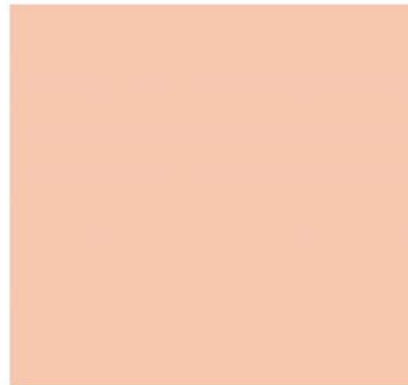
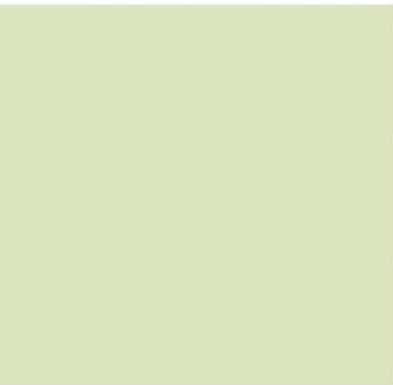




COMPREHENSIVE ANNUAL FINANCIAL REPORT

Fiscal Year Ended June 30, 2020

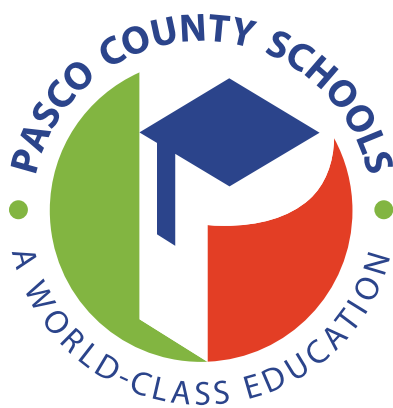


PASCO TOGETHER

Together We Lead
Together We Stand
Together We Learn



Kurt S. Browning, Superintendent of Schools
Land O' Lakes, Florida
www.pascoschools.org



Comprehensive Annual Financial Report

of the

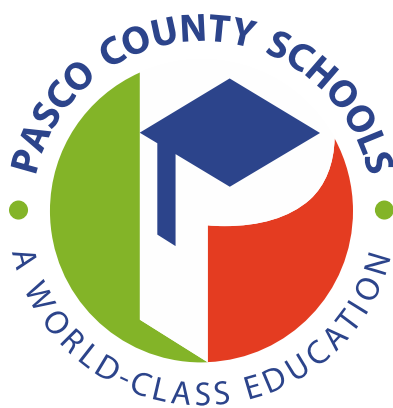
District School Board of Pasco County
Land O' Lakes, Florida

for the

Fiscal Year Ended June 30, 2020



Issued by:
Finance Services Department



District School Board of Pasco County Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2020

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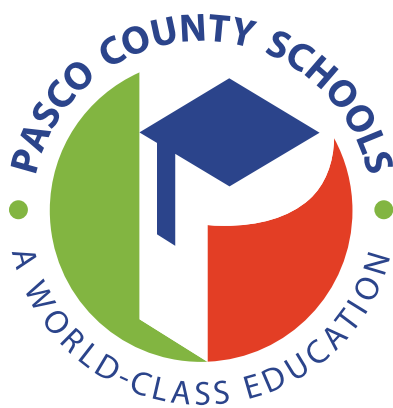
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INTRODUCTORY SECTION





Pasco County Schools

Kurt S. Browning, Superintendent of Schools

7227 Land O' Lakes Boulevard • Land O' Lakes, Florida 34638

January 31, 2021

Dear Chairman, Members of the School Board and Citizens of Pasco County:

State law requires that all local governments publish after the close of each fiscal year, a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP), and audited in accordance with auditing standards generally accepted in the United States of America. Pursuant to that requirement, we hereby issue the Comprehensive Annual Financial Report (CAFR) of the District School Board of Pasco County, Florida (District) for the fiscal year ended June 30, 2020.

