutional provisions, or enabling legislation. Restricted fund balance places the most binding level of constraint on the use of fund balance. The District classifies most of its fund balances other than General Fund as restricted, as well as unspent State categorical and earmarked education funding that are legally or otherwise restricted. The District's restricted fund balance total is \$93,189,199 and represents \$10,671,246 for categorical programs; \$84,808 for grants; \$4,881,907 for food service; \$17,914,768 for debt service; and \$59,636,470 for capital projects.
- Committed: The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the highest level of decision-making authority (i.e., resolution that is approved by a majority vote of the Board at a public meeting).

These amounts cannot be used for any other purpose unless the Board removes or changes the specified use by taking the same action it employed to previously commit the amounts. The District does not report any committed fund balance.

- Assigned: The portion of fund balance that is intended to be used for specific purposes, but is neither restricted nor committed. Assigned amounts include those that have been set aside for a specific purpose by

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

12. FUND BALANCE REPORTING (continued)

an authorized government body or official, but the constraint imposed does not satisfy the criteria to be classified as restricted or committed. This category includes any remaining positive amounts, for governmental funds other than the General Fund, not classified as nonspendable, restricted, or committed. The District also classifies amounts as assigned that are constrained to be used for a specific purpose based on actions of the Superintendent and the Chief Financial Officer as authorized by Board Policy 7.101 and not included in other categories. The District's assigned fund balance total is \$6,302,763 and represents \$4,152,991 in district projects and \$2,149,772 school operating budget carryforwards.

- **Unassigned:** The portion of fund balance that is the residual classification for the General Fund. The General Fund is the only fund that reports a positive unassigned fund balance. This balance represents amounts that have not been assigned to other funds and that have not been restricted, committed, or assigned for specific purposes. The unassigned fund balance in the General Fund is \$36,118,713.

The District has adopted Board Policy 7.101 that the unassigned fund balance in the General Fund will be, at a minimum, 7.5 percent of the total budgeted appropriations and transfers out. The District currently exceeds this policy with an unassigned fund balance at 8.8 percent.

The following is a schedule of fund balances by category at June 30, 2016:

	Major Funds					Total Governmental Funds
	General	Debt Service - Other Debt Service	Capital Projects - Local Capital Improvement Tax	Capital Projects - Other Capital Projects	Nonmajor Governmental Funds	
Fund Balances						
Nonspendable:						
Inventories	\$ 951,814	\$ -	\$ -	\$ -	\$ 363,992	\$ 1,315,806
Prepaid items	4,812,525	-	14,323	501	184,606	5,011,955
Spendable:						
Restricted:						
Categorical Programs	10,671,246	-	-	-	-	10,671,246
Grants	20,735	-	-	-	64,073	84,808
Special Revenue -						
Food Service	-	-	-	-	4,881,907	4,881,907
Debt Service	-	1,093,084	-	-	16,821,684	17,914,768
Capital Projects	-	-	33,283,503	26,352,967	-	59,636,470
Assigned:						
School Operations:						
District Projects	4,152,991	-	-	-	-	4,152,991
School Carryforwards	2,149,772	-	-	-	-	2,149,772
Capital Projects	-	-	-	-	-	-
Unassigned	36,118,713	-	-	-	-	36,118,713
Total Fund Balances	\$ 58,877,796	\$ 1,093,084	\$ 33,297,826	\$ 26,353,468	\$ 22,316,262	\$ 141,938,436

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

13. CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS

Encumbrances: Appropriations in governmental funds are encumbered upon issuance of purchase order for goods and services. Even though appropriations lapse at the end of the fiscal year, unfilled purchase orders of the current year are carried forward and the next year's appropriations are likewise encumbered.

The following is a schedule of encumbrances at June 30, 2016:

Major Funds				
General	Local Capital Improvement Fund	Capital Funds - Other Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
\$ 2,877,971	\$ 21,151,238	\$ 9,500,090	\$ 1,564,064	\$ 35,093,363

Construction Contracts: Encumbrances include the following major construction contract commitments at fiscal year-end:

Project Name	Contract Amount	Completed To Date	Balance Committed
Alta Vista	\$ 1,100,078	\$ 897,489	\$ 202,589
Ashton	405,690	227,179	178,511
Brentwood	121,778	45,121	76,657
Emma E Booker	1,020,454	298,179	722,275
Englewood	1,235,815	312,923	922,892
Fruitville	6,288,693	5,182,399	1,106,294
Gocio	530,216	223,768	306,448
Lakeview	164,681	63,588	101,093
Landings	513,852	420,069	93,783
North Port High	334,464	132,482	201,982
Oak Park	486,927	455,339	31,588
Pineview	12,508,960	5,553,866	6,955,095
Suncoast Technical College -NP	5,489,773	1,221,451	4,268,322
Sarasota High	28,948,656	23,983,598	4,965,058
Toledo Blade	254,378	60,735	193,643
Venice High	36,619,343	36,267,225	352,118
Venice Middle	959,171	122,457	836,714
District Wide	807,269	429,923	377,346
Total	\$ 97,790,199	\$ 75,897,791	\$ 21,892,408

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

14. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

The following is a summary of interfund receivables and payables reported in the fund financial statements:

<u>Funds</u>	<u>Interfund</u>	
	<u>Receivables</u>	<u>Payables</u>
Major Funds:		
General	\$ 438,625	\$ 375,379
Capital Projects:		
Local Capital Improvement Tax	972,431	400,960
Other Capital Projects	-	7,518
Nonmajor Governmental Funds	363,575	1,002,578
Internal Service Funds	11,804	-
	<u> </u>	<u> </u>
Total	<u>\$ 1,786,435</u>	<u>\$ 1,786,435</u>

Interfund receivables and payables are temporary loans of cash between funds allowable under Section 1011.09(2), Florida Statutes, for a period of less than 13 months. The temporary loans do not restrict, impede, or limit implementation or fulfillment of the original purposes for which the monies were received in the fund providing the advancement. All amounts will be repaid within the 2016-17 fiscal year.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

14. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS
(continued)

The following is a summary of interfund transfers reported in the fund financial statements:

Funds	Interfund	
	Transfers In	Transfers Out
Major Funds:		
General	\$ 19,736,616	\$ 577,910
Debt Service:		
Other Debt Service	22,424,603	-
Capital Projects:		
Local Capital Improvement Tax	-	42,295,840
Other Capital Projects	-	8,215,234
Nonmajor Governmental Funds	2,314,075	777,187
Internal Service Funds	7,390,877	-
	<u>\$ 51,866,171</u>	<u>\$ 51,866,171</u>
Total	<u>\$ 51,866,171</u>	<u>\$ 51,866,171</u>

Interfund transfers of money represent permanent transfers of monies between funds. The transfer from the General Fund to the Internal Service Funds was to reimburse the general and automobile liability self-insurance funds. Transfers from the Local Capital Improvement Tax Fund were for the purpose of funding maintenance and equipment expenditures and payment of premiums for property and casualty insurance in the General Fund and for paying debt service expenditures in the Other Debt Service Fund and Nonmajor Governmental Funds. Transfers from Other Capital Projects Fund were to provide capital outlay funds to charter schools and to provide statutory reserves in the Health Liability Insurance Fund.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

15. SCHEDULE OF STATE REVENUE SOURCES

The following is a schedule of the District's State revenue for the 2015-16 fiscal year:

<u>Source:</u>	<u>Amount</u>
Categorical educational program - Class size reduction	\$ 47,243,753
Florida education finance program	18,598,374
Workforce development program	7,226,377
School recognition	2,734,660
Motor vehicle license tax (capital outlay & debt service)	1,775,077
Charter school capital outlay	1,402,267
Best and Brightest Teacher Scholarship	1,361,733
Public education capital outlay	777,187
Racing commissions	446,500
Mobile home license tax	246,279
Food service supplement	166,526
Performance based incentives	136,809
Miscellaneous	324,134
Total	\$ 82,439,676

Accounting policies relating to certain State revenue sources are described in Note 1.

16. PROPERTY TAXES

The following is a summary of millages and taxes levied on the 2015 tax roll for the 2015-16 fiscal year:

<u>Funds</u>	<u>Millage Rates</u>	<u>Taxes Levied</u>
General Fund		
Nonvoted School Tax:		
Required Local Effort	4.515	\$ 227,113,066
Basic Discretionary Local Effort	0.748	37,625,819
Voted Tax:		
Operating	1.000	50,301,897
Capital Projects Funds		
Nonvoted Tax:		
Local Capital Improvements	<u>1.500</u>	<u>75,452,846</u>
Total	<u>7.763</u>	<u>\$ 390,493,628</u>

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

17. STATE RETIREMENT PROGRAMS

Florida Retirement System- Defined Benefit Pension Plans. The FRS was created in Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program (DROP) under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, Florida Statutes, established the Retiree HIS Program, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of any state-administered retirement system in paying the costs of health insurance.

Essentially all regular employees of the District are eligible to enroll as members of the State-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code, wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of the two cost sharing, multiple employer defined benefit plans and other nonintegrated programs. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services Web site (www.dms.myflorida.com).

The District's pension expense totaled \$11,513,068 for the fiscal year ended June 30, 2016.

FRS Pension Plan.

The FRS Pension Plan (Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a DROP for eligible employees. Most employees working for the District are covered by this Plan. The general classes of membership are as follows:

- Regular Class – Members of the FRS who do not qualify for membership in the other classes.
- Elected County Officers Class – Members who hold specified elective offices in local government.
- Senior Management Service Class (SMSC) – Members in senior management level positions.

Employees enrolled in the Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at eight years of creditable service.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

17. STATE RETIREMENT PROGRAMS (continued)

All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service, which may include up to 4 years of credit for military service. Members who enrolled in the Plan on or after July 1, 2011 and become vested are eligible for normal retirement benefits at age 65 or at any age after 33 years of service, which may include up to 4 years of credit for military service. The Plan also includes an early retirement provision but there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, and death benefits and annual cost-of-living adjustments to eligible participants.

The DROP Program, subject to provisions of Section 121.091, Florida Statutes permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS participating employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months.

During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Benefits Provided. Benefits under the Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

17. STATE RETIREMENT PROGRAMS (continued)

The following chart shows the percentage value for each year of service credit earned:

<u>Class, Initial Enrollment, and Retirement Age/Years of Service</u>	<u>% Value</u>
<i>Regular Class members initially enrolled before July 1, 2011</i>	
Retirement up to age 62 or up to 30 years of service	1.60
Retirement at age 63 or with 31 years of service	1.63
Retirement at age 64 or with 32 years of service	1.65
Retirement at age 65 or with 33 or more years of service	1.68
<i>Regular Class members initially enrolled on or after July 1, 2011</i>	
Retirement up to age 65 or up to 33 years of service	1.60
Retirement at age 66 or with 34 years of service	1.63
Retirement at age 67 or with 35 years of service	1.65
Retirement at age 68 or with 36 or more years of service	1.68
<i>Elected County Officers</i>	3.00
<i>Senior Management Service Class</i>	2.00

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3 percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3 percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3 percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

17. STATE RETIREMENT PROGRAMS (continued)

Contributions. The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates during the 2015-16 fiscal year were as follows:

Membership Class	Percent of Gross Salary	
	Employee	Employer (A)
FRS, Regular	3.00	7.26
FRS, Elected County Officers	3.00	42.27
FRS, Senior Management Service	3.00	21.43
FRS, DROP	0.00	12.88
FRS, Reemployed Retiree	(B)	(B)

Notes: (A) Employer rates include 1.66 percent for the postemployment health insurance subsidy. Also, employer rates, other than for DROP participants, include 0.04 percent for administrative costs of the Investment Plan.

(B) Contribution rates are dependent upon retirement class in which reemployed.

The District's contributions to the Plan totaled \$12,622,611 for the fiscal year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2016, the District reported a liability of \$79,497,246 for its proportionate share of the Plan's net pension liability. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015. The District's proportionate share of the net pension liability was based on the District's 2014-15 fiscal year contributions relative to the 2014-15 fiscal year contributions of all participating members. At June 30, 2015, the District's proportionate share was 0.615478062 percent, which was a decrease of 0.015052854 percent from its proportionate share measured as of June 30, 2014.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

17. STATE RETIREMENT PROGRAMS (continued)

For the fiscal year ended June 30, 2016, the District recognized pension expense of \$5,582,473 related to the Plan. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 8,392,555	\$ 1,885,433
Change of assumptions	5,276,499	-
Net difference between projected and actual earnings on FRS pension plan investments	-	18,982,612
Changes in proportion and differences between District FRS contributions and proportionate share of FRS contributions	1,168,016	1,975,589
District FRS contributions subsequent to the measurement date	12,622,611	-
Total	\$ 27,459,681	\$ 22,843,634

The deferred outflows of resources related to pensions, totaling \$12,622,611, resulting from District contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ending June 30</u>	<u>Amount</u>
2017	\$ (6,389,965)
2018	(6,389,965)
2019	(6,389,965)
2020	9,271,283
2021	1,528,824
Thereafter	363,224
Total	\$ (8,006,564)

Actuarial Assumptions. The total pension liability in the July 1, 2015 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60 percent
Salary Increases	3.25 percent, average, including inflation
Investment rate of return	7.65 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the Generational RP-2000 with Projection Scale BB.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

17. STATE RETIREMENT PROGRAMS (continued)

The actuarial assumptions used in the July 1, 2015, valuation were based on the results of an actuarial experience study for the period July 1, 2008, through June 30, 2013.

The long-term expected rate of return on pension plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation (1)</u>	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>	<u>Standard Deviation</u>
Cash	1.0%	3.2%	3.1%	1.7%
Fixed Income	18.0%	4.8%	4.7%	4.7%
Global Equity	53.0%	8.5%	7.2%	17.7%
Real Estate (Property)	10.0%	6.8%	6.2%	12.0%
Private Equity	6.0%	11.9%	8.2%	30.0%
Strategic investments	<u>12.0%</u>	6.7%	6.1%	11.4%
Total	<u>100.00%</u>			
Assumed inflation - Mean		2.6%		1.9%

Note: (1) As outlined in the Plan's investment policy

Discount Rate. The discount rate used to measure the total pension liability was 7.65 percent. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

17. STATE RETIREMENT PROGRAMS (continued)

Sensitivity of the District's Proportionate Share of the Net Position Liability to Changes in the Discount Rate. The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.65 percent, as well as what the District's proportionate share of the net pension (asset) liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.65 percent) or 1-percentage-point higher (8.65 percent) than the current rate:

	1% Decrease (6.65%)	Current Discount Rate (7.65%)	1% Increase (8.65%)
District's proportionate share of the net pension (asset) liability	\$ 205,995,345	\$ 79,497,246	\$(25,769,949)

Pension Plan Fiduciary Net Position. Detailed information about the Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State-Administered Systems Comprehensive Annual Financial Report.

Payables to the Pension Plan. At June 30, 2016, the District reported a payable of \$1,186,404 for the outstanding amount of contributions to the Plan required for the fiscal year ended June 30, 2016.

HIS Pension Plan

The HIS Pension Plan (HIS Plan) is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Division of Retirement within the Florida Department of Management Services.

Benefits Provided. For the fiscal year ended June 30, 2016, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

17. STATE RETIREMENT PROGRAMS (continued)

Contributions. The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended June 30, 2016, the contribution rate was 1.66 percent of payroll pursuant to section 112.363, Florida Statutes. The District contributed 100 percent of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

The District's contributions to the HIS Plan totaled \$3,623,814 for the fiscal year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2016, the District reported a net pension liability of \$80,714,856 for its proportionate share of the HIS Plan's net pension liability. The current portion of the net pension liability is the District's proportionate share of benefit payments expected to be paid within one year, net of the District's proportionate share of the pensions plan's fiduciary net position available to pay that amount. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015.

The District's proportionate share of the net pension liability was based on the District's 2013-14 fiscal year contributions relative to the total 2014-15 fiscal year contributions of all participating members. At June 30, 2015, the District's proportionate share was 0.791444173 percent, which was a decrease of 0.008203875 percent from its proportionate share measured as of June 30, 2014.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

17. STATE RETIREMENT PROGRAMS (continued)

For the fiscal year ended June 30, 2016, the District recognized pension expense of \$5,930,595 related to the HIS Plan. In addition, the District reported deferred outflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Change of assumptions	\$ 6,350,152	\$ -
Net difference between projected and actual earnings on HIS pension plan investments	43,693	-
Changes in proportion and differences between District HIS contributions and proportionate share of HIS contributions	104,233	636,721
District contributions subsequent to the measurement date	3,623,814	-
Total	<u>\$ 10,121,892</u>	<u>\$ 636,721</u>

The deferred outflows of resources related to pensions, totaling \$3,623,814, resulting from District contributions to the HIS Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2016.

Other amounts reported as deferred outflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ending June 30</u>	<u>Amount</u>
2017	\$ 1,023,213
2018	1,023,213
2019	1,023,213
2020	1,014,333
2021	1,010,070
Thereafter	767,315
Total	<u>\$ 5,861,357</u>

Actuarial Assumptions. The total pension liability in the July 1, 2015, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60 percent
Salary Increases	3.25 percent, average, including inflation
Municipal Bond Rate	3.80 percent

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

17. STATE RETIREMENT PROGRAMS (continued)

Mortality rates were based on the Generational RP-2000 with Projected Scale BB.

The actuarial assumptions used in the July 1, 2015 valuation were based on the results of an actuarial experience study for the period July 1, 2008, through June 30, 2013.

Discount Rate. The discount rate used to measure the total pension liability was 3.80 percent, which is a reduction from 4.9 percent used at the preceding measurement date. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 3.80 percent, as well as what the District's proportionate share of the net pension (asset) liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.80 percent) or 1-percentage-point higher (4.80 percent) than the current rate:

	1% Decrease (2.80%)	Current Discount Rate (3.80%)	1% Increase (4.80%)
District's proportionate share of the net pension (asset) liability	\$ 91,970,821	\$ 80,714,856	\$ 71,329,071

Pension Plan Fiduciary Net Position. Detailed information about the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report.

Payables to the Pension Plan. At June 30, 2016, the District reported a payable of \$350,393 for the outstanding amount of contributions to the HIS Plan required for the fiscal year ended June 30, 2016.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

17. STATE RETIREMENT PROGRAMS (continued)

FRS-Defined Contribution Plan. Pursuant to Section 121.4501, Florida Statutes, the Florida Legislature created a defined contribution program called the Florida Retirement System Investment Plan (Investment Plan), which is administered by the SBA. The Investment Plan is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report. Employees may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. Employees in the Investment Plan vest in their own contributions immediately and, after one year of service, in employer contributions and investment earnings. District employees participating in DROP are not eligible to participate in the program. This program is self-directed by the employee. The employees have the responsibility of selecting how their funds are invested within the approved set of investment choices and may take their funds when they leave the FRS. Employer and employee contributions are defined by law, but the ultimate benefit depends in part on the performance of investment funds. The Investment Plan is funded by employer and employee contributions that are based on the same salary and membership class (Regular Class, Elected County Officers, etc.) as the FRS defined benefit plan. Contributions are directed to the individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Allocations to the investment member's accounts during the 2015-16 fiscal year were as follows:

<u>Class</u>	<u>Percent of Gross Compensation</u>
FRS, Regular	6.30
FRS, Elected County Officers	11.34
FRS, Senior Management Service	7.67

If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the 5-year period, the employee will regain control over their account. If the employee does not return within the 5-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2016, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the District.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

17. STATE RETIREMENT PROGRAMS (continued)

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided; the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

There were 836 District participants in the Investment Plan during the 2015-16 fiscal year. The District's Investment Plan pension expense totaled \$1,595,534.