This report consists of management's representation concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to protect the District's assets from loss, theft or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls 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 audit firm of Carr, Riggs and Ingram, LLC has audited the District's financial statements. The goal of the independent audit is to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2020, 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 an unmodified opinion that the District's basic financial statements for the fiscal year ended June 30, 2020, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the District was a 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 of 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 the Single Audit engagement 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, summary of prior audit findings, and the independent auditor's reports on the system of internal control and the 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 the Management's Discussion and Analysis report (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 report of the independent auditors.

Profile of the School District

The District and its governing body 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 Board in accordance with Chapter 1001.30, Florida Statutes. The District School Board consists of five elected officials responsible for the adoption of policies, which govern the operation of public schools in Pasco County.

The elected Superintendent of Schools is the 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. Section 1010.01, Florida Statutes, requires each school district to prepare and maintain financial records and accounts as prescribed by law and rules of the State Board of Education.

The geographic boundaries of the District are those of Pasco County. During the 2019-2020 fiscal year, the District operated 82 schools, including 49 elementary schools, 15 middle schools, 14 high schools, Pasco eSchool and 3 specialized schools; and sponsored 10 charter schools. The District reported serving 76,214 full-time equivalent students for the 2019-2020 fiscal year and projects it will enroll 78,126 students for the 2020-2021 school year.

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 districts within the State. Charter schools operating through a contract with the District are provided with their proportionate share of these funds, based upon the number of full-time equivalent students enrolled at the charter school.

The District serves students from infants through adults. Students in the District represent a diverse community of learners, including a variety of ethnic and cultural backgrounds. The student population is predominately white (60 percent). Other ethnicities include Hispanic (23 percent), black (8 percent), and Asian/American Indian/Pacific Islander/Alaskan Native/Other (9 percent).

In addition to the educational programs offered to K-12 students, the District offers pre-kindergarten services, including programs for babies of teen parents who are progressing toward achieving high school diplomas; special education programs for infants and toddlers below the age of three; pre-kindergarten programs for three- and four-year-old disabled students; and programs for eligible low income, at-risk pre-school age students.

The District also offers programs for adults to learn the necessary skills in order to enter the workforce or increase opportunities for advancement in current positions. In addition, students who do not demonstrate proficiency with English as a second language have the opportunity to learn communication skills through the District's English Language Learners (ELL) programs, and all citizens can take fee-supported courses to increase personal development in various subjects such as computer technology, photography, and personal financial planning.

This report includes all funds of the District, the Pasco County School Board Leasing Corporation (the "Leasing Corporation"), ten (10) charter schools and the Pasco Education Foundation, Inc. (the "Foundation"), which comprise the reporting entity. The Leasing Corporation was formed to facilitate financing for the acquisition of educational facilities and equipment. Charter schools are public schools operating under performance contracts with the District. The Foundation is a separate not-for-profit corporation organized and operated as a direct-support organization. The Foundation's purpose is exclusively educational and charitable for the constituents of Pasco County. The charter schools and Foundation are included in the CAFR as discretely presented component units.

Economic Condition and Outlook

Pasco County is a 745 square mile area located centrally on the west coast of Florida, 200 miles south of the State capital of Tallahassee and 300 miles northwest of Miami. The County is approximately 30 miles northwest of the City of Tampa, and approximately 45 miles north of the City of St. Petersburg. It is part of a nine county region referred to as the "Nature Coast" and contains a mix of suburban and rural communities. The County was established in 1887. Within its borders there are six municipalities: the cities of San Antonio, St. Leo, Zephyrhills, Port Richey, Dade City, and New Port Richey. There are also several smaller unincorporated communities such as Darby, Holiday, Hudson, Land O' Lakes, Trinity, and Wesley Chapel. The County is primarily a retirement and tourist area but construction, retail trade, service industries, agriculture, and manufacturing play active parts in the community's financial status.