18. SPECIAL TERMINATION BENEFITS

On May 18, 1993, the Board approved the establishment of a one-time early retirement incentive program for members of the instructional and classified collective bargaining units and its administrative personnel who signed an agreement to participate in the program and agreed to retire from employment under the provisions of the FRS as explained in Note 17. The Early Out Program was offered only until August 15, 1993. Participating employees were required to select an option under the existing provisions of the FRS which pays over the life of the employee the maximum retirement benefit payable, forfeiting an option which would pay decreased retirement benefits for the lifetime of both the employee and a joint annuitant (Survivor). To compensate for the loss of these extended survivor benefits, the District, as part of the Early Out Program, purchased on behalf of participating employees a flexible premium universal life insurance policy to be paid for over the life of the retiree, providing death benefits upon the qualified employee's death equaling the amount the survivor would have received, including a 3 percent annual cost of living adjustment (COLA), had the qualified employee selected the FRS option which paid survivor benefits. Premiums are to be paid for over the life of the participating employee.

The District reported a liability of \$247,263 in the Statement of Net Position representing the present value of the estimated future payments for life insurance premiums for the remaining 100 employees who elected to retire during the 1992-93 and 1993-94 fiscal years and participate in the program.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

19. OTHER POSTEMPLOYMENT BENEFITS

Plan Description – The Other Postemployment Benefits (OPEB) Plan is a single-employer defined benefit plan administered by the District. Pursuant to the provisions of Section 112.0801, Florida Statutes, former employees who retire from the District and their eligible dependents may continue to participate in one of four fully insured comprehensive plans for medical and prescription drug coverage. The District subsidizes the premium rates paid by retirees by allowing them to participate in the OPEB Plan at reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the OPEB Plan on average than those of active employees. The District does not provide any explicit subsidies for retiree coverage. Retirees are not required to enroll in the Federal Medicare programs parts A and B for their primary coverage as soon as they are eligible. A retiree may also participate in the District's life insurance program that provides \$5,000 coverage reducing to \$2,500 at age 70. The OPEB Plan does not issue a stand-alone report, and is not included in the report of a public employee retirement system or other entity. A copy of the actuarial report provided by AON Hewitt dated August 17, 2016 is available in the District's Finance Department.

Funding Policy – Plan contribution requirements of the District and OPEB Plan members are established and may be amended through action from the Board. The District has not advance-funded or established a funding methodology for the annual OPEB costs or the net OPEB obligation and the OPEB Plan is financed on a pay-as-you-go basis. As of the valuation date there were 348 retirees and 38 eligible dependents receiving postemployment health care benefits and 1,950 receiving life insurance coverage. For the 2015-16 fiscal year, the District provided required contributions of \$1,616,551 toward annual OPEB costs, comprised of benefit payments made on behalf of retirees for claims expenses, retention costs, and net of retiree contributions totaling \$2,672,452 which is 1.10 percent of the covered payroll.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

19. OTHER POSTEMPLOYMENT BENEFITS (continued)

Annual OPEB Cost and Net OPEB Obligation – The District’s annual OPEB cost (expense) is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with parameters of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. The ARC represents a level of funding that if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years. The following table shows the District’s annual OPEB cost for the year, the amount actually contributed to the OPEB Plan, and changes in the District’s net OPEB obligation:

Description	Amount
Normal Cost (service cost for one year)	\$ 1,296,629
Amortization of Unfunded Actuarial Accrued Liability	1,071,890
Interest on Normal Cost and Amortization	94,741
Annual Required Contribution	2,463,260
Interest on Net OPEB Obligation	409,623
Adjustment to Annual Required Contribution	(365,741)
Annual OPEB Cost (expense)	2,507,142
Contribution Toward the OPEB Cost	(1,616,551)
Increase in Net OPEB Obligation	890,591
Net OPEB Obligation, Beginning of Year	10,240,567
Net OPEB Obligation, End of Year	\$ 11,131,158

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

19. OTHER POSTEMPLOYMENT BENEFITS (continued)

The District's annual OPEB cost, contribution amounts, percentage of annual OPEB cost contributed to the OPEB Plan, and the net OPEB obligation as of June 30, 2016, and the two preceding years, were as follows:

Fiscal Year	Annual OPEB Cost	Amount Contributed	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2013-2014	\$ 2,999,243	\$ 1,961,589	65.4%	\$ 10,454,190
2014-2015	2,351,887	2,565,510	109.1%	10,240,567
2015-2016	2,507,142	1,616,551	64.5%	11,131,158

Funded Status and Funding Progress – As of June 30, 2016, the most recent valuation date actuarial accrued liability for benefits was \$22,599,448 and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability of \$22,599,448 and a funded ratio of 0 percent. The covered payroll (annual payroll of active participating employees) was \$243,889,092 for the 2015-16 fiscal year, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 9.3 percent.

Actuarial valuations of an ongoing OPEB Plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment and termination, mortality, and the healthcare cost trends. Amounts determined regarding the funded status of the OPEB Plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The required supplementary schedule of funding progress immediately following the notes to the financial statements present multiyear trend information about whether the actuarial value of OPEB Plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

Actuarial Methods and Assumptions –Projections of benefits for financial reporting purposes are based on the substantive OPEB Plan provisions, as understood by the employer and participating members, and include the type of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and participating members. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

19. OTHER POSTEMPLOYMENT BENEFITS (continued)

The District's OPEB actuarial valuation for the 2015-16 fiscal year used the entry age normal cost actuarial method to estimate both the unfunded actuarial liability and to determine the annual required contribution. Because the OPEB liability is currently unfunded, the actuarial assumptions include a 4 percent rate of return on invested assets. The actuarial assumptions also include a payroll growth rate of 3.5 percent per year, general inflation is 2.5 percent, and an annual healthcare cost trend rate of 7.5 percent initially (8.5 percent for Medicare eligible) for the 2015-16 fiscal year, reduced to an ultimate rate of 5.0 percent for fiscal year ending June 30, 2024. The unfunded actuarial accrued liability and gains/losses are being amortized as a level percentage of projected payroll on a closed basis over 30 years. The remaining amortization period at June 30, 2016 was 20 years.

20. RISK MANAGEMENT PROGRAMS

The District has established a cafeteria plan under Section 125 of the Internal Revenue Code whereby the District will purchase various insurance products for the employee. In addition, an employee may purchase additional insurance, which qualifies for salary reduction under Internal Revenue Service guidelines. The cafeteria plan is accounted for as an Internal Service Fund.

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Workers' compensation, automobile liability, and general liability coverage, certain dental benefits and effective January 1, 2016 medical benefits contained within the District's cafeteria plan, are being provided on a self-insured basis up to specified limits.

The District has contracted with an insurance administrator to administer the workers' compensation, medical benefit and dental benefit self-insurance programs, including the processing, investigation, and payment of claims. The District has entered into an insurance agreement for their medical benefit program to provide stop loss coverage on specific medical and prescription drug claims in excess of \$500,000 with unlimited specific annual or lifetime maximum eligible expenses per covered person including retirees. The District has entered into an insurance agreement for their workers' compensation plan to provide specific excess coverage of claim amounts above the stated amount on an individual claim basis and aggregate excess coverage up to \$25 million. For automobile and general liability coverage the District depends on the Florida Sovereign Immunity Act, Section 768.28, Florida Statutes, to limit its potential tort liability to \$200,000 per person or \$300,000 per occurrence.

Property protection, employee blanket crime policy and fidelity bond, and other coverages deemed necessary by the Board are provided through purchased commercial insurance. Settled claims resulting from the risks described above have not exceeded commercial insurance coverage in any of the past two fiscal years.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2016

20. RISK MANAGEMENT PROGRAMS (continued)

A liability in the amount of \$12,186,397 for the workers' compensation, the general liability, the automobile liability, the dental liability, and the health insurance funds was actuarially determined to cover estimated incurred but not reported insurance claims payable at June 30, 2016, and is net of excess insurance recoverable on unpaid claims. A liability in the amount of \$90,680 relates to the District's cafeteria plan fund. Non-incremental claims expense has been included as part of the liabilities.

The following schedule represents the changes in claims liability for the past two fiscal years for the District's self-insurance program:

<u>Fiscal Year</u>	<u>Beginning of Fiscal Year Liability</u>	<u>Current Year Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>Balance at Fiscal Year End</u>
2014-2015	\$ 8,914,497	\$ 4,250,209	\$ (4,475,302)	\$ 8,689,404
2015-2016	8,689,404	22,470,016	(18,882,343)	12,277,077

21. LITIGATION

The District is contingently liable with respect to lawsuits and other claims that arise in the ordinary course of its operations. Management believes that any liability arising from such claims would be immaterial to the financial statements.

22. CONTINGENCY

The District receives grant funds from the Federal government. Certain expenditures of these funds are subject to audit by the grantor, and the reporting entity is contingently liable to refund amounts received in excess of allowable expenditures. In the opinion of the management of the District, no material refunds will be required as a result of expenditures disallowed by the grantors.

23. SUBSEQUENT EVENTS

The District has evaluated subsequent events from July 1, 2016 through December 14, 2016, in connection with the preparation of these financial statements, which is the date the financial statements were available to be issued. No subsequent events occurred which would have a material impact on the District's financial statements.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Required Supplementary Information -
Schedule of Funding Progress
Other Postemployment Benefits Plan

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [(b-a)/c]
June 30, 2014	-	30,047,158	30,047,158	0.0%	240,311,586	12.5%
June 30, 2015	-	20,946,617 (1)	20,946,617 (1)	0.0%	243,181,794	8.6%
June 30, 2016	-	22,599,448	22,599,448	0.0%	243,889,092	9.3%

Note (1): The unfunded actuarial liability decreased in 2015 primarily as a result of a later age of retirement assumption than in prior years. In addition, the number of retirees in the health plan declined and medical experience was favorable.

**Required Supplementary Information -
Schedule of the District's Proportionate Share of The Net Pension Liability
Florida Retirement System Pension Plan(1)**

	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's proportion of the FRS net pension liability (asset)	0.615478062%	0.630530916%	0.620589978%
District's proportionate share of the FRS net pension liability (asset)	\$ 79,497,246	\$ 38,471,658	\$ 106,831,156
District's covered-employee payroll (2)	\$ 210,656,651	\$ 209,563,402	\$ 206,298,018
District's proportionate share of the FRS net pension liability (asset) as a percentage of its covered-employee payroll	37.74%	18.36%	51.78%
FRS Plan fiduciary net position as a percentage of the total pension liability	92.00%	96.09%	88.54%

Note (1): The amounts presented for each fiscal year were determined as of June 30.
2014 was the first year of reporting net pension liability (GASB 68).

(2): Covered payroll includes all salaries and wages paid to employees enrolled in the FRS Defined Benefit Plan.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Required Supplementary Information -
Schedule of District Contributions
Florida Retirement System Pension Plan(1)

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required FRS contribution	\$ 12,622,611	\$ 15,005,878	\$ 13,811,303
FRS contributions in relation to the contractually required contribution	<u>(12,622,611)</u>	<u>(15,005,878)</u>	<u>(13,811,303)</u>
FRS contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll (2)	\$ 190,034,136	\$ 210,656,651	\$ 209,563,402
FRS contributions as a percentage of covered-employee payroll	6.64%	7.12%	6.59%

Note (1): The amounts presented for each fiscal year were determined as of June 30.
2014 was the first year of reporting net pension liability (GASB 68).

(2): Covered payroll includes all salaries and wages paid to employees enrolled in the FRS Defined Benefit Plan.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Required Supplementary Information -
Schedule of the District's Proportionate Share of The Net Pension Liability
Health Insurance Subsidy Pension Plan(1)

	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's proportion of the HIS net pension liability (asset)	0.791444173%	0.799648048%	0.797990362%
District's proportionate share of the HIS net pension liability (asset)	\$ 80,714,856	\$ 74,769,044	\$ 69,475,553
District's covered-employee payroll (2)	\$ 240,187,608	\$ 237,587,546	\$ 231,843,140
District's proportionate share of the HIS net pension liability (asset) as a percentage of its covered-employee payroll	33.60%	31.47%	29.97%
HIS Plan fiduciary net position as a percentage of the total pension liability	0.50%	0.99%	1.78%

Note (1): The amounts presented for each fiscal year were determined as of June 30.
2014 was the first year of reporting net pension liability (GASB 68).

(2): Covered payroll includes all salaries and wages paid to employees enrolled in the FRS Defined Benefit Plan and Defined Contribution Plan.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Required Supplementary Information -
Schedule of District Contributions
Health Insurance Subsidy Pension Plan(1)

	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required HIS contribution	\$ 3,623,814	\$ 3,025,392	\$ 2,739,325
HIS contributions in relation to the contractually required contribution	<u>(3,623,814)</u>	<u>(3,025,392)</u>	<u>(2,739,325)</u>
HIS contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll (2)	\$ 218,283,032	\$ 240,187,608	\$ 237,587,546
HIS contributions as a percentage of covered-employee payroll	1.66%	1.26%	1.15%

Note (1): The amounts presented for each fiscal year were determined as of June 30.
2014 was the first year of reporting net pension liability (GASB 68).

(2): Covered payroll includes all salaries and wages paid to employees enrolled in the FRS Defined Benefit Plan and Defined Contribution Plan.

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COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

Nonmajor Governmental Funds

Special Revenue Funds

The Special Revenue Funds account for certain revenues derived from the State of Florida, the Federal Government and other local and private sources that are required to finance designated activities. Activities included within the funds are as follows:

Food Service Fund – To account for and report on activities of the food service program in serving breakfast and lunch at the schools.

Federal Economic Stimulus Fund – To account for and report on activities of the American Recovery and Reinvestment Act (ARRA) Race to the Top program.

Contracted Programs Fund – To account for and report on activities of various programs of different funding sources according to the specifications and requirements of each funding source.

Debt Service Funds

The Debt Service Funds are used to account for the payment of interest and principal of the current portion of long-term debt.

State Board of Education Bonds Fund – To account for and report on payment of principal, interest, and related costs on the State School Bonds issued by the State Board of Education on behalf of the District. These bonds are payable from the District's portion of the State-assessed motor vehicle license tax.

ARRA Economic Stimulus Fund – To account for and report on payment of annual sinking fund deposit, interest and related costs on the Federal Qualified School Construction Bonds as authorized in the American Recovery and Reinvestment Act of 2009 (ARRA) for various education facilities and equipment.

(continued)

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

Nonmajor Governmental Funds (continued)

Capital Projects Fund

The Capital Projects Funds are used to account for the financing and acquisition or construction of major capital facilities, such as new school buildings or additions to existing buildings, or for major renovation projects. Specific funding sources included herein are:

Public Education Capital Outlay Fund – To account for capital project activity funded through the state Public Education Capital Outlay program.

Capital Outlay and Debt Service Fund – To account for capital activity funded by the District's portion of the state Capital Outlay and Debt Service program.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2016

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Cash and cash equivalents	\$ 7,321,999	\$ 1,062,742	\$ -	\$ 8,384,741
Investments	-	16,821,684	-	16,821,684
Accounts receivable	36,170	-	-	36,170
Due from other funds	363,575	-	-	363,575
Due from other agencies	907,595	972,431	3,012,018	4,892,044
Prepaid items	184,606	-	-	184,606
Inventories	363,992	-	-	363,992
Total assets	\$ 9,177,937	\$ 18,856,857	\$ 3,012,018	\$ 31,046,812
Liabilities, deferred inflows of resources and fund balances				
Liabilities:				
Salaries and wages payable	\$ 2,152,193	\$ -	\$ -	\$ 2,152,193
Accounts payable	331,247	-	-	331,247
Due to other funds	30,147	972,431	-	1,002,578
Due to other agencies	153,811	-	-	153,811
Matured interest payable	-	1,062,742	-	1,062,742
Unearned revenue	1,015,961	-	3,000,000	4,015,961
Total liabilities	<u>3,683,359</u>	<u>2,035,173</u>	<u>3,000,000</u>	<u>8,718,532</u>
Deferred inflows of resources:				
Unearned revenue-unavailable	-	-	12,018	12,018
Total deferred inflows of resources	<u>-</u>	<u>-</u>	<u>12,018</u>	<u>12,018</u>
Fund balances:				
Nonspendable	548,598	-	-	548,598
Restricted	4,945,980	16,821,684	-	21,767,664
Total fund balances	<u>5,494,578</u>	<u>16,821,684</u>	<u>-</u>	<u>22,316,262</u>
Total liabilities, deferred inflows of resources and fund balances	\$ 9,177,937	\$ 18,856,857	\$ 3,012,018	\$ 31,046,812

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2016

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Federal direct	\$ 1,241,096	\$ 1,944,862	\$ -	\$ 3,185,958
Federal through state and local	34,878,235	-	-	34,878,235
State sources	166,526	1,612,929	912,230	2,691,685
Local Sources:				
Charges for services	4,639,414	-	-	4,639,414
Other local revenue	3,424,961	1,762,888	589	5,188,438
Total revenues	<u>44,350,232</u>	<u>5,320,679</u>	<u>912,819</u>	<u>50,583,730</u>
Expenditures				
Current:				
Instruction	14,483,686	-	-	14,483,686
Student support services	3,640,599	-	-	3,640,599
Instructional media services	2,637	-	-	2,637
Instruction and curriculum development services	507,883	-	-	507,883
Instructional staff training services	3,327,482	-	-	3,327,482
Instruction related technology	465,396	-	-	465,396
General administration	1,127,604	-	-	1,127,604
School administration	8,837	-	-	8,837
Facility services - non-capitalized	23,667	-	307,437	331,104
Fiscal Services	25,753	-	-	25,753
Food services	17,922,752	-	-	17,922,752
Central services	148,453	-	-	148,453
Student transportation services	40,892	-	-	40,892
Operation of plant	74,569	-	-	74,569
Maintenance of plant	21,669	-	-	21,669
Community services	765,137	-	-	765,137
Capital outlay:				
Other capital outlay	1,728,509	-	-	1,728,509
Debt service:				
Principal	-	1,260,000	-	1,260,000
Interest	-	2,520,631	-	2,520,631
Dues and fees	-	8,001	1,304	9,305
Total expenditures	<u>44,315,525</u>	<u>3,788,632</u>	<u>308,741</u>	<u>48,412,898</u>
Excess of revenues over expenditures	34,707	1,532,047	604,078	2,170,832
Other financing sources (uses)				
Transfers in	-	2,314,075	-	2,314,075
Transfers out	-	-	(777,187)	(777,187)
Total other financing sources (uses)	<u>-</u>	<u>2,314,075</u>	<u>(777,187)</u>	<u>1,536,888</u>
Net change in fund balances	34,707	3,846,122	(173,109)	3,707,720
Fund balance - beginning	5,459,871	12,975,562	173,109	18,608,542
Fund balance - ending	<u>\$ 5,494,578</u>	<u>\$ 16,821,684</u>	<u>\$ -</u>	<u>\$ 22,316,262</u>

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2016

	Food Service Fund	Federal Economic Stimulus Fund	Contracted Programs Fund	Total Nonmajor Special Revenue Funds
Assets				
Cash and cash equivalents	\$ 5,635,644	\$ -	\$ 1,686,355	\$ 7,321,999
Accounts receivable	-	-	36,170	36,170
Due from other funds	-	-	363,575	363,575
Due from other agencies	228,152	-	679,443	907,595
Prepaid items	180,634	-	3,972	184,606
Inventories	363,992	-	-	363,992
Total assets	\$ 6,408,422	\$ -	\$ 2,769,515	\$ 9,177,937
Liabilities and fund balances				
Liabilities:				
Salaries and wages payable	\$ 660,231	\$ -	\$ 1,491,962	\$ 2,152,193
Accounts payable	39,855	-	291,392	331,247
Due to other funds	1,467	-	28,680	30,147
Due to other agencies	45,737	-	108,074	153,811
Unearned revenue	234,599	-	781,362	1,015,961
Total liabilities	981,889	-	2,701,470	3,683,359
Fund balances:				
Nonspendable	544,626	-	3,972	548,598
Restricted	4,881,907	-	64,073	4,945,980
Total fund balances	5,426,533	-	68,045	5,494,578
Total liabilities and fund balances	\$ 6,408,422	\$ -	\$ 2,769,515	\$ 9,177,937

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2016

	<u>Food Service Fund</u>	<u>Federal Economic Stimulus Fund</u>	<u>Contracted Programs Fund</u>	<u>Total Nonmajor Special Revenue Funds</u>
Revenues				
Federal direct	\$ -	\$ -	\$ 1,241,096	\$ 1,241,096
Federal through state and local	13,246,184	393,151	21,238,900	34,878,235
State sources	166,526	-	-	166,526
Local Sources:				
Charges for services	4,639,414	-	-	4,639,414
Other local revenue	34,813	-	3,390,148	3,424,961
Total revenues	<u>18,086,937</u>	<u>393,151</u>	<u>25,870,144</u>	<u>44,350,232</u>
Expenditures				
Current:				
Instruction	-	-	14,483,686	14,483,686
Student support services	-	-	3,640,599	3,640,599
Instructional media services	-	-	2,637	2,637
Instruction and curriculum development services	-	-	507,883	507,883
Instructional staff training services	-	-	3,327,482	3,327,482
Instruction related technology	-	393,151	72,245	465,396
Board	-	-	-	-
General administration	-	-	1,127,604	1,127,604
School administration	-	-	8,837	8,837
Facility services - non-capitalized	-	-	23,667	23,667
Fiscal services	-	-	25,753	25,753
Food services	17,908,267	-	14,485	17,922,752
Central services	-	-	148,453	148,453
Student transportation services	-	-	40,892	40,892
Operation of plant	-	-	74,569	74,569
Maintenance of plant	-	-	21,669	21,669
Community services	-	-	765,137	765,137
Capital outlay:				
Other capital outlay	146,673	-	1,581,836	1,728,509
Total expenditures	<u>18,054,940</u>	<u>393,151</u>	<u>25,867,434</u>	<u>44,315,525</u>
Excess of revenues over expenditures	31,997	-	2,710	34,707
Fund balance - beginning	<u>5,394,536</u>	<u>-</u>	<u>65,335</u>	<u>5,459,871</u>
Fund balance - ending	<u>\$ 5,426,533</u>	<u>\$ -</u>	<u>\$ 68,045</u>	<u>\$ 5,494,578</u>

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Combining Balance Sheet
Nonmajor Debt Service Funds
June 30, 2016

	State Board of Education Bonds Fund	ARRA Economic Stimulus Fund	Total Nonmajor Debt Service Funds
Assets			
Cash and cash equivalents	\$ -	\$ 1,062,742	\$ 1,062,742
Investments	162,011	16,659,673	16,821,684
Due from other agencies	-	972,431	972,431
Total assets	\$ 162,011	\$ 18,694,846	\$ 18,856,857
Liabilities and fund balances			
Liabilities:			
Due to other funds	\$ -	\$ 972,431	\$ 972,431
Matured interest payable	-	1,062,742	1,062,742
Total liabilities	-	2,035,173	2,035,173
Fund balances:			
Restricted for debt service	162,011	16,659,673	16,821,684
Total fund balances	162,011	16,659,673	16,821,684
Total liabilities and fund balances	\$ 162,011	\$ 18,694,846	\$ 18,856,857

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Debt Service Funds
For the Fiscal Year Ended June 30, 2016

	State Board of Education Bonds Fund	ARRA Economic Stimulus Fund	Total Nonmajor Debt Service Funds
Revenues			
Federal direct	\$ -	\$ 1,944,862	\$ 1,944,862
State sources	1,612,929	-	1,612,929
Other local revenue	-	1,762,888	1,762,888
Total revenues	<u>1,612,929</u>	<u>3,707,750</u>	<u>5,320,679</u>
Expenditures			
Debt service:			
Principal	1,260,000	-	1,260,000
Interest	395,147	2,125,484	2,520,631
Dues and fees	501	7,500	8,001
Total expenditures	<u>1,655,648</u>	<u>2,132,984</u>	<u>3,788,632</u>
Excess of revenues over expenditures	(42,719)	1,574,766	1,532,047
Other financing sources (uses)			
Transfers in	-	2,314,075	2,314,075
Total other financing sources (uses)	<u>-</u>	<u>2,314,075</u>	<u>2,314,075</u>
Net change in fund balances	(42,719)	3,888,841	3,846,122
Fund balance - beginning	<u>204,730</u>	<u>12,770,832</u>	<u>12,975,562</u>
Fund balance - ending	<u>\$ 162,011</u>	<u>\$ 16,659,673</u>	<u>\$ 16,821,684</u>

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2016

	Public Education Capital Outlay (PECO) Fund	Capital Outlay and Debt Service Fund	Total Capital Projects Funds
Assets			
Due from other agencies	\$ 3,000,000	\$ 12,018	\$ 3,012,018
Total assets	\$ 3,000,000	\$ 12,018	\$ 3,012,018
Liabilities and deferred inflows of resources			
Liabilities:			
Unearned revenue	\$ 3,000,000	\$ -	\$ 3,000,000
Total liabilities	3,000,000	-	3,000,000
Deferred inflows of resources:			
Unearned revenue-unavailable	-	12,018	12,018
Total deferred inflows of resources	-	12,018	12,018
Total liabilities and deferred inflows of resources	\$ 3,000,000	\$ 12,018	\$ 3,012,018

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2016

	Public Education Capital Outlay (PECO) Fund	Capital Outlay and Debt Service Fund	Total Capital Projects Funds
Revenues			
State sources	\$ 777,187	\$ 135,043	\$ 912,230
Other Local Revenue	-	589	589
Total revenues	<u>777,187</u>	<u>135,632</u>	<u>912,819</u>
Expenditures			
Current:			
Facility services - non-capitalized	-	307,437	307,437
Debt service:			
Dues and fees	-	1,304	1,304
Total expenditures	<u>-</u>	<u>308,741</u>	<u>308,741</u>
Excess of revenues over expenditures	777,187	(173,109)	604,078
Other financing uses			
Transfers out	<u>(777,187)</u>	-	<u>(777,187)</u>
Total other financing uses	<u>(777,187)</u>	<u>-</u>	<u>(777,187)</u>
Net change in fund balances	-	(173,109)	(173,109)
Fund balance - beginning	<u>-</u>	<u>173,109</u>	<u>173,109</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Food Service - Nonmajor Special Revenue Fund
For the Fiscal Year Ended June 30, 2016

	Food Service			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Federal through state and local:				
Food service	\$ 12,893,035	\$ 13,351,236	\$ 13,246,184	\$ (105,052)
Total federal through state and local	<u>12,893,035</u>	<u>13,351,236</u>	<u>13,246,184</u>	<u>(105,052)</u>
State sources:				
Food service	169,154	169,154	166,526	(2,628)
Total state sources	<u>169,154</u>	<u>169,154</u>	<u>166,526</u>	<u>(2,628)</u>
Local sources:				
Food service	4,996,180	4,996,180	4,639,414	(356,766)
Interest income	7,611	11,693	11,392	(301)
Other local sources	14,309	14,309	23,421	9,112
Total local sources	<u>5,018,100</u>	<u>5,022,182</u>	<u>4,674,227</u>	<u>(347,955)</u>
Total revenues	<u>18,080,289</u>	<u>18,542,572</u>	<u>18,086,937</u>	<u>(455,635)</u>
Expenditures				
Current:				
Food services	18,198,632	18,308,845	17,908,267	400,578
Capital outlay:				
Other capital outlay	-	146,673	146,673	-
Total expenditures	<u>18,198,632</u>	<u>18,455,518</u>	<u>18,054,940</u>	<u>400,578</u>
Excess (deficiency) of revenues over (under) expenditures	<u>\$ (118,343)</u>	<u>\$ 87,054</u>	<u>31,997</u>	<u>\$ (55,057)</u>
Fund balance - beginning			<u>5,394,536</u>	
Fund balance - ending			<u>\$ 5,426,533</u>	

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Federal Economic Stimulus Fund - Nonmajor Special Revenue Fund
For the Fiscal Year Ended June 30, 2016

	Federal Economic Stimulus			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Federal through state and local	\$ 393,151	\$ 393,151	\$ 393,151	\$ -
Total revenues	<u>393,151</u>	<u>393,151</u>	<u>393,151</u>	<u>-</u>
Expenditures				
Current:				
Instruction related technology	393,151	393,151	393,151	-
Total expenditures	<u>393,151</u>	<u>393,151</u>	<u>393,151</u>	<u>-</u>
Excess of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balance - beginning			<u>-</u>	
Fund balance - ending			<u>\$ -</u>	

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Contracted Programs - Nonmajor Special Revenue Fund
For the Fiscal Year Ended June 30, 2016

	Contracted Programs			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Federal direct	\$ 1,244,694	\$ 1,241,096	\$ 1,241,096	\$ -
Federal through state and local	22,743,183	21,238,900	21,238,900	-
Local Sources:				
Other local revenue	2,963,576	3,390,148	3,390,148	-
Total revenues	<u>26,951,453</u>	<u>25,870,144</u>	<u>25,870,144</u>	<u>-</u>
Expenditures				
Current:				
Instruction	17,056,883	14,483,686	14,483,686	-
Student support services	3,390,876	3,640,599	3,640,599	-
Instructional media services	-	2,637	2,637	-
Instruction and curriculum development services	904,842	507,883	507,883	-
Instructional staff training services	3,572,529	3,327,482	3,327,482	-
Instruction related technology	-	72,245	72,245	-
General administration	1,044,620	1,127,604	1,127,604	-
School administration	2,520	8,837	8,837	-
Facility services - non-capitalized	-	23,667	23,667	-
Fiscal services	31,152	25,753	25,753	-
Food services	-	14,485	14,485	-
Central services	41,531	148,453	148,453	-
Student transportation services	71,500	40,892	40,892	-
Operation of plant	-	74,569	74,569	-
Maintenance of plant	-	21,669	21,669	-
Community services	835,000	765,137	765,137	-
Capital outlay:				
Other capital outlay	-	1,581,836	1,581,836	-
Total expenditures	<u>26,951,453</u>	<u>25,867,434</u>	<u>25,867,434</u>	<u>-</u>
Excess of revenues over expenditures	<u>\$ -</u>	<u>\$ 2,710</u>	<u>2,710</u>	<u>\$ -</u>
Fund balance - beginning			<u>65,335</u>	
Fund balance - ending			<u>\$ 68,045</u>	

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Other Debt Service - Major Debt Service Fund
For the Fiscal Year Ended June 30, 2016

	Other Debt Service			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Local sources:				
Interest income	\$ -	\$ 38,062	\$ 38,058	\$ (4)
Total revenues	<u>-</u>	<u>38,062</u>	<u>38,058</u>	<u>(4)</u>
Expenditures				
Debt service:				
Principal	18,063,669	18,063,669	17,200,021	863,648
Interest	5,611,960	6,837,021	5,220,063	1,616,958
Dues and fees	9,000	195,791	191,010	4,781
Total expenditures	<u>23,684,629</u>	<u>25,096,481</u>	<u>22,611,094</u>	<u>2,485,387</u>
Deficiency of revenues under expenditures	<u>(23,684,629)</u>	<u>(25,058,419)</u>	<u>(22,573,036)</u>	<u>2,485,383</u>
Other financing sources				
Refunding certificates of participation	-	68,365,000	68,365,000	-
Payments to refunded escrow agent	-	(68,168,044)	(68,168,044)	-
Transfers in	23,684,629	24,899,008	22,424,603	(2,474,405)
Total other financing sources	<u>23,684,629</u>	<u>25,095,964</u>	<u>22,621,559</u>	<u>(2,474,405)</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ 37,545</u>	<u>48,523</u>	<u>\$ 10,978</u>
Fund balance - beginning			<u>1,044,561</u>	
Fund balance - ending			<u>\$ 1,093,084</u>	

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
State Board of Education Bonds - Nonmajor Debt Service Fund
For the Fiscal Year Ended June 30, 2016

	State Board of Education Bonds			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
State sources:				
CO&DS withheld for SBE Bonds	\$ 1,655,147	\$ 1,613,618	\$ 1,612,929	\$ (689)
Total revenues	<u>1,655,147</u>	<u>1,613,618</u>	<u>1,612,929</u>	<u>(689)</u>
Expenditures				
Debt service:				
Principal	1,260,000	1,260,000	1,260,000	-
Interest	395,147	395,147	395,147	-
Dues and fees	1,500	501	501	-
Total expenditures	<u>1,656,647</u>	<u>1,655,648</u>	<u>1,655,648</u>	<u>-</u>
Deficiency of revenues under expenditures	<u>(1,500)</u>	<u>(42,030)</u>	<u>(42,719)</u>	<u>(689)</u>
Net change in fund balance	<u>\$ (1,500)</u>	<u>\$ (42,030)</u>	<u>(42,719)</u>	<u>\$ (689)</u>
Fund balance - beginning			<u>204,730</u>	
Fund balance - ending			<u>\$ 162,011</u>	

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
ARRA Economic Stimulus - Nonmajor Debt Service Fund
For the Fiscal Year Ended June 30, 2016

	ARRA Economic Stimulus			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Federal direct	\$ 1,934,427	\$ 1,944,862	\$ 1,944,862	\$ -
Local sources:				
Interest income	-	1,762,888	1,762,888	-
Total revenues	<u>1,934,427</u>	<u>3,707,750</u>	<u>3,707,750</u>	<u>-</u>
Expenditures				
Debt service:				
Interest	2,125,484	2,125,484	2,125,484	-
Dues and fees	7,000	7,500	7,500	-
Total expenditures	<u>2,132,484</u>	<u>2,132,984</u>	<u>2,132,984</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(198,057)</u>	<u>1,574,766</u>	<u>1,574,766</u>	<u>-</u>
Other financing sources				
Transfers in	2,324,452	2,324,452	2,314,075	(10,377)
Total other financing sources	<u>2,324,452</u>	<u>2,324,452</u>	<u>2,314,075</u>	<u>(10,377)</u>
Net change in fund balance	<u>\$ 2,126,395</u>	<u>\$ 3,899,218</u>	<u>3,888,841</u>	<u>\$ (10,377)</u>
Fund balance - beginning			<u>12,770,832</u>	
Fund balance - ending			<u>\$ 16,659,673</u>	

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Local Capital Improvement Tax - Major Capital Projects Fund
For the Fiscal Year Ended June 30, 2016

	Local Capital Improvement Tax			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Local sources:				
Property taxes levied for capital projects	\$ 72,561,962	\$ 73,500,000	\$ 73,219,437	\$ (280,563)
Interest income	-	325,000	305,253	(19,747)
Total local sources	<u>72,561,962</u>	<u>73,825,000</u>	<u>73,524,690</u>	<u>(300,310)</u>
Total revenues	<u>72,561,962</u>	<u>73,825,000</u>	<u>73,524,690</u>	<u>(300,310)</u>
Expenditures				
Current:				
Facility services - non-capitalized	59,133,378	42,664,356	12,946,011	29,718,345
Capital outlay:				
Facilities acquisition and construction	-	15,730,776	15,730,776	-
Total expenditures	<u>59,133,378</u>	<u>58,395,132</u>	<u>28,676,787</u>	<u>29,718,345</u>
Excess of revenues over expenditures	<u>13,428,584</u>	<u>15,429,868</u>	<u>44,847,903</u>	<u>29,418,035</u>
Other financing (uses)				
Transfers out	<u>(43,089,632)</u>	<u>(44,780,622)</u>	<u>(42,295,840)</u>	<u>2,484,782</u>
Total other financing (uses)	<u>(43,089,632)</u>	<u>(44,780,622)</u>	<u>(42,295,840)</u>	<u>2,484,782</u>
Net change in fund balance	<u>\$ (29,661,048)</u>	<u>\$ (29,350,754)</u>	<u>2,552,063</u>	<u>\$ 31,902,817</u>
Fund balance - beginning			<u>30,745,763</u>	
Fund balance - ending			<u>\$ 33,297,826</u>	

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Other Capital Projects - Major Capital Projects Fund
For the Fiscal Year Ended June 30, 2016

	Other Capital Projects			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
State sources:				
Charter school capital outlay funding	\$ 1,497,893	\$ 1,497,893	\$ 1,402,267	\$ (95,626)
Miscellaneous state revenue	-	160,000	149,338	(10,662)
Local sources:				
Sales tax collections	18,072,057	18,700,000	18,312,133	(387,867)
Impact fee collections	-	625,000	601,604	(23,396)
Interest income	100,000	196,378	242,250	45,872
Miscellaneous local revenue	-	-	716,780	716,780
Total revenues	<u>19,669,950</u>	<u>21,179,271</u>	<u>21,424,372</u>	<u>245,101</u>
Expenditures				
Current:				
Facility services - non-capitalized	42,521,928	22,438,444	6,776,521	15,661,923
Capital outlay:				
Facilities acquisition and construction	-	30,904,187	30,904,187	-
Total expenditures	<u>42,521,928</u>	<u>53,342,631</u>	<u>37,680,708</u>	<u>15,661,923</u>
Deficiency of revenues under expenditures	<u>(22,851,978)</u>	<u>(32,163,360)</u>	<u>(16,256,336)</u>	<u>15,907,024</u>
Other financing sources (uses)				
Inception of capital leases	-	9,850,000	9,804,168	(45,832)
Transfer out	(8,302,482)	(8,310,860)	(8,215,234)	95,626
Total other financing sources (uses)	<u>(8,302,482)</u>	<u>1,539,140</u>	<u>1,588,934</u>	<u>49,794</u>
Net change in fund balance	<u>\$ (31,154,460)</u>	<u>\$ (30,624,220)</u>	<u>(14,667,402)</u>	<u>\$ 15,956,818</u>
Fund balance - beginning			<u>41,020,870</u>	
Fund balance - ending			<u>\$ 26,353,468</u>	

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Public Education Capital Outlay - Nonmajor Capital Projects Fund
For the Fiscal Year Ended June 30, 2016

	Public Education Capital Outlay			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
State sources:				
Public Education Capital Outlay	\$ 3,766,892	\$ 3,777,187	\$ 777,187	\$ (3,000,000)
Total revenues	<u>3,766,892</u>	<u>3,777,187</u>	<u>777,187</u>	<u>(3,000,000)</u>
Expenditures				
Capital outlay:				
Facilities acquisition and construction	3,000,000	3,000,000	-	3,000,000
Total expenditures	<u>3,000,000</u>	<u>3,000,000</u>	<u>-</u>	<u>3,000,000</u>
Excess of revenues over expenditures	<u>766,892</u>	<u>777,187</u>	<u>777,187</u>	<u>-</u>
Other financing (uses)				
Transfer out	(766,892)	(777,187)	(777,187)	-
Total other financing (uses)	<u>(766,892)</u>	<u>(777,187)</u>	<u>(777,187)</u>	<u>-</u>
Excess of revenues over expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balance - beginning			<u>-</u>	
Fund balance - ending			<u>\$ -</u>	

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Capital Outlay and Debt Service - Nonmajor Capital Projects Fund
For the Fiscal Year Ended June 30, 2016

	Capital Outlay and Debt Service			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
State sources:				
CO&DS Distribution	\$ 160,000	\$ 160,000	\$ 135,043	\$ (24,957)
Total state sources	<u>160,000</u>	<u>160,000</u>	<u>135,043</u>	<u>(24,957)</u>
Local sources:				
Interest income	-	-	589	589
Total local sources	<u>-</u>	<u>-</u>	<u>589</u>	<u>589</u>
Total revenues	<u>160,000</u>	<u>160,000</u>	<u>135,632</u>	<u>(24,368)</u>
Expenditures				
Current:				
Facilities acquisition and construction	330,609	330,609	307,437	23,172
Debt service:				
Dues and fees	2,500	2,500	1,304	1,196
Total expenditures	<u>333,109</u>	<u>333,109</u>	<u>308,741</u>	<u>24,368</u>
Deficiency of revenues under expenditures	<u>\$ (173,109)</u>	<u>\$ (173,109)</u>	<u>(173,109)</u>	<u>\$ -</u>
Fund balance - beginning			<u>173,109</u>	
Fund balance - ending			<u>\$ -</u>	

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SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

Internal Service Funds

Internal Service funds are used to account for the District's individual self-insurance programs.