Since calendar year 2011, the population of Pasco County increased 19.2 percent to an estimated 553,947 in calendar year 2020. For the calendar year 2019, the Florida Price Level Index for School Personnel, which is prepared by the Florida Polytechnic University under the direction of the Florida Department of Education, ranked Pasco County 26th of 67 counties in the State with a value of 98.01.

The Florida Price Level Index for School Personnel is used to represent the cost of hiring equally qualified personnel across Florida school districts and takes into account the cost of goods and services, access to lakes or sandy beaches, the range of available cultural and recreational opportunities, and the mix of public services and taxes that affect standards of living for a county. A value of 100 represents the weighted average cost to hire and retain qualified personnel. In essence, the District's value of 98.01 implies that it cost the District less than the average school district to attract and retain equally qualified personnel. Surrounding counties such as, Hillsborough (100.64) and Pinellas (99.85), which had higher values will need to provide greater compensation to hire and retain equally qualified personnel.

The District recognizes that continued enhancement of the local economy is of mutual benefit to both the District and Pasco County. An excellent system of public education is a significant factor in improving the standard of living in Pasco County. As the area's largest employer, employing 11,056 full and part-time employees, the District endeavors to improve its education system by focusing on the following major initiatives.

Financial Information

The District maintains budgetary controls, the objective of which is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the District School Board. Activities of all governmental fund types are included in the annual appropriated budget. The level of budgetary control (that

is, the level at which expenditures cannot exceed the appropriated amount) is established at the fund-function level for all funds.

Budgetary information is integrated into the accounting system. To facilitate budgetary control, budget balances are encumbered when purchase orders are issued. Appropriations lapse at year-end and outstanding encumbrances are honored in the subsequent year's appropriations.

In order to provide budgetary control for salaries, the District utilizes a centralized position control system. On an annual basis, the District adopts a District staffing plan that establishes teaching positions based generally on student populations served. Additionally, support and administrative positions are created based on established criteria.

The District has a policy that states that in order to ensure the financial strength, maintain a favorable bond rating, and the stability of the District, the District's operating fund shall budget for and maintain a reasonable unrestricted fund balance. Accordingly, the unrestricted fund balance (assigned and unassigned fund balance) at June 30, 2020, in the general fund is \$68,484,033 or 11.71 percent of total general fund expenditures. The District has appropriated \$9,837,438 of this amount for spending in the 2020-2021 fiscal year.

The District has an investment policy in place for investments 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 is self-insured up to specified limits for workers' compensation, automobile liability, general liability, and employee group health insurance. Additional information on the District's risk management can be found in the notes to the financial statements.

The District's capital asset policy 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 Penny for Pasco is a Local Government Infrastructure Surtax originally passed by Pasco County voters on March 9, 2004 and renewed on November 6, 2012. The original surtax became effective on January 1, 2005, to December 31, 2014. Voters signaled their approval for the continuation of the Penny for Pasco for another ten years, beginning in January 2015. The renewal was supported by 70 percent of the voters in Pasco County. The District School Board of Pasco County receives 45 percent of the sales tax collections. The purpose of the Penny for Pasco is for renovation of current facilities and for technology improvements. The District School Board of Pasco County established the Penny for Pasco Oversight Committee to help monitor the needs and allocation of the funding.

Academic Accomplishments

The District School Board of Pasco County is committed to fulfilling its mission of providing a World Class Education. In support of this mission, the District has been expanding educational options to include magnets and other challenging and innovative programs, which facilitate student success in education, life, and the workplace.

The District School Board of Pasco County currently offers the International Baccalaureate (IB) program at Gulf and Land O' Lakes High Schools, the IB middle years program at Pine View Middle School, and the

primary years program at Pine View Elementary School. The 2019-2020 school year was spent in planning for an expansion of the middle years program to Gulf Middle School for implementation in the 2020-2021 school year. In that same year, Richey Elementary School, a feeder school to Gulf Middle and High Schools will also be in the planning stages for implementation of the primary years program in 2021-2022.