Workers Compensation Insurance Fund – To account for the financial activities of the District's self-insured workers compensation program.

General & Automobile Liability Insurance Fund – To account for the financial activities of the District's self-insured automobile and general liability coverages.

Cafeteria Plan Funds – To account for self-insured dental and Internal Revenue Code Section 125 benefits for employees.

Health Insurance Fund – To account for self-insured medical benefits for employees.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Combining Schedule of Fund Net Position
Internal Service Funds
June 30, 2016

	Workers' Compensation Insurance	General & Automobile Liability Insurance
Assets		
Current Assets		
Cash and cash equivalents	\$ 2,554,326	\$ 2,060,007
Investments	10,227,105	5,125,621
Accounts receivable	-	-
Interest receivable	21,966	11,012
Deposits receivable	75,000	-
Due from other funds	-	-
Due from other agencies	-	-
Prepaid items	588	11,536
Total current assets	12,878,985	7,208,176
Total assets	12,878,985	7,208,176
Liabilities		
Current liabilities		
Salaries and wages payable	122	-
Accounts payable	17,888	2,498
Due to other agencies	8	-
Unearned Revenue	-	-
Estimated insurance claims payable	2,273,386	429,954
Total current liabilities	2,291,404	432,452
Long-term liabilities		
Liability for compensated absences	3,005	1,340
Estimated insurance claims payable	5,495,121	674,606
Total long-term liabilities	5,498,126	675,946
Total liabilities	7,789,530	1,108,398
Net position		
Restricted	-	-
Unrestricted	5,089,455	6,099,778
Total net position	\$ 5,089,455	\$ 6,099,778

Cafeteria Plan			
Dental Insurance	Cafeteria	Health Insurance	Internal Service Funds Total
\$ 1,590,315	\$ 784,891	\$ 18,941,211	\$ 25,930,750
-	-	-	15,352,726
-	-	10,228	10,228
-	-	-	32,978
-	-	-	75,000
260	-	11,544	11,804
42,911	-	-	42,911
694	510	910	14,238
<u>1,634,180</u>	<u>785,401</u>	<u>18,963,893</u>	<u>41,470,635</u>
<u>1,634,180</u>	<u>785,401</u>	<u>18,963,893</u>	<u>41,470,635</u>
-	227	-	349
-	2,939	3,751,907	3,775,232
-	-	-	8
-	-	3,535,042	3,535,042
146,330	90,680	3,167,000	6,107,350
<u>146,330</u>	<u>93,846</u>	<u>10,453,949</u>	<u>13,417,981</u>
4,936	2,829	4,267	16,377
-	-	-	6,169,727
<u>4,936</u>	<u>2,829</u>	<u>4,267</u>	<u>6,186,104</u>
<u>151,266</u>	<u>96,675</u>	<u>10,458,216</u>	<u>19,604,085</u>
384,013	-	6,863,617	7,247,630
<u>1,098,901</u>	<u>688,726</u>	<u>1,642,060</u>	<u>14,618,920</u>
<u>\$ 1,482,914</u>	<u>\$ 688,726</u>	<u>\$ 8,505,677</u>	<u>\$ 21,866,550</u>

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Combining Schedule of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Fiscal Year Ended June 30, 2016

	Workers' Compensation Insurance	General & Automobile Liability Insurance
Operating revenues		
Charges for services	\$ 2,320,621	\$ -
Total operating revenues	<u>2,320,621</u>	<u>-</u>
Operating expenses		
Salaries	150,276	39,475
Employee benefits	33,954	13,711
Purchased services	464,505	30,590
Materials and supplies	684	-
Insurance claims	2,695,683	600,342
Total operating expenses	<u>3,345,102</u>	<u>684,118</u>
Operating income (loss)	(1,024,481)	(684,118)
Nonoperating revenues		
Investment income	<u>161,991</u>	<u>84,382</u>
Income (loss) before transfers	(862,490)	(599,736)
Transfers in	<u>-</u>	<u>577,910</u>
Change in net position	(862,490)	(21,826)
Total net position - beginning	<u>5,951,945</u>	<u>6,121,604</u>
Total net position - ending	<u>\$ 5,089,455</u>	<u>\$ 6,099,778</u>

Cafeteria Plan			Internal Service Funds Total
Dental Insurance	Cafeteria	Health Insurance	
\$ 2,347,541	\$ 179,969	\$ 23,693,821	\$ 28,541,952
2,347,541	179,969	23,693,821	28,541,952
29,349	47,678	39,810	306,588
8,197	16,697	11,405	83,964
207,803	38,638	1,403,804	2,145,340
-	-	-	684
2,336,079	-	20,590,851	26,222,955
2,581,428	103,013	22,045,870	28,759,531
(233,887)	76,956	1,647,951	(217,579)
5,983	2,849	44,759	299,964
(227,904)	79,805	1,692,710	82,385
-	-	6,812,967	7,390,877
(227,904)	79,805	8,505,677	7,473,262
1,710,818	608,921	-	14,393,288
\$ 1,482,914	\$ 688,726	\$ 8,505,677	\$ 21,866,550

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Combining Schedule of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2016

	Workers' Compensation Insurance	General & Automobile Liability Insurance
Cash flows from operating activities		
Cash receipts from interfund services provided	\$ 2,320,621	\$ -
Cash payments to suppliers	(491,749)	(34,994)
Cash payments to employees	(186,255)	(56,208)
Cash payments for insurance claims	(2,052,875)	(771,931)
Net cash provided (used) by operating activities	<u>(410,258)</u>	<u>(863,133)</u>
Cash flows from noncapital financing activities		
Transfers from other funds	-	577,910
Net cash provided by noncapital financing activities	<u>-</u>	<u>577,910</u>
Cash flows from investing activities		
Interest income received	181,869	89,373
Purchase of investments	(159,109)	(79,765)
Net cash provided by investing activities	<u>22,760</u>	<u>9,608</u>
Net increase (decrease) in cash	<u>(387,498)</u>	<u>(275,615)</u>
Cash and cash equivalents - beginning of year	<u>2,941,824</u>	<u>2,335,622</u>
Cash and cash equivalents- end of year	<u>\$ 2,554,326</u>	<u>\$ 2,060,007</u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities		
Operating income (loss)	\$ (1,024,481)	\$ (684,118)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Change in assets and liabilities		
(Increase) in accounts receivable	-	-
(Increase) decrease in due from other funds	948	871
(Increase) in due from other agencies	-	-
(Increase) in prepaid items	(588)	(231)
(Decrease) in salaries and benefits payable	(323)	-
Increase (decrease) in accounts payable	(25,528)	(4,404)
(Decrease) in due to other agencies	(22)	-
Increase in advanced revenue	-	-
Increase (decrease) in estimated insurance claims payable	641,776	(171,589)
Increase (decrease) in liability for compensated absences	(2,040)	(3,662)
Total adjustments	<u>614,223</u>	<u>(179,015)</u>
Net cash provided (used) by operating activities	<u>\$ (410,258)</u>	<u>\$ (863,133)</u>

Cafeteria Plan			Internal Service Funds Total
Dental Insurance	Cafeteria	Health Insurance	
\$ 2,341,187	\$ 179,969	\$ 27,207,091	\$ 32,048,868
(286,025)	(39,151)	(1,403,804)	(2,255,723)
(33,564)	(66,787)	(47,858)	(390,672)
(2,327,719)	(57,874)	(13,671,944)	(18,882,343)
(306,121)	16,157	12,083,485	10,520,130
-	-	6,812,967	7,390,877
-	-	6,812,967	7,390,877
10,528	4,729	44,759	331,258
-	-	-	(238,874)
10,528	4,729	44,759	92,384
(295,593)	20,886	18,941,211	18,003,391
1,885,908	764,005	-	7,927,359
<u>\$ 1,590,315</u>	<u>\$ 784,891</u>	<u>\$ 18,941,211</u>	<u>\$ 25,930,750</u>
\$ (233,887)	\$ 76,956	\$ 1,647,951	\$ (217,579)
-	-	(10,228)	(10,228)
(260)	1,036	(11,544)	(8,949)
(6,354)	-	-	(6,354)
(694)	(510)	(910)	(2,933)
-	(192)	-	(515)
(78,222)	(513)	3,751,907	3,643,240
-	-	-	(22)
-	-	3,535,042	3,535,042
8,360	(57,874)	3,167,000	3,587,673
4,936	(2,746)	4,267	755
(72,234)	(60,799)	10,435,534	10,737,709
<u>\$ (306,121)</u>	<u>\$ 16,157</u>	<u>\$ 12,083,485</u>	<u>\$ 10,520,130</u>

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

Agency Funds

Agency funds are used to account for assets held by the District in a trustee capacity.

School Internal Accounts – To account for resources of the school internal funds which are used to administer moneys collected at the schools in connection with school, student athletic, class, and club activities.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Statement of Changes in Fiduciary Assets and Liabilities
Fiduciary Funds
For the Fiscal Year Ended June 30, 2016

	School Internal Accounts			Ending Balance
	Beginning Balance	Additions	Deductions	
Assets				
Cash and cash equivalents	\$ 6,583,647	\$ 14,235,857	\$ 13,894,091	\$ 6,925,413
Accounts receivable, net of allowance of \$50,710	175,979	247,994	175,979	247,994
Inventories	295,925	356,174	295,925	356,174
Total assets	\$ 7,055,551	\$ 14,840,025	\$ 14,365,995	\$ 7,529,581
Liabilities				
Accounts payable and other	\$ 118,267	\$ 229,977	\$ 118,267	\$ 229,977
Internal accounts payable	6,937,284	14,610,048	14,247,728	7,299,604
Total liabilities	\$ 7,055,551	\$ 14,840,025	\$ 14,365,995	\$ 7,529,581

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SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

Discretely Presented Component Units

The District's discretely presented component units consist of the following entities:

Charter Schools – The following charter schools are considered discretely presented component units: Island Village Montessori Charter School, Inc., Sarasota Suncoast Academy, Inc., Student Leadership Academy of Venice, Inc., Imagine School at North Port, Inc., Sarasota Military Academy, Inc. operating as two separate charters Sarasota Military Academy and Sarasota Military Academy Prep, Sarasota School of Arts and Sciences, Inc., Sarasota Academy of the Arts, Inc., and Suncoast School for Innovative Studies, Inc. (charter schools), are separate not-for-profit corporations organized pursuant to Chapter 617, Florida Statutes, and Section 1002.33, Florida Statutes. Imagine School at Sarasota, LLC, doing business as Imagine School at Palmer Ranch (charter school) is organized as a limited liability company pursuant to Chapter 608, Florida Statutes, and Section 1002.33, Florida Statutes.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Combining Statement of Net Position
Component Units - Charter Schools
June 30, 2016

	Island Village Montessori Charter School, Inc.	Sarasota Suncoast Academy, Inc.	Student Leadership Academy of Venice, Inc.	Imagine School at North Port, Inc.	Imagine School at Palmer Ranch
Assets					
Cash and cash equivalents	\$ 1,188,470	\$ 846,762	\$ 174,684	\$ 495,489	\$ 416,856
Restricted cash	-	-	-	-	-
Investments	-	-	-	-	-
Accounts receivable	5,340	-	10,000	116,798	-
Due from other agencies	-	-	-	-	1,338
Due from related parties	-	-	-	-	714,339
Prepaid items	151,534	270,896	13,986	98,896	-
Other	123,634	-	601	20,716	10,020
Capital assets:					
Land	829,116	-	-	106,016	-
Construction In Process	-	-	-	4,880	-
Improvements Other Than Buildings	-	23,105	-	982,195	-
Leasehold Improvements	-	846,447	962,620	-	-
Buildings and Fixed Equipment	5,609,412	-	-	2,133,108	-
Furniture, Fixtures and Equipment	1,495,242	536,702	524,097	951,550	150,755
Motor Vehicles	20,471	24,000	-	360,180	223,141
Capital Lease	-	-	-	-	-
Less Accumulated Depreciation	(2,571,743)	(844,082)	(723,644)	(1,548,057)	(252,820)
Total assets	6,851,476	1,703,830	962,344	3,721,771	1,263,629
Deferred outflows of resources					
Pensions	-	-	322,853	-	-
Total deferred outflows of resources	-	-	322,853	-	-
Liabilities					
Salaries and wages payable	182,562	245,748	-	464,283	164,936
Due to related parties	-	-	-	15,059	-
Accounts payable	132,895	18,865	167,400	34,553	967,596
Other	-	-	-	-	-
Noncurrent liabilities:					
Portion due within one year:					
Notes payable	198,539	-	71,644	218,720	88,766
Bonds payable	-	-	-	-	-
Obligations under capital leases	-	-	-	-	-
Liability for compensated absences	-	-	2,000	-	-
Portion due after one year:					
Notes payable	3,890,461	-	15,694	2,142,908	136,208
Bonds payable	-	-	-	-	-
Interest rate swap	-	-	-	-	-
Obligations under capital leases	-	-	-	-	-
Liability for compensated absences	-	-	11,403	-	-
Net pension liability	-	-	807,106	-	-
Total liabilities	4,404,457	264,613	1,075,247	2,875,523	1,357,506
Deferred inflows of resources					
Pensions	-	-	276,795	-	-
Total deferred inflows of resources	-	-	276,795	-	-
Net position					
Net investment in capital assets	1,293,498	586,172	675,735	1,213,937	73,681
Restricted for capital projects	-	-	-	-	-
Restricted for debt service	-	-	-	-	-
Restricted for other purposes	-	-	-	-	-
Unrestricted	1,153,521	853,045	(742,580)	(367,689)	(167,558)
Total net position	\$ 2,447,019	\$ 1,439,217	\$ (66,845)	\$ 846,248	\$ (93,877)

Sarasota Military Academy	Sarasota Military Academy Prep	Sarasota School of Arts and Sciences, Inc.	Sarasota Academy of the Arts, Inc.	Suncoast School for Innovative Studies, Inc.	Total Component Units
\$ 980,806	\$ 219,511	\$ 2,241,125	\$ 219,007	\$ 81,256	\$ 6,863,966
-	-	846,564	231,803	-	1,078,367
127,645	-	-	-	-	127,645
-	-	-	10,379	-	142,517
119,278	16,016	-	-	-	136,632
1,316,638	-	-	-	-	2,030,977
-	-	37,658	5,490	24,291	602,751
113,161	166,016	-	3,302	66,473	503,923
973,750	7,424,550	652,565	-	-	9,985,997
13,300	880,722	19,714	-	-	918,616
71,000	26,349	-	-	-	1,102,649
-	-	-	-	214,280	2,023,347
11,169,647	450,047	8,598,350	182,214	-	28,142,778
1,469,770	684,425	1,399,977	57,459	448,254	7,718,231
288,859	-	249,664	5,500	8,710	1,180,525
-	-	43,000	5,630	-	48,630
(3,341,771)	(260,722)	(2,286,939)	(33,491)	(466,488)	(12,329,757)
13,302,083	9,606,914	11,801,678	687,293	376,776	50,277,794
887,151	616,061	-	-	-	1,826,065
887,151	616,061	-	-	-	1,826,065
-	-	189,795	96,163	37,502	1,380,989
-	1,316,638	-	-	-	1,331,697
25,793	367,277	32,062	10,192	12,163	1,768,796
358,726	236,248	339,261	-	118,171	1,052,406
-	206,199	71,307	-	8,913	864,088
142,000	297,785	160,000	-	-	599,785
-	-	-	1,977	-	1,977
38,940	-	-	-	-	40,940
-	35,393	6,386	-	-	6,227,050
4,944,000	7,418,377	10,185,460	-	-	22,547,837
867,665	-	-	-	-	867,665
-	-	-	2,841	-	2,841
-	-	-	24,574	-	35,977
3,297,007	590,196	-	-	-	4,694,309
9,674,131	10,468,113	10,984,271	135,747	176,749	41,416,357
403,844	73,588	-	-	-	754,227
403,844	73,588	-	-	-	754,227
4,783,290	1,410,632	(1,713,029)	217,312	195,843	8,737,071
-	-	301,184	-	-	301,184
-	-	1,357,199	-	-	1,357,199
100,664	19,265	-	231,803	-	351,732
(772,695)	(1,748,623)	872,053	102,431	4,184	(813,911)
\$ 4,111,259	\$ (318,726)	\$ 817,407	\$ 551,546	\$ 200,027	\$ 9,933,275

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Combining Statement of Activities
Component Units - Charter Schools
For the Fiscal Year Ended June 30, 2016

	Island Village Montessori Charter School, Inc.	Sarasota Suncoast Academy, Inc.	Student Leadership Academy of Venice, Inc.	Imagine School at North Port, Inc.	Imagine School at Palmer Ranch
Expenses:					
Instruction	\$ 3,454,587	\$ 2,267,527	\$ 1,442,472	\$ 4,717,057	\$ 1,985,594
Student support services	108,394	-	117,144	76,443	125
Instructional media services	-	3,580	31,806	141,450	-
Instructional curriculum development services	-	293	-	136,572	53,231
Instructional staff training services	-	11,024	2,223	4,235	-
Instruction related technology	-	12,825	-	81,387	38,803
Board	-	82,289	18,750	61,593	34,080
General administration	41,118	-	38,415	814,136	515,473
School administration	1,052,501	282,677	420,344	887,608	475,518
Facility services - non-capitalized	-	1,252,782	-	-	-
Fiscal services	89,681	53,384	18,050	-	65,896
Food services	-	22,908	9,448	11,778	135,010
Central services	-	-	-	4,127	1,008
Student transportation services	197,299	28,118	73,026	176,507	72,612
Operation of plant	448,386	393,106	404,160	2,253,009	1,589,502
Maintenance of plant	269,113	119,659	41,532	128,404	35,572
Community services	-	110,272	-	7,383	41,298
Interest on long-term debt	187,624	-	7,089	89,515	3,548
Unallocated depreciation	409,299	158,547	-	-	24,844
Total expenses	<u>6,258,002</u>	<u>4,798,991</u>	<u>2,624,459</u>	<u>9,591,204</u>	<u>5,072,114</u>
Program Revenues:					
Charges for services	50,369	69,619	-	237,118	54,350
Operating grants and contributions	25,374	18,056	-	-	95,415
Capital grants and contributions	513,061	372,655	-	707,751	58,295
Total program revenues	<u>588,804</u>	<u>460,330</u>	<u>-</u>	<u>944,869</u>	<u>208,060</u>
Net program expense	<u>(5,669,198)</u>	<u>(4,338,661)</u>	<u>(2,624,459)</u>	<u>(8,646,335)</u>	<u>(4,864,054)</u>
General Revenues:					
Grants and contributions not restricted to specific programs	5,976,057	4,332,300	2,677,925	8,814,484	3,667,556
Other state and local sources	708,648	76,367	16,903	129,794	1,192,473
Total general revenues	<u>6,684,705</u>	<u>4,408,667</u>	<u>2,694,828</u>	<u>8,944,278</u>	<u>4,860,029</u>
Change in net position	<u>1,015,507</u>	<u>70,006</u>	<u>70,369</u>	<u>297,943</u>	<u>(4,025)</u>
Total net position - beginning of year	<u>1,431,512</u>	<u>1,369,211</u>	<u>(137,214)</u>	<u>548,305</u>	<u>(89,852)</u>
Total net position - end of year	<u>\$ 2,447,019</u>	<u>\$ 1,439,217</u>	<u>\$ (66,845)</u>	<u>\$ 846,248</u>	<u>\$ (93,877)</u>

Sarasota Military Academy	Sarasota Military Academy Prep	Sarasota School of Arts and Sciences, Inc.	Sarasota Academy of the Arts, Inc.	Suncoast School for Innovative Studies, Inc.	Total Component Units
\$ 5,606,618	\$ 2,314,843	\$ 3,953,678	\$ 1,191,138	\$ 1,944,456	\$ 28,877,970
345,581	121,901	40,967	1,812	-	812,367
335,338	187,370	95,115	4,124	-	798,783
-	-	-	-	-	190,096
-	-	39,653	5,875	-	63,010
-	-	-	13,877	-	146,892
-	-	128,922	375	12,378	338,387
-	-	17,018	91,355	102,312	1,619,827
1,658,084	1,048,749	757,965	293,946	1,148,449	8,025,841
3,399	-	-	9,904	318,054	1,584,139
152,129	83,371	24,326	53,742	1,375	541,954
-	-	-	21,573	-	200,717
-	-	-	-	11,418	16,553
203,524	12,110	100,465	28,855	217,781	1,110,297
524,623	446,718	304,493	125,740	269,266	6,759,003
270,344	118,847	251,895	63,872	47,561	1,346,799
-	-	-	14,397	-	173,350
257,900	63,418	703,049	-	19,291	1,331,434
-	-	-	-	84,651	677,341
<u>9,357,540</u>	<u>4,397,327</u>	<u>6,417,546</u>	<u>1,920,585</u>	<u>4,176,992</u>	<u>54,614,760</u>
-	-	-	-	62,059	473,515
561,298	25,319	28,504	11,696	423,964	1,189,626
732,334	311,751	-	-	313,241	3,009,088
<u>1,293,632</u>	<u>337,070</u>	<u>28,504</u>	<u>11,696</u>	<u>799,264</u>	<u>4,672,229</u>
<u>(8,063,908)</u>	<u>(4,060,257)</u>	<u>(6,389,042)</u>	<u>(1,908,889)</u>	<u>(3,377,728)</u>	<u>(49,942,531)</u>
7,544,081	3,896,851	6,686,929	2,016,586	3,412,651	49,025,420
(28,006)	104,220	23,547	1,063	56,409	2,281,418
<u>7,516,075</u>	<u>4,001,071</u>	<u>6,710,476</u>	<u>2,017,649</u>	<u>3,469,060</u>	<u>51,306,838</u>
<u>(547,833)</u>	<u>(59,186)</u>	<u>321,434</u>	<u>108,760</u>	<u>91,332</u>	<u>1,364,307</u>
<u>4,659,092</u>	<u>(259,540)</u>	<u>495,973</u>	<u>442,786</u>	<u>108,695</u>	<u>8,568,968</u>
\$ <u>4,111,259</u>	\$ <u>(318,726)</u>	\$ <u>817,407</u>	\$ <u>551,546</u>	\$ <u>200,027</u>	\$ <u>9,933,275</u>

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School Board of Sarasota County, Florida



SARASOTA
County Schools

Comprehensive Annual Financial Statement Report

For the Fiscal Year Ended June 30, 2016

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STATISTICAL SECTION

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Statistical Section

This part of The School Board of Sarasota County, Florida's comprehensive annual financial report presents detail information as a context for understanding what the information in the financial statements, notes disclosures and required supplementary information says about the School Board's overall financial health.

Contents	Page
Financial Trends <i>These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.</i>	132
Revenue Capacity <i>These schedules contain information to help the reader assess the District's most significant local revenues sources, the property tax.</i>	146
Debt Capacity <i>These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the government's ability to issue additional debt in the future.</i>	150
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.</i>	157
Operating Information <i>These schedules contain service data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.</i>	160

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Net Position by Component
Last 10 Fiscal Years
(Unaudited)

Net position components	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010
Primary government				
Net investment in capital assets	\$ 528,236,762	\$ 629,612,938	\$ 683,452,772	\$ 707,136,203
Restricted	131,953,410	117,008,881	101,262,108	100,813,654
Unrestricted	23,801,166	31,288,602	28,594,130	38,944,347
Total primary government net position	<u>\$ 683,991,338</u>	<u>\$ 777,910,421</u>	<u>\$ 813,309,010</u>	<u>\$ 846,894,204</u>

^a Restated June 30, 2012 net position

^b Decrease in Net Position in 2015 due to the implementation of GASB 68 and 71.

Source: District records

Table 1

Fiscal Year					
June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016
\$ 712,540,799	\$ 721,892,327 ^a	\$ 737,197,939	\$ 754,873,856	\$ 777,726,583	\$ 794,655,165
112,329,674	118,612,155	107,809,491	94,797,196	84,677,632	99,819,203
35,271,890	28,762,628	25,597,385	22,701,000	(129,257,091) ^b	(129,544,072)
<u>\$ 860,142,363</u>	<u>\$ 869,267,110 ^a</u>	<u>\$ 870,604,815</u>	<u>\$ 872,372,052</u>	<u>\$ 733,147,124 ^b</u>	<u>\$ 764,930,296</u>

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Expenses, Program Revenues and Net (Expense)/Revenue
Last 10 Fiscal Years
(Unaudited)

	<u>June 30, 2007</u>	<u>June 30, 2008</u>	<u>June 30, 2009</u>	<u>June 30, 2010</u>
Primary Government Expenses				
Governmental activities:				
Instruction ^a	\$ 280,629,797	\$ 297,901,222	\$ 298,584,873	\$ 292,676,391
Student support services	29,165,173	30,325,345	28,222,953	28,441,735
Instructional media services	6,364,718	5,905,210	6,137,851	5,294,666
Instruction and curriculum development services	8,844,988	6,187,932	5,258,883	3,677,673
Instructional staff training services	9,659,899	13,498,341	7,366,429	5,137,212
Instructional related technology	7,313,334	8,129,129	2,891,781	1,396,745
Board	990,629	1,350,453	1,201,716	2,021,403
General administration	3,595,878	3,146,996	3,397,495	3,694,955
School administration	18,363,321	18,772,984	18,352,757	17,856,861
Facility services - non-capitalized	27,089,488	27,421,208	20,860,191	13,279,770
Fiscal services	2,182,470	2,308,943	2,225,376	2,085,840
Food services	15,666,988	15,918,869	16,059,192	15,747,007
Central services	7,854,963	7,380,444	6,841,163	6,214,941
Student transportation services	23,219,538	22,371,308	21,089,902	19,525,725
Operation of plant	34,389,933	35,228,040	36,378,916	36,822,811
Maintenance of plant	16,142,678	16,031,105	18,436,686	17,342,439
Administrative technology services	2,095,439	2,150,968	2,064,623	2,414,933
Community services	1,305,084	1,494,913	1,536,844	1,771,570
Interest on long-term debt	2,515,380	2,169,385	4,673,833	5,766,106
Total expenses	<u>\$ 497,389,698</u>	<u>\$ 517,692,795</u>	<u>\$ 501,581,464</u>	<u>\$ 481,168,783</u>
Program Revenues				
Governmental activities:				
Charges for services				
Instruction	\$ 2,496,679	\$ 2,400,410	\$ 2,598,848	\$ 3,070,864
Food	8,894,983	8,200,630	7,372,093	6,833,017
Transportation	-	-	525,511	496,302
Community Service ^b	-	-	-	-
Operating grants and contributions	16,001,462	15,283,133	15,321,080	9,967,097
Capital grants and contributions ^c	36,756,130	23,384,964	7,639,232	6,078,399
Total program revenues	<u>64,149,254</u>	<u>49,269,137</u>	<u>33,456,764</u>	<u>26,445,679</u>
Primary government net expense	<u>\$ (433,240,444)</u>	<u>\$ (468,423,658)</u>	<u>\$ (468,124,700)</u>	<u>\$ (454,723,104)</u>

^a The District's expenses, particularly for instruction, have increased significantly as a result of the state's class size reduction constitutional amendment.

^b All transportation services revenues were previously reported in Transportation Services; In FY15 they were segregated between community service fees and student transportation fees.

^c In conjunction with the state's class size reduction law, the district received additional funding for school construction and expansion. That funding ceased in 2009 due to funding cuts.

Source: District records

Table 2

Fiscal Year					
June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016
\$ 296,690,439	\$ 281,722,647	\$ 293,223,596	\$ 299,703,201	\$ 304,759,710	\$ 317,993,211
28,732,840	23,967,492	22,931,811	24,326,894	24,796,691	26,177,975
5,386,832	4,724,382	4,036,099	3,196,433	6,706,553	4,505,216
3,844,308	3,434,577	3,269,677	3,359,671	3,230,349	3,350,535
5,378,038	4,969,184	4,947,478	5,031,783	4,691,992	4,105,576
1,373,380	2,368,817	3,320,282	3,475,721	3,572,269	4,924,996
1,126,670	1,021,338	819,319	1,283,234	1,104,220	946,510
2,951,442	2,559,299	2,605,606	2,751,981	3,128,034	3,189,440
17,484,966	16,226,134	16,303,070	17,338,048	17,269,900	18,031,984
13,136,595	13,562,468	13,475,579	16,972,664	16,399,611	22,209,758
2,051,350	2,106,502	1,884,311	1,998,046	2,017,043	2,013,262
16,391,007	15,439,526	15,649,443	17,193,318	17,009,351	18,101,850
6,455,528	6,143,183	6,072,463	6,523,876	6,698,741	6,128,154
19,524,334	18,989,823	18,343,827	19,415,299	18,261,021	18,157,778
35,436,543	33,328,174	33,785,539	34,507,859	33,445,833	33,634,202
17,949,420	15,893,062	14,121,895	14,784,318	14,294,204	14,933,393
2,080,924	2,504,196	3,175,384	3,719,238	3,989,386	3,679,800
2,457,531	2,318,840	2,586,369	3,555,076	3,589,142	3,304,544
9,911,864	10,324,210	9,596,005	9,262,395	8,643,739	8,788,740
<u>\$ 488,364,011</u>	<u>\$ 461,603,854</u>	<u>\$ 470,147,753</u>	<u>\$ 488,399,055</u>	<u>\$ 493,607,789</u>	<u>\$ 514,176,924</u>
\$ 2,994,646	\$ 3,113,655	\$ 3,632,297	\$ 3,570,476	\$ 3,611,562	\$ 2,641,709
6,195,344	5,789,837	5,600,358	5,190,096	4,723,056	4,639,412
489,684	598,078	599,314	596,210	238,596	259,658
-	-	-	-	492,875	204,936
10,412,253	10,690,392	11,311,262	12,602,559	12,622,205	48,213,215
6,549,424	5,873,206	5,615,947	6,299,479	5,774,799	6,021,626
<u>26,641,351</u>	<u>26,065,168</u>	<u>26,759,178</u>	<u>28,258,820</u>	<u>27,463,093</u>	<u>61,980,556</u>
<u>\$ (461,722,660)</u>	<u>\$ (435,538,686)</u>	<u>\$ (443,388,575)</u>	<u>\$ (460,140,235)</u>	<u>\$ (466,144,696)</u>	<u>\$ (452,196,368)</u>

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
General Revenues and
Total Changes in Net Position
Last 10 Fiscal Years
(Unaudited)

	<u>June 30, 2007</u>	<u>June 30, 2008</u>	<u>June 30, 2009</u>	<u>June 30, 2010</u>
Net (Expense)				
Total primary government net expense	\$ (433,240,444)	\$ (468,423,658)	\$ (468,124,700)	\$ (454,723,104)
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes				
Property taxes, levied for general purposes ^a	296,843,842	309,870,020	286,459,398	282,106,749
Property taxes, levied for capital projects	113,936,426	120,956,816	94,721,430	71,468,723
Local sales taxes	16,453,038	14,850,716	13,422,199	12,880,581
Grants and contributions				
Not restricted to specific programs	96,569,779	100,984,457	99,090,763	112,699,479
Miscellaneous	14,031,997	6,967,194	9,205,352	6,498,942
Unrestricted investment earnings	12,495,760	8,713,538	624,147	2,653,824
Total primary government	<u>550,330,842</u>	<u>562,342,741</u>	<u>503,523,289</u>	<u>488,308,298</u>
Change in Net Position	<u>\$ 117,090,398</u> ^b	<u>\$ 93,919,083</u>	<u>\$ 35,398,589</u> ^c	<u>\$ 33,585,194</u>

^a Changes in property tax revenues are a product of underlying changes in property values and tax rates.

^b Changes in Net Position in 2007 due to a large increase in assessed taxable property values.

^c Changes in Net Position in 2009 due to a large decrease in assessed taxable values and a legislative reduction in maximum capital outlay tax levy.

^d Changes in Net Position in 2013 due to an increase in charter school payments due to enrollment growth and salary and benefits expenses from the 2011-12 reinstated furlough days and a one-time compensation adjustment.

^e Change in Net Position in 2015 was due to the implementation of GASB 68 and 71 and increase in property tax revenues.

^f Change in Net Position in 2016 was due to increase in property tax revenues.

Source: District records

Table 3

Fiscal Year					
June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016
\$ (461,722,660)	\$ (435,538,686)	\$ (443,388,575)	\$ (460,140,235)	\$ (466,144,696)	\$ (452,196,368)
276,860,927	249,145,074	255,168,075	272,808,869	284,782,027	305,488,678
64,915,896	60,937,028	60,632,620	63,261,086	68,078,087	73,219,437
13,295,558	13,860,532	14,752,739	15,791,473	17,293,948	18,312,133
109,899,786	112,835,562	104,701,937	105,250,969	108,386,450	73,924,680
8,938,210	7,466,487	8,123,934	3,755,476	6,756,842	9,876,880
1,761,982	1,529,710	1,346,975	1,039,599	1,378,495	3,157,732
<u>475,672,359</u>	<u>445,774,393</u>	<u>444,726,280</u>	<u>461,907,472</u>	<u>486,675,849</u>	<u>483,979,540</u>
<u>\$ 13,949,699</u>	<u>\$ 10,235,707</u>	<u>\$ 1,337,705^d</u>	<u>\$ 1,767,237</u>	<u>\$ 20,531,153^e</u>	<u>\$ 31,783,172^f</u>

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Fund Balances, Governmental Funds (A)
Last 10 Fiscal Years
(Unaudited)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
General Fund				
Reserved	\$ 4,480,699	\$ 5,374,137	\$ 6,705,148	\$ 5,178,957
Unreserved	54,670,550	56,579,914	52,325,727	61,664,354
Total general fund	<u>\$ 59,151,249</u>	<u>\$ 61,954,051</u>	<u>\$ 59,030,875</u>	<u>\$ 66,843,311</u>
All Other Governmental Funds				
Reserved	\$ 76,629,184	\$ 99,169,076	\$ 76,532,149	\$ 76,245,010
Unreserved, reported in:				
Capital projects funds	51,701,565	14,937,827	80,355,779	62,724,039
Debt Service	782,457	1,780,555	-	-
Special revenue funds	19,957	6,190	221,254	971,341
Total all other governmental funds	<u>\$ 129,133,163</u>	<u>\$ 115,893,648</u>	<u>\$ 157,109,182</u>	<u>\$ 139,940,390</u>

General Fund				
Nonspendable				\$ 3,048,627
Restricted				4,203,910
Assigned				16,085,961
Unassigned				<u>43,504,813</u>
Total General Fund				<u>\$ 66,843,311</u>
All Other Governmental Funds				
Nonspendable				\$ 325,354
Restricted				133,142,006
Assigned				6,473,030
Unassigned				<u>-</u>
Total all other governmental funds				<u>\$ 139,940,390</u>

Note: (A) Includes all governmental fund types

GASB Statement No. 54 was implemented for fiscal year 2010-2011.

Fiscal year 2009-2010 GASB 54 compliant fund balance is unaudited and shown for comparative purposes only.

- ^a The increase is due to the balance of unspent proceeds related to the issuance of the Certificates of Participation, Series 2010A and 2010B.
- ^b The decrease is due to decreases in per student funding, property tax revenues, and the loss of Federal Stimulus funding.
- ^c The decrease is primarily attributed to increased salary and benefit expenditures from the loss of Federal Education Jobs Act funds and from the reinstatement of 2011-12 furlough days and a one-time compensation adjustment.

Source: District records

Table 4

Fiscal Year						
2011	2012	2013	2014	2015	2016	
\$ 3,022,373	\$ 4,686,136	\$ 3,719,373	\$ 3,625,467	\$ 3,044,959	\$ 5,764,339	
4,463,012	3,944,117	2,134,839	2,551,274	1,384,125	10,691,981	
19,885,279	20,031,791	6,912,566	5,270,713	7,307,149	6,302,763	
<u>37,449,121</u>	<u>35,337,274</u>	<u>40,713,975</u>	<u>39,435,810</u>	<u>33,104,480</u>	<u>36,118,713</u>	
<u>\$ 64,819,785</u>	<u>\$ 63,999,318</u>	<u>\$ 53,480,753</u>	<u>\$ 50,883,264</u>	<u>\$ 44,840,713</u>	<u>\$ 58,877,796</u>	
\$ 460,304	\$ 395,913	\$ 518,145	\$ 482,990	\$ 285,958	\$ 563,422	
228,682,195	176,666,571	129,791,129	99,989,018	84,329,189	82,497,218	
4,017,253	6,732,425	6,773,852	6,797,498	6,804,589	-	
<u>2,312,112</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
<u>\$ 235,471,864</u> ^a	<u>\$ 183,794,909</u> ^b	<u>\$ 137,083,126</u> ^c	<u>\$ 107,269,506</u>	<u>\$ 91,419,736</u>	<u>\$ 83,060,640</u>	

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Governmental Funds Revenues (A)
Last 10 Fiscal Years
(Unaudited)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Revenues				
Federal sources:				
Federal grants	\$ 21,020,923	\$ 23,039,187	\$ 23,337,833	\$ 47,811,371
Food services	6,546,549	7,415,005	8,402,604	9,810,993
Total federal sources	<u>27,567,472</u>	<u>30,454,192</u>	<u>31,740,437</u>	<u>57,622,364</u>
State sources:				
Florida education finance program	14,817,885	10,547,459	10,604,605	6,005,237
Public education capital outlay	10,538,636	8,080,289	3,093,362	784,890
Food services	181,407	155,052	155,255	156,104
State grants and other	86,910,926	87,739,209	75,451,244	62,382,285
Total state sources	<u>112,448,854</u>	<u>106,522,009</u>	<u>89,304,466</u>	<u>69,328,516</u>
Local sources:				
Ad valorem taxes	410,780,268	430,826,836	381,180,828	353,575,472
Food service sales	9,884,189	8,319,301	7,372,093	10,327,655
Interest and other income	12,495,760	8,713,067	660,303	809,681
Other revenues	34,662,569	25,612,832	26,347,457	20,662,975
Total local sources	<u>467,822,786</u>	<u>473,472,036</u>	<u>415,560,681</u>	<u>385,375,783</u>
 Total revenues	 <u>\$ 607,839,112</u>	 <u>\$ 610,448,237</u>	 <u>\$ 536,605,584</u>	 <u>\$ 512,326,663</u>

Note: (A) Includes all governmental fund types

Source: District records

Table 5

	Fiscal Year					
	2011	2012	2013	2014	2015	2016
\$	48,044,321	\$ 37,528,633	\$ 28,100,534	\$ 28,014,773	\$ 27,787,365	\$ 27,430,354
	10,245,493	10,520,402	11,145,812	12,429,723	12,451,231	13,246,184
	58,289,814	48,049,035	39,246,346	40,444,496	40,238,596	40,676,538
	3,093,335	17,015,914	17,138,970	19,283,432	20,307,095	18,598,374
	2,149,547	-	-	-	-	-
	166,759	169,990	165,450	172,836	170,974	166,526
	63,098,786	62,850,215	63,506,692	61,897,910	63,187,683	63,674,776
	68,508,427	80,036,119	80,811,112	81,354,178	83,665,752	82,439,676
	341,776,823	310,082,102	315,800,695	336,069,955	352,860,114	378,708,115
	6,214,575	5,811,913	5,621,262	5,230,946	4,723,056	4,662,835
	745,590	1,429,854	1,201,855	974,909	1,246,687	2,857,768
	26,062,544	25,645,504	28,331,418	31,414,929	30,809,526	34,115,948
	374,799,532	342,969,373	350,955,230	373,690,739	389,639,383	420,344,666
\$	501,597,773	\$ 471,054,527	\$ 471,012,688	\$ 495,489,413	\$ 513,543,731	\$ 543,460,880

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Governmental Funds Expenditures and Debt Service Ratios
Last 10 Fiscal Years
(Unaudited)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Expenditures:				
Instruction	\$ 256,946,940	\$ 271,323,020	\$ 268,425,220	\$ 265,811,151
Student support services	28,948,930	30,195,029	28,073,008	28,407,978
Instructional media services	6,053,112	5,813,674	6,132,968	5,296,556
Instruction and curriculum development services	8,469,582	5,862,954	5,188,321	3,630,588
Instructional staff training services	9,531,003	13,397,827	7,308,599	5,110,661
Instruction related technology	6,071,627	6,766,334	2,856,419	1,375,951
Board	969,522	1,333,359	1,181,284	2,005,951
General administration	3,353,244	2,833,221	3,087,799	3,396,131
School administration	18,271,940	18,738,880	18,362,541	27,072,936
Facility services - non-capitalized	110,523	33,649,291	20,353,217	3,493,719
Fiscal services	2,154,917	2,288,599	2,199,020	2,070,591
Food services	15,491,356	15,847,930	15,958,579	15,699,502
Central services	6,990,947	6,808,436	6,325,951	5,717,568
Student transportation services	18,057,575	19,537,524	18,032,493	17,127,826
Operation of plant	34,066,726	34,868,202	36,208,129	36,725,942
Maintenance of plant	15,146,073	15,319,147	17,756,455	16,840,599
Administrative technology services	2,035,824	2,124,392	2,020,762	2,392,633
Community services	1,283,031	1,462,921	1,505,642	1,762,846
Capital Outlay:				
Facilities acquisition and construction	92,840,335	113,133,250	76,790,460	51,016,090
Other capital outlay	1,922,626	2,493,800	26,471,971	-
Debt Service:				
Principal	14,477,828	14,690,677	15,470,158	21,156,712
Interest and fiscal charges	3,448,699	3,108,218	4,425,405	6,073,650
Total expenditures	<u>\$ 546,642,360</u>	<u>\$ 621,596,685</u>	<u>\$ 584,134,401</u>	<u>\$ 522,185,581</u>
Debt service as a percentage of noncapital expenditures	4.0%	3.5%	4.3%	5.8%

Source: District records

Table 6

Fiscal Year						
2011	2012	2013	2014	2015	2016	
\$ 266,581,120	\$ 253,298,629	\$ 263,409,471	\$ 269,857,115	\$ 279,137,225	\$ 282,745,603	
28,493,209	23,697,895	22,796,479	24,264,846	25,655,367	26,220,551	
5,359,753	4,696,872	4,029,572	3,202,524	6,808,597	4,520,833	
3,788,923	3,376,568	3,240,384	3,345,644	3,335,041	3,354,421	
5,340,332	4,923,975	4,896,582	4,989,989	4,776,234	4,079,366	
1,363,247	2,301,684	3,300,941	3,467,956	3,687,874	4,929,740	
1,111,754	1,005,310	816,281	1,281,964	1,114,914	945,580	
2,653,620	2,277,193	2,345,566	2,515,371	2,979,669	3,028,922	
17,381,348	16,067,921	16,226,354	17,313,523	17,862,844	18,045,224	
12,490,422	12,803,351	11,998,111	15,286,991	14,753,121	20,054,401	
2,025,671	2,078,746	1,870,902	1,992,715	2,091,942	2,017,672	
16,218,563	15,232,938	15,532,507	17,081,034	17,146,209	17,973,961	
5,995,234	5,565,215	5,610,756	6,113,262	6,475,311	5,746,112	
17,258,729	16,669,533	16,034,187	17,017,521	16,210,486	15,539,110	
35,189,729	33,045,743	33,605,632	34,371,988	33,994,410	33,584,074	
17,444,372	15,510,396	13,844,931	14,579,869	14,389,522	14,832,133	
2,069,903	2,469,166	3,102,763	3,642,831	3,999,646	3,654,680	
2,442,909	2,294,407	2,566,324	3,544,119	3,660,407	3,311,442	
68,170,877	81,726,760	79,619,254	59,890,757	51,900,047	46,634,963	
231,822	911,219	985,366	1,699,615	2,417,246	2,823,879	
16,209,613	18,398,319	20,110,615	21,481,477	22,668,538	18,460,021	
10,356,962	10,187,808	9,836,543	9,288,125	8,633,642	7,941,009	
<u>\$ 538,178,112</u>	<u>\$ 528,539,648</u>	<u>\$ 535,779,521</u>	<u>\$ 536,229,236</u>	<u>\$ 543,698,292</u>	<u>\$ 540,443,697</u>	
5.7%	6.4%	6.6%	6.5%	6.4%	5.4%	

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Other Financing Sources and Uses and Net Changes in Fund Balance,
Governmental Funds
Last 10 Fiscal Years
(Unaudited)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Excess (deficiency) of revenues over (under) expenditures	\$ 61,196,752	\$ (11,148,448)	\$ (47,528,817)	\$ (9,858,918)
Other Financing Sources (Uses)				
Long-term debt issued	-	1,150,000	75,625,000	-
Premium on sale of bonds	-	41,521	119,854	-
Inception of capital leases	-	-	10,562,139	-
Refunding bonds issued	-	-	-	1,860,000
Refunding certificates of participation	-	-	-	186,454
Discount on sale of bonds	-	-	-	-
Payments to refunded escrow agent	-	-	-	(2,029,565)
Sale of capital assets	5,065,250	46,646	13,043	1,762,564
FEMA loss recovery	-	-	-	-
Loss recoveries	202,865	33,487	42,350	86,780
Transfers in	26,220,779	30,552,099	40,772,772	48,333,427
Transfers out	(26,913,564)	(31,114,202)	(41,313,942)	(48,998,608)
Total other financing sources (uses)	<u>4,575,330</u>	<u>709,551</u>	<u>85,821,216</u>	<u>1,201,052</u>
Net change in fund balances	<u>\$ 65,772,082</u>	<u>\$ (10,438,897)</u>	<u>\$ 38,292,399</u>	<u>\$ (8,657,866)</u>

Source: District records

Table 7

Fiscal Year					
2011	2012	2013	2014	2015	2016
\$ (36,580,339)	\$ (57,485,121)	\$ (64,766,833)	\$ (40,739,823)	\$ (30,154,561)	\$ 3,017,183
114,841,000	-	-	-	-	-
5,528,547	-	-	-	-	-
10,254,654	5,163,158	8,006,208	8,869,894	8,867,710	9,804,168
-	550,000	-	658,000	2,802,000	68,365,000
145,198	84,160	-	106,524	266,434	-
-	-	-	-	-	-
-	(632,525)	-	(764,920)	(3,126,542)	(68,168,044)
10,000	373,873	-	3,000	-	-
-	-	-	-	-	-
12,861	11,880	80,556	6,495	2,917	50,557
49,578,490	47,359,586	51,432,335	51,191,014	49,964,273	44,475,294
(50,277,302)	(47,909,865)	(51,982,614)	(51,741,293)	(50,514,552)	(51,866,171)
<u>130,093,448</u>	<u>5,000,267</u>	<u>7,536,485</u>	<u>8,328,714</u>	<u>8,262,240</u>	<u>2,660,804</u>
<u>\$ 93,513,109</u>	<u>\$ (52,484,854)</u>	<u>\$ (57,230,348)</u>	<u>\$ (32,411,109)</u>	<u>\$ (21,892,321)</u>	<u>\$ 5,677,987</u>

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Assessed Value and Estimated Actual Value of Taxable Property
Last 10 Fiscal Years
(in thousands of dollars)
(Unaudited)

Table 8

Fiscal Year	Assessed Value			Less: Exemptions	Total Taxable Value	Total Direct Rate ⁽¹⁾
	Residential and Commercial Property	Personal Property				
2007	\$ 76,796,905	\$ 6,432,934	\$ 24,313,875	\$ 58,915,964	7.210	
2008	78,936,448	6,365,749	22,638,384	62,663,813	7.123	
2009	67,743,874	7,291,518	19,191,350	55,844,042	7.045	
2010	57,691,815	6,632,664	15,025,342	49,299,137	7.427	
2011	50,678,383	2,190,004	8,088,600	44,779,787	7.901	
2012	47,796,116	2,069,404	7,849,112	42,016,408	7.635	
2013	47,354,594	1,973,103	7,681,227	41,646,470	7.816	
2014	48,972,181	2,122,290	7,518,325	43,576,146	7.970	
2015	52,353,366	2,161,143	7,654,933	46,859,576	7.777	
2016	56,300,468	2,334,950	8,333,521	50,301,897	7.763	

Note: Assessed values approximate estimated actual values. For each fiscal year ending June 30, property is valued as of the preceding January 1st.

⁽¹⁾ Per \$1,000 of assessed value

Source: Sarasota County Property Appraiser

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Direct and Overlapping Property Tax Rates
Last 10 Fiscal Years
(Unaudited)
(per \$1,000 assessed valuation)

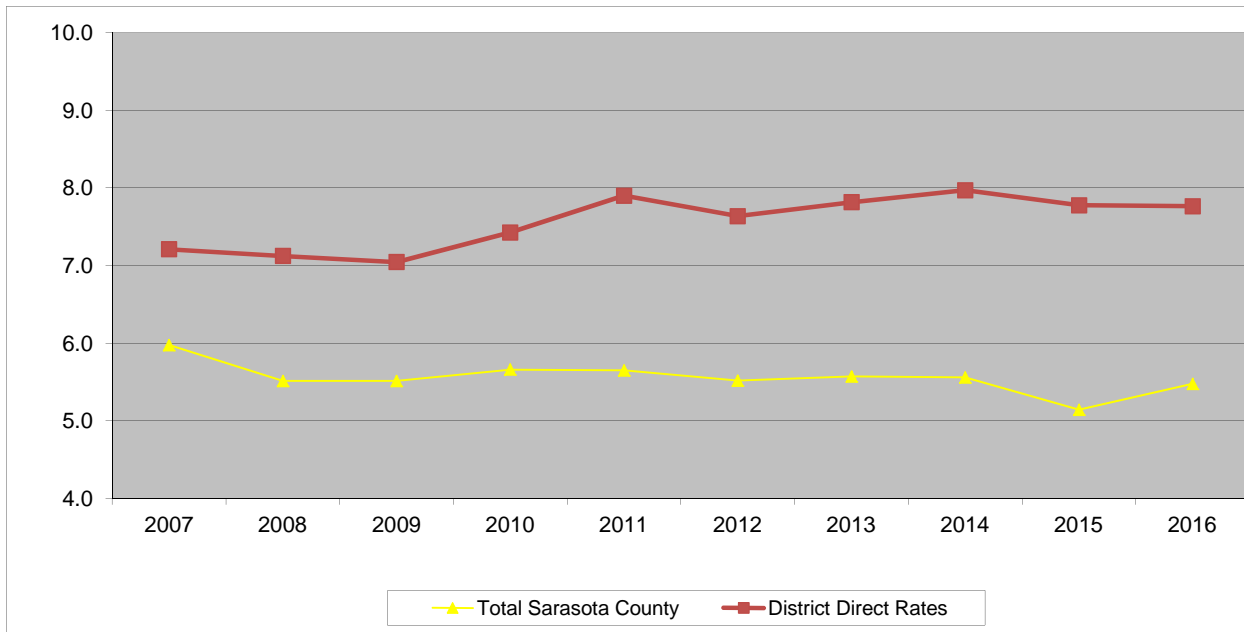
Table 9

Fiscal Year	District Direct Rates			Overlapping Rates ⁽¹⁾				
	General Purposes	Capital Purposes	Total	Sarasota County	City of Sarasota	City of Venice	Town of Longboat Key ⁽²⁾	City of North Port
2007	5.210	2.000	7.210	5.976	3.000	3.344	1.627/2.006	3.300
2008	5.123	2.000	7.123	5.514	3.166	2.939	1.635/2.011	2.981
2009	5.295	1.750	7.045	5.514	3.106	2.984	1.696/2.110	2.981
2010	5.927	1.500	7.427	5.659	3.152	3.004	1.709/2.170	3.340
2011	6.401	1.500	7.901	5.649	3.198	3.004	1.958/1.958	3.340
2012	6.135	1.500	7.635	5.517	3.355	3.195	1.955/1.955	3.568
2013	6.316	1.500	7.816	5.570	3.353	3.227	1.944/1.944	3.617
2014	6.470	1.500	7.970	5.559	3.582	3.302	2.132/2.132	3.447
2015	6.277	1.500	7.777	5.143	3.582	3.277	2.179/2.179	3.597
2016	6.263	1.500	7.763	5.475	3.473	3.766	2.939/2.362	3.477

(1) Additional millages for incorporated areas include levies for operating and debt service costs.
(2) Inland/Beach side

Source: Sarasota County Property Appraiser

County and School District Millages



SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Principal Property Taxpayers
Current Year and 9 Years Ago
(Unaudited)

Table 10

Taxpayer	Rank	2016 ⁽¹⁾		Rank	2007	
		Taxable Value	Percentage of Total Taxable Value		Taxable Value	Percentage of Total Taxable Value
Florida Power & Light Co.	1	\$ 400,485,300	0.86 %	1	\$ 357,016,852	0.55 %
TB Mall at UTC LLC	2	187,818,300	0.40	-	-	-
Verizon Florida LLC	3	106,330,764	0.23	2	302,243,658	0.40
Sarasota Shoppingtown LLC	4	93,704,133	0.20	3	155,897,378	0.23
Publix Super Markets Inc.	5	86,270,653	0.19	-	-	-
Glenridge on Palmer Ranch Inc.	6	82,103,698	0.18	5	103,496,354	0.15
Wal-Mart Stores East, LP	7	75,260,503	0.16	7	98,834,601	-
Sarasota Doctors Hospital, Inc.						
Columbia Healthcare	8	70,735,483	0.15	4	125,635,723	0.21
Venice HMA LLC	9	68,656,105	0.15	9	85,401,968	0.14
SNF Property LLC	10	55,483,492	0.12	-	-	-
WCI Communities, Inc.	-	-	-	-	-	0.15
MHC Mobile Home Communities	-	-	-	10	74,525,823	0.12
Osprey S A	-	-	-	8	89,936,795	0.15
Slab/Ritz Carlton Hotel Co.	-	-	-	6	99,650,877	0.16
Total		\$ 1,226,848,431	2.64 %		\$ 1,492,640,029	2.26 %

Source: Sarasota County Property Appraiser

(1) Same as prior year 2015 as the information was not yet made available.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Property Tax Levies and Collections
Last 10 Fiscal Years
(Unaudited)

Table 11

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy			Total Fiscal Year Collections	
		Amount	Percentage of Levy	Delinquent Collections (1)	Amount (1)	Percentage of Levy
2007	\$ 424,784,100	\$ 410,780,268	96.70 %	\$ 567,988	\$ 411,348,256	96.84 %
2008	446,354,340	430,826,836	96.52	1,620,743	432,447,579	96.88
2009	386,044,194	379,560,085	98.32	1,291,417	380,851,502	98.65
2010	366,144,690	352,996,495	96.41	578,977	353,575,472	96.57
2011	353,805,097	341,469,125	96.51	307,698	341,776,823	96.60
2012	320,795,275	309,805,201	96.57	276,902	310,082,103	96.66
2013	325,508,810	315,266,543	96.85	534,152	315,800,695	97.02
2014	347,301,884	335,864,117	96.71	205,838	336,069,955	96.77
2015	364,426,920	352,515,412	96.73	344,702	352,860,114	96.83
2016	390,493,628	378,538,568	96.94	169,547	378,708,115	96.98

Note: Property Taxes become due and payable on November 1st of each year. A four percent (4%) discount is allowed if taxes are paid in November, with the discounts declining by one percent (1%) each month thereafter. Accordingly, taxes collected will never be 100% of the tax levy. Taxes become delinquent on April 1st of each year and tax certificates for the full amount of any unpaid taxes and assessments must be sold not later than June 1st of each year. Accordingly, the majority of taxes are collected in the fiscal year levied.

(1) Net of allowable discounts

Source: Sarasota County Tax Collector and District records

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Outstanding Debt by Type
Last 10 Fiscal Years
(dollars in thousands, except per capita)
(Unaudited)

Table 12

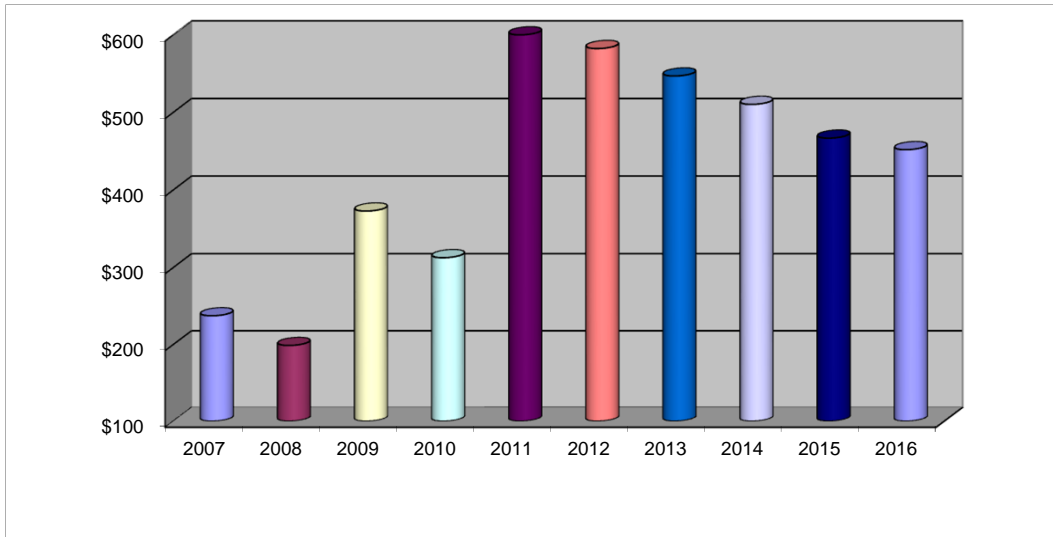
Governmental Activities									
Fiscal Year	State Board of Education Bonds	Qualified Zone Academy Bonds	Certificates of Participation	Race Track Revenue Bonds	Capital Leases	Total Primary Government	Percentage of Personal Income ⁽¹⁾	Per Capita ⁽¹⁾	
2007	\$ 14,680	\$ 1,300	\$ 69,321	\$ 2,215	\$ 286	\$ 87,802	0.43	\$ 238	
2008	14,931	1,300	55,759	1,855	145	73,990	0.36	199	
2009	13,977	1,300	117,574	1,490	10,156	144,497	0.70	373	
2010	12,969	1,300	99,565	1,105	8,180	123,119	0.62	313	
2011	13,763	1,300	205,941	705	15,460	237,169	1.15	622	
2012	12,647	1,300	192,514	295	16,680	223,436	1.04	582	
2013	11,718	1,300	178,702	-	19,035	210,755	0.95	547	
2014	10,470	1,300	164,359	-	21,488	197,617	0.92	510	
2015	8,966	1,300	149,467	-	23,351	183,084	N/A	467	
2016	7,628	1,300	146,782	-	24,895	180,605	N/A	452	

Note: Details regarding the District's outstanding debt can be found in the notes to the basic financial statements.
N/A = Data not currently available

⁽¹⁾ Population and personal income data can be found in Table 16

Source: District records

Debt Per Capita



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SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Direct and Overlapping Governmental Activities Debt
as of June 30, 2016
(dollars in thousands)
(Unaudited)

<u>Governmental Unit</u>	<u>General Obligation Bonded Debt Outstanding</u>	<u>State Board of Education (SBE) Bonded Debt Outstanding</u>	<u>Revenue Bonds Outstanding</u>	<u>Qualified Zone Academy Bonds or Special Obligation Bonds Outstanding</u>	<u>Certificates of Participation Outstanding</u>
Sarasota County Board of County Commissioners	\$ -	\$ -	\$ 164,801	\$ -	\$ -
City of Sarasota	38,798	-	-	24,792	-
City of Venice	6,071	-	-	-	-
City of North Port	-	-	36,995	-	-
Town of Longboat Key	1,350	-	-	-	-
School District of Sarasota County	-	7,628	-	1,300	146,782
Totals	<u>\$ 46,219</u>	<u>\$ 7,628</u>	<u>\$ 201,796</u>	<u>\$ 26,092</u>	<u>\$ 146,782</u>

Notes: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the District. This process recognizes that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt of each overlapping government.

Source: Debt outstanding data provided by each governmental unit as of 09/30/2015.

^a The estimated percentage applicable is based on population numbers obtained from the Bureau of Economic and Business Research.

Table 13

<u>Commercial Paper Outstanding</u>	<u>Capital Leases Loans and Notes Outstanding</u>	<u>Total Debt Outstanding</u>	<u>Direct Debt-100% Amount Applicable to This Governmental Unit</u>	<u>Overlapping Debt</u>		<u>Total Direct and Overlapping Debt</u>
				<u>Estimated Percentage Applicable^a</u>	<u>Estimated Share of Overlapping Debt</u>	
\$ 18,188	\$ 155,795	\$ 338,784	\$ -	100.00 %	\$ 338,784	\$ 338,784
-	940	64,530	-	13.50	8,712	8,712
-	-	6,071	-	5.46	331	331
-	7,375	44,370	-	15.87	7,042	7,042
-	-	1,350	-	1.14	15	15
-	24,895	180,605	180,605		-	180,605
<u>\$ 18,188</u>	<u>\$ 189,005</u>	<u>\$ 635,710</u>	<u>\$ 180,605</u>		<u>\$ 354,884</u>	<u>\$ 535,489</u>

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Legal Debt Margin Information
Last 10 Fiscal Years
(dollars in thousands)
(Unaudited)

Legal Debt Margin Calculation for Fiscal Year 2016

Assessed value 2016 tax roll	\$ 50,301,897
Limit of bonded indebtedness, 10% of net assessed taxable property value	5,030,190
Amount of debt applicable to the debt limit	<u>180,605</u>
Legal Debt Margin	<u>\$ 4,849,585</u>

	Fiscal Year			
	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Debt limit	\$ 5,891,596	\$ 6,266,381	\$ 5,584,404	\$ 4,929,914
Total debt applicable to limit	<u>87,802</u>	<u>73,990</u>	<u>144,497</u>	<u>123,119</u>
Legal debt margin	<u>\$ 5,803,794</u>	<u>\$ 6,192,391</u>	<u>\$ 5,439,907</u>	<u>\$ 4,806,795</u>
Total debt applicable as a percentage of debt limit	1.49%	1.18%	2.59%	2.50%

Note: This schedule was previously presented as a requirement of State Board of Education Rule 6A-1.037(2), Florida Administrative Code which established a legal debt limit of 10 percent of the assessed valuation of the District. This rule was repealed in March 2006, however, management believes this information may still be of value to users.

Source: District records
Assessed value data provided by the Sarasota County Property Appraiser.

Fiscal Year						
2011	2012	2013	2014	2015	2016	
\$ 4,477,979	\$ 4,201,641	\$ 4,164,647	\$ 4,357,615	\$ 4,685,958	\$ 5,030,190	
237,169	223,436	210,755	197,617	183,084	180,605	
<u>\$ 4,240,810</u>	<u>\$ 3,978,205</u>	<u>\$ 3,953,892</u>	<u>\$ 4,159,998</u>	<u>\$ 4,502,874</u>	<u>\$ 4,849,585</u>	
5.30%	5.32%	5.06%	4.53%	3.91%	3.59%	

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Pledged-Revenue Coverage
Last Ten Fiscal Years
(Unaudited)

Table 15

Fiscal Year	Race Track Revenue Bonds ⁽¹⁾				State Board of Education Bonds			
	Racing	Debt Service			Motor Vehicle	Debt Service		
	Commission Funds	Principal	Interest	Coverage	License Tax	Principal	Interest	Coverage
2007	\$ 446,500	\$ 350,000	\$ 81,480	1.03	\$ 1,533,496	\$ 845,000	\$ 1,110,299	0.78
2008	446,500	360,000	71,855	1.03	1,527,268	880,000	1,102,775	0.77
2009	446,500	365,000	61,055	1.05	1,967,296	935,000	674,779	1.22
2010	446,500	385,000	50,105	1.03	1,608,606	1,000,000	588,482	1.01
2011	446,500	400,000	38,170	1.02	1,682,213	1,055,000	612,530	1.01
2012	446,500	410,000	24,970	1.03	1,711,152	1,110,000 (2)	625,411	0.99
2013	446,500	295,000	10,620	1.46	1,708,789	1,165,000	574,741	0.98
2014	-	-	-	-	1,706,997	1,215,000 (3)	520,933	0.98
2015	-	-	-	-	1,669,757	1,264,000 (4)	372,253	1.02
2016	-	-	-	-	1,612,622	1,260,000	395,147	0.97

Note: Details regarding the District's outstanding debt can be found in Note 9 of the notes to the financial statements.

- (1) Bonds are issued by the District and secured from pari-mutuel tax proceeds distributed annually to Sarasota County from the State's Pari-Mutuel Tax Collection Trust Fund pursuant to Florida Statutes. Bonds were paid off in fiscal year 2013.
- (2) Excludes \$610,000 related to the refunding of the 2003A bonds.
- (3) Excludes \$745,000 related to the refunding of the 2004A bonds.
- (4) Excludes \$3,020,000 related to the refunding of the 2005B bonds.

Source: District records

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Demographic and Economic Statistics
Last 10 Fiscal Years
(Unaudited)

Table 16

Calendar Year	Estimated Population ⁽¹⁾	Personal Income ⁽²⁾ (thousands of dollars)	Per Capita Personal Income	Student Membership ⁽³⁾	Unemployment Rate ⁽⁴⁾
2007	369,535	\$ 20,605,000	\$ 55,559	42,190	3.5
2008	372,073	20,659,000	57,179	42,013	5.9
2009	387,461	20,765,000	51,347	41,057	10.4
2010	393,608	19,887,936	52,331	41,281	12.3
2011	381,319	20,551,266	53,769	40,899	10.7
2012	383,664	21,400,975	55,422	41,076	8.7
2013	385,292	22,122,103	56,661	41,094	7.1
2014	387,140	21,494,117	54,147	41,398	5.9
2015	392,090	N/A	N/A	41,910	5.1
2016	399,538	N/A	N/A	42,354	4.5

N/A = Data not currently available

-
- Source:
- (1) Bureau of Economic and Business Research
 - (2) US Department of Commerce, Bureau of Economic Analysis
 - (3) The Florida Department of Education's Data Publications and Reports entitled "Membership in Florida's Public Schools Survey 2" for each respective year
 - (4) Florida Agency for Workforce Innovation, Office of Workforce Information Services, Labor Market Statistics (12 month average)

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Principal Employers
Current Year and 9 Years Ago
(Unaudited)

Table 17

Employer	Rank	2016		Rank	2007	
		Employees	Percentage of Total County Employment		Employees	Percentage of Total County Employment
School Board of Sarasota County, Florida	1	5,611	3.24%	1	5,447	3.23%
Sarasota County Government	2	3,447	1.99%	3	3,552	2.10%
Sarasota Memorial Hospital	3	3,099	1.79%	2	4,128	2.45%
PGT Industries	4	1,700	0.98%	5	1,780	1.05%
Publix Super Markets, Inc.	5	1,335	0.77%	4	3,042	1.80%
Venice Regional Medical Center	6	1,200	0.69%	7	927	0.55%
FCCI Insurance Group	7	720	0.42%	10	-	-
Sun Hydraulics Corporation	8	702	0.41%	-	-	-
Goodwill Industries	9	682	0.39%	-	-	-
Sunset Automotive Group	10	650	0.38%	-	-	-
Wal-Mart	-	-	-	6	1,277	0.76%
Target	-	-	-	9	659	0.39%
Sarasota Herald Tribune	-	-	-	10	533	0.32%
Nielsen Media Research	-	-	-	8	700	0.41%
Total		<u>19,146</u>	<u>11.06%</u>		<u>22,045</u>	<u>13.06%</u>
Total Sarasota County Employment		<u>172,900</u>			<u>168,755</u>	

Source: Economic Development Corporation Sarasota County, Florida Department of Economic Opportunity and Florida Department of Education Data Publications and Reports entitled "Staff in Florida's Public Schools survey 2" for each respective year

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SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Full-Time Equivalent District Employees by Type
Last 10 Fiscal Years
(Unaudited)

	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Supervisory				
Administrators	42	41	41	40
Consultants/supervisors of instruction	6	7	7	6
Principals	44	52	47	54
Assistant principals	71	69	61	60
Curriculum coordinators	-	-	-	5
Total supervisory	<u>163</u>	<u>169</u>	<u>156</u>	<u>165</u>
Instruction				
Elementary classroom teachers	1,170	1,210	1,126	1,188
Secondary classroom teachers	1,040	1,111	1,005	1,037
ESE teachers	523	542	514	493
Other teachers (adult)	71	72	29	36
Other professionals (instructional)	185	190	176	155
Aides	531	536	504	542
Total instructional	<u>3,520</u>	<u>3,661</u>	<u>3,354</u>	<u>3,451</u>
Student Services				
Guidance counselors	93	102	87	85
Visiting teachers/Social workers	15	15	17	15
Psychologists	21	24	22	21
Librarians	22	25	26	14
Other professionals (non-instructional)	168	190	176	182
Technicians	46	45	94	92
Total student services	<u>365</u>	<u>401</u>	<u>422</u>	<u>409</u>
Support and Administration				
Clerical/secretarial	391	403	377	360
Service workers	1,087	1,098	1,107	1,095
Skilled crafts	137	127	86	86
Unskilled laborers	50	51	46	52
Total support and administration	<u>1,665</u>	<u>1,679</u>	<u>1,616</u>	<u>1,593</u>
Total employees	<u><u>5,713</u></u>	<u><u>5,910</u></u>	<u><u>5,548</u></u>	<u><u>5,618</u></u>

Note: Employee data includes only full-time staff
Information presented above excludes Charter Schools and
Second Chance Schools. The number of personnel is total employees.

Source: Florida Department of Education Data Publications and Reports entitled
"Staff in Florida's Public Schools survey 2" for each respective year

Table 18

Fiscal Year					
2011	2012	2013	2014	2015	2016
39	40	40	43	40	40
8	7	9	10	12	13
45	54	53	53	51	53
53	54	55	60	61	63
3	60	58	62	61	66
<u>148</u>	<u>215</u>	<u>215</u>	<u>228</u>	<u>225</u>	<u>235</u>
1,158	1,151	1,204	1,230	1,248	1,245
1,057	1,055	1,080	1,101	1,127	1,136
498	485	530	536	541	547
41	40	34	29	29	27
163	131	132	133	135	147
543	516	547	568	571	570
<u>3,460</u>	<u>3,378</u>	<u>3,527</u>	<u>3,597</u>	<u>3,651</u>	<u>3,672</u>
86	78	78	87	93	92
18	17	14	13	13	13
22	20	22	21	20	21
15	15	15	1	1	1
172	167	166	191	190	193
90	84	86	67	69	69
<u>403</u>	<u>381</u>	<u>381</u>	<u>380</u>	<u>386</u>	<u>389</u>
350	277	284	288	289	290
1,056	405	917	936	895	910
81	79	77	79	79	79
51	43	43	38	39	36
<u>1,538</u>	<u>804</u>	<u>1,321</u>	<u>1,341</u>	<u>1,302</u>	<u>1,315</u>
<u>5,549</u>	<u>4,778</u>	<u>5,444</u>	<u>5,546</u>	<u>5,564</u>	<u>5,611</u>

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Operating Statistics - General
Last 10 Fiscal Years
(Unaudited)

Table 19

Fiscal Year	Operating Expenditures ⁽¹⁾	Fall Student Memberships ⁽²⁾	Cost per Pupil	Percentage Change	Teaching Staff	Pupil/Teacher Ratio
2007	\$ 434,592,467	42,190	10,301	6.47	2,804	15.0
2008	455,663,146	42,013	10,846	5.29	2,935	14.3
2009	440,341,271	41,057	10,725	(1.11)	2,674	15.4
2010	430,432,805	41,281	10,427	(2.78)	2,754	15.0
2011	429,450,566	40,899	10,500	0.70	2,754	14.9
2012	403,329,297	41,076	9,819	(6.49)	2,731	15.0
2013	411,654,332	41,094	10,017	2.02	2,848	14.4
2014	426,913,268	41,398	10,312	2.95	2,896	14.3
2015	442,085,438	41,910	10,548	2.29	2,945	14.2
2016	444,066,293	42,354	10,485	(0.60)	2,955	14.3

Note: Expenditures only include General and Special Revenue Funds.
Community service expenditures are not included in total expenditure amounts.

Source: (1) District records
(2) The Florida Department of Education's Data Publications and Reports entitled "Membership in Florida's Public Schools Survey 2" for each respective year

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Operating Statistics-Food Service
Last 10 Fiscal Years
(Unaudited)

Table 19
(continued)

<u>Fiscal Year</u>	<u>Total Days Meals Were Served</u>	<u>Number of Free and Reduced Meals Served</u>	<u>Percentage of Free and Reduced Meals to Total Meals Served</u>	<u>Total Meals Served</u>
2007	180	3,348,590	54%	6,201,092
2008	180	3,380,045	60%	5,633,408
2009	180	3,632,140	65%	5,587,908
2010	180	3,892,057	70%	5,560,082
2011	180	3,941,469	72%	5,474,263
2012	180	3,720,862	74%	5,006,232
2013	180	3,779,245	75%	5,027,574
2014	180	3,702,768	76%	4,903,344
2015	180	3,606,046	76%	4,749,288
2016	180	3,731,114	75%	4,958,110

Source: District records - Budget book

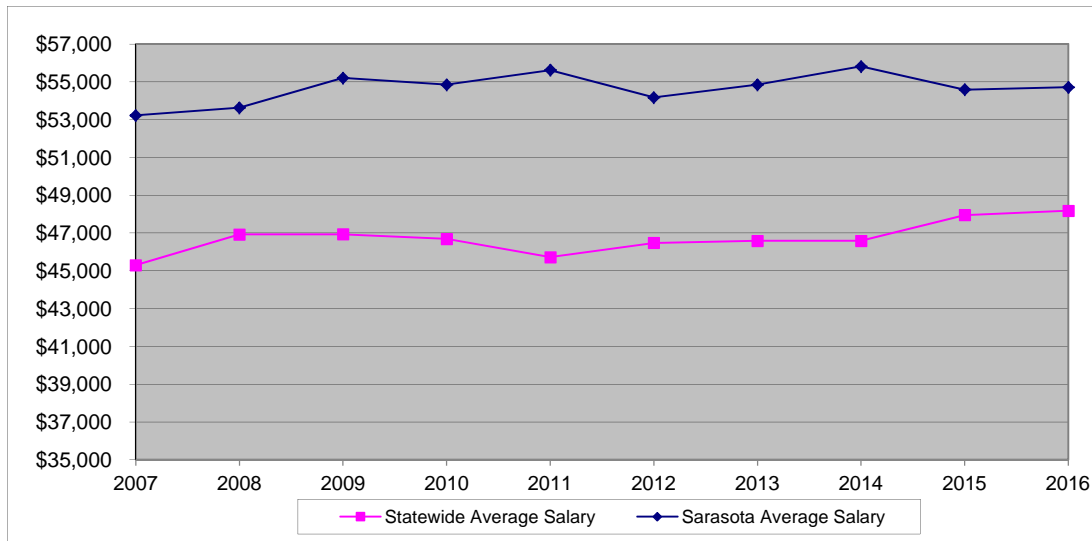
SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Teacher Salaries
Last 10 Fiscal Years
(Unaudited)

Table 20

Fiscal Year	Minimum Salary ⁽¹⁾	Maximum Salary ⁽¹⁾	Sarasota Average Salary ⁽¹⁾	Statewide Average Salary ⁽²⁾
2007	\$ 37,038	\$ 72,874	\$ 53,231	\$ 45,296
2008	38,611	75,060	53,636	46,922
2009	38,530	75,811	55,213	46,938
2010	38,997	75,811	54,852	46,696
2011	38,997	75,811	55,623	45,723
2012	38,599	75,037	54,170	46,479
2013	38,997	75,811	54,858	46,583
2014	38,997	75,811	55,823	46,583
2015	39,783	78,275	54,589	47,950
2016	39,783	78,275	54,715	48,179

Source: (1) District records
(2) Florida Department of Education
N/A Not Available

Teacher Average Salary



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SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
School Building Information
Last 10 Fiscal Years
(Unaudited)

School	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Elementary										
Alta Vista (1955)										
Square feet	122,939	122,727	122,455	122,455	122,455	122,455	122,455	122,455	143,145	141,577
Student Stations	968	968	972	967	953	953	953	953	848	848
Enrollment	703	682	689	640	624	575	563	639	634	681
Ashton (1976)										
Square feet	126,044	115,724	110,855	110,855	112,423	112,423	112,423	112,423	114,790	119,756
Student Stations	1,062	1,062	938	938	908	908	908	908	938	1,002
Enrollment	873	838	812	837	819	807	799	835	896	922
Atwater (2010)										
Square feet	-	-	-	134,578	130,501	130,501	130,501	130,501	130,501	130,501
Student Stations	-	-	-	1,066	1,028	1,028	1,028	1,028	1,028	1,028
Enrollment	-	-	-	686	672	705	711	731	717	712
Bay Haven (1926)										
Square feet	71,440	70,305	70,305	70,305	70,305	70,305	70,305	70,305	70,161	84,091
Student Stations	701	701	701	701	701	701	701	701	593	664
Enrollment	582	588	589	583	584	578	583	597	591	602
Emma Booker (1990)										
Square feet	118,344	119,064	119,105	119,105	119,105	119,105	119,105	119,105	118,290	120,672
Student Stations	1,146	900	882	882	882	882	882	882	917	972
Enrollment	648	560	523	490	522	513	521	519	550	556
Brentwood (1958)										
Square feet	136,450	137,040	137,040	137,040	137,040	133,899	133,899	133,899	134,499	134,499
Student Stations	1,114	1,061	1,061	1,061	1,043	1,043	1,043	1,043	1,043	1,043
Enrollment	741	733	709	674	656	651	647	640	669	720
Cranberry (2003)										
Square feet	133,945	132,377	132,377	132,377	131,474	129,122	129,122	129,122	128,340	128,340
Student Stations	1,079	1,043	1,043	1,043	985	985	985	985	957	957
Enrollment	843	879	805	810	747	747	765	756	792	772
Englewood (1958)										
Square feet	104,788	104,027	104,027	104,027	103,953	103,953	103,953	103,953	103,953	103,906
Student Stations	698	698	698	698	698	698	698	698	698	698
Enrollment	449	420	405	402	384	429	475	492	523	541
Fruitville (1941)										
Square feet	112,406	112,399	112,389	113,631	115,914	115,917	115,917	115,917	117,495	119,017
Student Stations	949	984	984	966	1,014	1,014	1,014	1,014	1,050	985
Enrollment	684	680	693	719	715	748	770	773	762	748
Garden (1974)										
Square feet	88,184	86,892	86,892	86,892	83,463	83,463	83,463	83,463	83,463	83,463
Student Stations	836	821	821	821	751	751	751	751	751	751
Enrollment	638	628	617	609	600	576	589	612	649	595
Glenallen (1984)										
Square feet	168,891	165,538	156,358	156,276	143,398	143,398	143,398	143,398	143,398	143,398
Student Stations	1,426	1,382	1,208	1,208	1,020	1,020	1,020	1,020	1,020	1,020
Enrollment	875	868	774	714	684	707	667	673	689	699
Gocio (1966)										
Square feet	121,895	120,904	119,353	119,353	119,353	120,261	120,261	120,261	118,906	119,784
Student Stations	1,183	1,183	1,111	1,111	844	844	844	844	1,069	1,015
Enrollment	898	812	736	755	749	783	762	700	668	638
Gulf Gate (2000)										
Square feet	154,346	154,265	154,265	154,265	154,265	154,265	154,265	154,265	154,264	154,265
Student Stations	913	913	913	913	913	913	913	913	913	913
Enrollment	778	792	804	735	751	767	709	752	749	724
Lakeview (1987)										
Square feet	86,439	95,871	84,776	83,967	83,967	82,395	82,395	82,395	80,094	80,094
Student Stations	1,192	1,190	940	922	922	922	922	922	886	886
Enrollment	790	750	772	697	635	648	604	575	607	588
Lamarque (2006)										
Square feet	150,688	158,548	158,548	158,185	164,485	164,485	164,485	164,485	162,113	162,113
Student Stations	1,295	1,295	1,295	1,282	1,430	1,430	1,430	1,430	1,376	1,376
Enrollment	1,011	1,131	1,055	1,044	1,013	946	870	876	805	808
Phillippi Shores (2005)										
Square feet	121,160	121,160	121,162	121,162	121,162	121,162	121,162	121,162	121,162	121,162
Student Stations	723	731	731	731	731	731	731	731	731	731
Enrollment	569	628	659	665	646	674	758	727	752	800
Southside (1926)										
Square feet	119,822	108,019	108,019	108,019	108,019	110,371	110,371	110,371	111,157	111,157
Student Stations	1,058	826	826	826	851	851	851	851	873	873
Enrollment	640	646	640	705	736	724	772	779	725	763
Tatum Ridge (2005)										
Square feet	126,495	129,651	129,646	129,646	129,651	129,651	129,651	129,651	128,068	128,068
Student Stations	835	889	889	889	893	893	893	893	875	807
Enrollment	766	833	849	805	754	724	685	696	669	656
Taylor Ranch (1989)										
Square feet	142,727	142,713	139,360	139,360	137,550	137,550	137,550	137,550	131,864	131,864
Student Stations	1,143	1,143	1,075	1,075	1,057	1,057	1,057	1,057	933	933
Enrollment	863	846	840	803	704	680	642	626	628	642
Toledo Blade (1992)										
Square feet	171,183	185,307	178,014	178,014	140,937	140,921	140,921	140,921	140,921	140,921
Student Stations	1,773	2,025	1,761	1,761	987	987	987	987	987	1,002
Enrollment	1,417	1,564	1,320	677	646	652	662	747	741	722
Tuttle (1998)										
Square feet	129,058	122,388	122,387	122,387	133,027	133,027	133,027	133,027	124,748	124,748
Student Stations	1,032	921	921	921	921	921	921	921	967	967
Enrollment	788	727	697	629	626	661	671	680	703	695
Venice (2005)										
Square feet	131,371	131,371	131,371	131,371	131,371	131,371	131,371	131,371	131,315	131,315
Student Stations	828	828	828	828	784	784	784	784	784	784
Enrollment	651	652	682	609	603	597	577	601	592	585
Wilkinson (2005)										
Square feet	142,499	144,395	144,395	144,862	144,862	144,862	144,862	144,862	144,862	144,862
Student Stations	786	786	786	786	786	786	786	786	786	786
Enrollment	718	638	572	553	529	502	506	513	480	434

Table 21

School	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016
Middle										
Booker (1992)										
Square feet	208,117	210,232	209,394	209,394	209,394	209,394	209,394	209,394	209,363	208,432
Student Stations	1,851	2,057	2,013	2,014	1,810	1,810	1,810	1,810	2,011	2,022
Enrollment	938	893	890	887	854	645	810	848	850	781
Brookside (1999)										
Square feet	208,812	208,812	208,812	208,812	208,812	208,812	208,812	208,812	208,678	208,678
Student Stations	1,484	1,649	1,649	1,649	1,484	1,484	1,484	1,484	1,649	1,649
Enrollment	1,097	1,075	1,135	1,077	1,036	898	844	820	816	833
Heron Creek (2003)										
Square feet	242,903	226,037	219,907	219,903	218,937	218,937	218,937	218,937	214,095	214,095
Student Stations	2,174	2,005	1,897	1,897	1,643	1,643	1,643	1,643	1,724	1,724
Enrollment	1,977	2,071	1,278	1,176	1,116	1,052	879	872	865	873
McIntosh (1961)										
Square feet	219,000	218,814	218,814	218,814	219,237	219,237	219,237	219,237	219,187	219,187
Student Stations	1,292	1,437	1,437	1,437	1,275	1,275	1,275	1,275	1,439	1,439
Enrollment	1,105	1,063	978	891	867	879	853	803	682	678
Sarasota (1992)										
Square feet	188,097	183,172	183,172	185,264	185,264	189,980	189,980	189,980	183,187	183,187
Student Stations	1,636	1,697	1,697	1,698	1,508	1,508	1,508	1,508	1,654	1,654
Enrollment	1,203	1,169	1,148	1,142	1,142	1,149	1,210	1,218	1,271	1,271
Venice (1984)										
Square feet	170,608	170,061	170,061	170,061	169,752	169,752	169,752	169,752	169,752	169,752
Student Stations	1,497	1,664	1,664	1,664	1,497	1,497	1,497	1,497	1,663	1,663
Enrollment	887	870	791	755	731	639	618	549	543	554
Woodland (2008)										
Square feet	-	-	211,591	250,557	227,483	227,483	227,483	227,483	227,483	227,483
Student Stations	-	-	1,567	1,567	1,410	1,410	1,410	1,410	1,567	1,567
Enrollment	-	-	719	767	669	657	752	832	858	859
High										
Booker (2011 rebuilt)										
Square feet	359,684	366,630	366,630	366,630	299,500	269,174	269,174	269,174	290,080	290,129
Student Stations	2,240	2,272	2,272	2,272	3,821	3,821	3,821	3,821	1,616	1,616
Enrollment	1,711	1,536	1,255	1,142	1,073	1,017	985	1,100	1,094	1,171
Cyysis (1993)										
Square feet	39,090	39,090	-	-	-	-	-	-	-	-
Student Stations	329	329	-	-	-	-	-	-	-	-
Enrollment	130	143	-	-	-	-	-	-	-	-
NorthPort (2001)										
Square feet	296,971	418,243	418,257	476,402	481,947	479,575	479,575	479,575	480,339	480,339
Student Stations	2,882	3,049	3,037	3,040	2,842	2,842	2,842	2,842	2,992	2,992
Enrollment	2,438	2,709	2,540	2,587	2,472	2,334	2,266	2,267	2,325	2,360
Riverview (2008 rebuilt)										
Square feet	310,282	310,282	486,698	495,696	494,051	494,051	494,051	494,051	490,804	490,804
Student Stations	3,347	3,434	3,195	2,936	2,786	2,786	2,786	2,786	2,786	2,786
Enrollment	2,548	2,454	2,532	2,670	2,742	2,640	2,638	2,560	2,492	2,491
Sarasota (1951)										
Square feet	422,111	457,608	457,612	459,673	462,600	462,600	462,600	462,600	458,594	463,382
Student Stations	3,201	3,264	3,264	3,298	2,516	2,516	2,516	2,516	3,148	3,148
Enrollment	2,669	2,533	2,373	2,235	2,018	1,965	1,968	2,016	2,129	2,086
Suncoast Polytechnical (2008)										
Square feet	-	-	72,943	78,177	78,177	78,177	78,177	78,177	78,177	78,177
Student Stations	-	-	606	606	545	545	545	545	606	606
Enrollment	-	-	150	308	436	549	525	528	541	570
Venice (2011 rebuilt)										
Square feet	353,177	356,526	364,482	364,482	550,330	541,926	541,926	541,926	417,896	412,168
Student Stations	2,706	2,899	2,919	2,941	4,854	4,854	4,854	4,854	2,207	2,207
Enrollment	2,141	2,112	2,019	1,960	1,951	1,899	1,870	1,909	1,953	2,113
Other										
Laurel Nokomis (1991)										
Square feet	214,260	214,229	216,825	216,122	215,197	221,485	221,485	221,485	205,937	205,937
Student Stations	2,013	2,236	2,237	2,237	1,963	1,963	1,963	1,963	2,013	2,008
Enrollment	1,232	1,153	1,067	1,080	1,096	1,089	988	1,014	1,030	1,076
Oak Park (1993)										
Square feet	179,189	170,757	169,171	169,171	169,171	169,171	169,171	169,171	168,345	169,913
Student Stations	731	731	706	706	666	666	666	666	716	716
Enrollment	408	414	412	428	393	349	342	333	345	301
Pineview (1993)										
Square feet	216,360	225,307	225,269	225,269	225,269	225,269	225,269	225,269	228,149	235,999
Student Stations	2,254	2,464	2,464	2,464	1,974	1,974	1,974	1,974	2,238	2,557
Enrollment	2,200	2,210	2,116	2,170	2,210	2,196	2,266	2,146	2,187	2,174
Phoenix Academy (2005)										
Square feet	26,647	26,863	26,863	26,863	26,863	26,863	26,863	-	-	-
Student Stations	288	288	288	288	288	288	288	-	-	-
Enrollment	163	172	191	193	201	181	194	-	-	-

Sources: District Records
Florida Inventory of School Houses

Notes: Rebuilt schools only include information after rebuilding.
Prior to 2015 Booker High and Venice High square footage and student stations reflect the old and new buildings on campus as these schools were being rebuilt.
These numbers were updated in FISH in 2015.

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School Board of Sarasota County, Florida



SARASOTA
County Schools

Comprehensive Annual Financial Statement Report

For the Fiscal Year Ended June 30, 2016

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Federal Reports and Schedules

Report of Independent Auditor on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*

Report of Independent Auditor on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance

Schedule of Expenditures of Federal Awards

Notes to Schedule of Expenditures of Federal Awards

Schedule of Findings and Questioned Costs

Independent Auditor's Management Letter

Report of Independent Accountant on Compliance with Local Government Investment Policies

**Report of Independent Auditor on Internal Control over
Financial Reporting and on Compliance and Other Matters
Based on an Audit of Financial Statements Performed
in Accordance with *Government Auditing Standards***

The Honorable Members of the
School Board of Sarasota County, Florida
Sarasota, Florida

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the School Board of Sarasota County, Florida (the "District") as of and for the year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 14, 2016. Our report includes a reference to other auditors who audited the financial statements of the aggregate discretely presented component units, as described in our report on the District's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting ("internal control") to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in the internal control that might be material weaknesses or, significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Cherry Bekant LLP". The signature is written in a cursive, flowing style.

Tampa, Florida
December 14, 2016

**Report of Independent Auditor on Compliance for
Each Major Program and on Internal Control over
Compliance Required by the Uniform Guidance**

The Honorable Members of the
School Board of Sarasota County, Florida
Sarasota, Florida

Report on Compliance for Each Major Federal Program

We have audited the School Board of Sarasota County, Florida's (the "District") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2016. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2016.

Report on Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Cherry Bekant LLP

Tampa, Florida
December 14, 2016

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Schedule of Expenditures of Federal Awards
For the Fiscal Year End June 30, 2016

Federal Grantor / Pass-Through Grantor Program Title or Cluster Title	Federal CFDA#	Pass-Through Grantor Number	Federal Expenditures	Amount Provided to Subrecipients
United States Department of Agriculture:				
Direct:				
Farm to School Grant Program:	10.575	N/A	\$ 40,433	\$ -
Indirect:				
Florida Department of Agriculture and Consumer Services:				
Child Nutrition Cluster:				
School Breakfast Program	10.553	14002	1,902,943	-
National School Lunch Program	10.555	14001, 14003	8,912,930	-
National School Lunch Program-Non Cash Assistance	10.555	14001, 14003	1,052,264	-
Summer Food Service Program for Children	10.559	13006, 13007, 14006, 14007	590,503	-
Total Child Nutrition Cluster			<u>12,458,640</u>	<u>-</u>
Fresh Fruit and Vegetable Program	10.582	14004	128,000	-
Florida Department of Health:				
Child Care Food Program	10.558	A-4161	619,111	-
Total Indirect			<u>13,205,751</u>	<u>-</u>
Total United States Department of Agriculture			<u>13,246,184</u>	<u>-</u>
United States Department of Transportation:				
Indirect:				
Florida Department of Transportation				
University of Florida: Walk and Roll Sarasota Highway Planning and Construction	20.205	None	41,938	-
United States Department of Education:				
Direct:				
Student Financial Assistance Cluster:				
Federal Supplemental Educational Opportunity Grants	84.007	N/A	85,000	-
Federal Pell Grant Program	84.063	N/A	624,711	-
Total Student Financial Assistance Cluster			<u>709,711</u>	<u>-</u>
Safe and Drug-Free Schools and Communities National Programs	84.184	N/A	298,391	-
Arts in Education	84.351	N/A	232,994	-
Total Direct			<u>1,241,096</u>	<u>-</u>
Indirect:				
Florida Department of Education:				
Special Education Cluster:				
Special Education - Grants to States	84.027	262,263	10,156,269	579,714
Special Education - Preschool Grants	84.173	266,267	320,669	-
Putnam County District School Board:				
Special Education - Grants to States	84.027	None	39,940	-
Total Special Education Cluster			<u>10,516,878</u>	<u>579,714</u>
Adult Education - Basic Grants to States	84.002	191,193	386,699	-
Title I Grants to Local Education Agencies	84.010	212,226	7,721,913	562,581
Migrant Education - State Grant Program	84.011	217	16,560	-
Career and Technical Education - Basic Grants to States	84.048	161	372,591	-
Education for Homeless Children and the Youth	84.196	127	80,000	-
Charter Schools	84.282	298	326,819	326,819
English Language Acquisition Grants	84.365	102	275,735	-
Improving Teacher Quality State Grants	84.367	224	1,499,767	4,804
ARRA - State Fiscal Stabilization Fund (SFSF) - Race-to-the-Top Incentive Grants, Recovery Act	84.395	RA111, RG311, RG411, RL111	393,151	-
Total Indirect			<u>21,590,113</u>	<u>1,473,918</u>
Total United States Department of Education			<u>22,831,209</u>	<u>1,473,918</u>
United States Department of Defense:				
Direct:				
Army Junior Reserve Officers Training Corps	None	N/A	256,602	-
Marine Junior Reserve Officers Training Corps	None	N/A	73,387	-
Navy Junior Reserve Officers Training Corps	None	N/A	63,586	-
Total United States Department of Defense			<u>393,575</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 36,512,906</u>	<u>\$ 1,473,918</u>

See accompanying notes to Schedule of Expenditures of Federal Awards.

School Board of Sarasota County, Florida
Notes to the Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2016

Note 1 – Basis of Presentation. The Schedule of Expenditures of Federal Awards represents amounts expended from Federal programs during the fiscal year based on the modified accrual basis of accounting. The amounts have been reconciled to and are in material agreement with the amounts recorded in the District's accounting records from which the basic financial statements have been reported.

Note 2 – The Indirect cost rate approved by Florida Department of Education is 4.46 percent.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Part I - Summary of Auditor's Results

Financial Statement Section

Type of auditor's report issued:	<u>Unmodified</u>		
Internal control over financial reporting:			
Material weakness(es) identified?	_____ yes	_____ <u>x</u> no	
Significant deficiency(ies) identified that are not considered to be a material weakness(es)?	_____ yes	_____ <u>x</u> none reported	
Noncompliance material to financial statements noted?	_____ yes	_____ <u>x</u> no	

Federal Awards Section

Internal control over major programs:			
Material weakness(es) identified?	_____ yes	_____ <u>x</u> no	
Significant deficiency(ies) identified that are not considered to be a material weakness(es)?	_____ yes	_____ <u>x</u> none reported	
Type of auditor's report on compliance for major programs:	<u>Unmodified</u>		
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)	_____ yes	_____ <u>x</u> no	

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Part I - Summary of Auditors' Results (continued)

Federal Awards Section (continued)

Identification of major programs:

Name of Program or Cluster	CFDA Number
Special Education Cluster	84.027 and 84.173
ARRA - State Fiscal Stabilization Fund (SFSF) - Race-to-the-Top Incentive Grants, Recovery Act	84.395
Dollar threshold used to determine Type A programs:	
Federal	\$ 1,095,387
Auditee qualified as low-risk auditee for federal purposes?	<u> x </u> yes no

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2016

Part II - Financial Statement Findings

This section identifies the significant deficiencies, material weaknesses, fraud, illegal acts, violations of provisions of contracts and grant agreements, and abuse related to the financial statements that are required to be reported in accordance with *Government Auditing Standards*.

There were no findings required to be reported in accordance with *Government Auditing Standards*.

Part III - Findings and Questioned Costs - Major Federal Awards

This section identifies the significant deficiencies, material weaknesses, and material instances of noncompliance, including questioned costs, as well as any material abuse findings, related to the audit of major programs, as required to be reported by the Uniform Guidance.

There were no findings required to be reported by the Uniform Guidance.

Summary Schedule of Prior Audit Findings

A Summary Schedule of Prior Audit Findings is not necessary since there were no prior audit findings.

Independent Auditor's Management Letter

The Honorable Members of the
School Board of Sarasota County, Florida
Sarasota, Florida

Report on the Financial Statements

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the School Board of Sarasota County, Florida (the "District") as of and for the year ended June 30, 2016 and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated December 14, 2016. We did not audit the financial statements of the aggregate discretely presented component units; those financial statements were audited by other auditors.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and Chapter 10.800, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Report of Independent Auditor on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*, Report of Independent Auditor on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance, Schedule of Findings and Questioned Costs, and Report of the Independent Accountant on Compliance with Local Government Investment Polices. Disclosures in those reports and schedule, which are dated December 14, 2016, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.804(1)(f)1., Rules of the Auditor General, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial audit report. No findings or recommendations were made in the preceding annual financial audit report.

Financial Condition

Section 10.804(1)(f)2., Rules of the Auditor General, requires a statement be included as to whether or not the District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of the specific conditions met. In connection with our audit, the results of our tests did not indicate the District met any of the conditions in Section 218.503(1), Florida Statutes.

Pursuant to sections 10.804(1)(f)5.a, and 10.805(7) Rules of the Auditor General, we applied financial condition assessment procedures for the District. It is management's responsibility to monitor the District's financial condition, and our financial condition assessment was based in part on representations made by management and the review of financial information proved by same.

Transparency

Section 10.804(1)(f)6., Rules of the Auditor General, requires that we report the results of our determination as to whether the District maintains on its Web site the information specified in Section 1011.035, Florida Statutes. In connection with our audit, we determined that the District maintained on its website the information specified in Section 1011.035, Florida Statutes.

Other Matters

Section 10.804(1)(f)3., Rules of the Auditor General, requires that we address in the management letter any recommendation to improve financial management. In connection with our audit, we did not have any such recommendations.

Section 10.804(1)(f)4., Rules of the Auditor General, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

The purpose of this management letter is to communicate certain matters prescribed by Chapter 10.800, Rules of the Auditor General. Accordingly, this management letter is not suitable for any other purpose.

A handwritten signature in black ink that reads "Cherry Bekant LLP". The signature is written in a cursive, flowing style.

Tampa, Florida
December 14, 2016

**Report of Independent Accountant on
Compliance with Local Government Investment Policies**

The Honorable Members of the
School Board of Sarasota County, Florida
Sarasota, Florida

Report on Compliance

We have examined the School Board of Sarasota County, Florida (the "District") compliance with the requirements of Section 218.415, *Florida Statutes*, during the year ended June 30, 2016. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

Scope

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with specified requirements.

Opinion

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the year ended June 30, 2016.



Tampa, Florida
December 14, 2016