Additionally, we offer the esteemed Cambridge Assessment International Education program at Anclote and Pasco High Schools, Pasco and Paul R. Smith Middle Schools, and San Antonio Elementary School. A year-long planning effort in 2019-2020 will lead to implementation at Northwest Elementary School, Hudson Middle School and Hudson High School the next year, and we plan to include this opportunity at additional elementary schools over the next few years. The success of our students in this program earned Pasco the Cambridge Medium Size District of the Year.

Several high schools, including JW Mitchell, Wesley Chapel, Wiregrass, River Ridge, and Sunlake offer the College Board Advanced Placement Capstone Diploma, engaging students in rigorous research and critical thinking to solve real world problems. All high schools have expanded AP offerings and coursework through a district partnership with Equal Opportunity Schools, yielding an increase of 24% more students taking these courses, a 16% increase in exams administered, and a 4% increase in exam scores eligible for college credit. This resulted in potential future savings of \$700,000 in college tuition for our families. As a result of this work for several years, Pasco was not only recognized on the 10th Annual AP District Honor Roll in 2019, we also were named the 10th Annual AP District of the Year for a Large District for 2020.

We continue to expand our career and technical programs, most recently replicating our recognized River Ridge High School New Teacher Academy at Zephyrhills High School, with plans to continue this expansion in future years. Plans are also underway to open a Career and Technical Program high school on the east side of our county, modeled after our existing Wendall Krinn Technical School on the west side. Student voice and family interest drove the technical programs that will be available at this new school, Kirkland Ranch School of Innovation. Our Educational Choice program allows parents to choose from many schools other than the one for which they are zoned through our open choice program, highlighted through our annual Pasco Pathways event.

Our Pasco eSchool is one of Florida's premier online education programs, boasting some of the highest completion rates and assessment scores in the state, and the third highest enrollment of any Florida school district virtual education program. In 2019, several members of the program's staff garnered statewide and national recognition for excellence in online teaching, and the program has been ranked favorably in national rankings published by US News and World Report and Niche. Most recently, the principal, JoAnne Glenn, was named a NASSP Digital Principal of the Year.

Finally, in 2015, we implemented a Success Plan to guide our work. This Plan includes 4 key strategic pillars: Excellence in Student Achievement, Employee Success, Taxpayer Value, and Connecting to the Community. Each pillar is backed up with strategies, tactics, and metrics to achieve success. We review our success quarterly, mid-year, and annually toward meeting identified goals. This is a bona fide, actionable plan that the District and all schools follow in pursuit of our vision to provide a world class education for all students.

On measures of student achievement, such as the District's graduation and drop-out rates, Pasco continues to exceed the state average. Graduation rates are released by the State in late Fall each year. Last year, under the Florida calculation rate, Pasco had an 88.3% percent graduation rate (83.7 % for Students with Disabilities), 1.3 percentage points higher than the previous year. The District monitors various academic

measures including state assessments used as graduation requirements. The increased graduation rate reflects Pasco's key priorities: high impact instruction, data-driven decisions, and collaborative culture.

Studies clearly indicate that student success is linked to teacher quality. The District has continued its commitment to recruiting and retaining highly qualified individuals to educate Pasco County students. In the 2019-2020 school year, 36% of instructional staff in Pasco County Schools have earned a Master's Degree. This percentage is consistent with prior years. The percentage of voluntary departures for the 2019-2020 school year was 10.5%, which is below the national average of 16% according to the National Center for Education Statistics (NCES). The number of first day vacancies was significantly lower to begin the 2019-2020 school year as compared to the 2018-2019 school year. At the start of the 2018-2019 school year, the District had 78 unfilled instructional positions. To begin the 2019-2020 school year, the District had 118 unfilled instructional positions. The district has targeted hard to fill areas of recruitment and implemented a national recruitment plan including opportunities to connect with universities and job fairs within and outside the state of Florida. The recruitment plan included the revision of the SRP to Teacher Program and the implementation of an International Cultural Exchange Program for teachers. Recruitment initiatives were focused on developing a HR marketing and branding campaign as well as implementation of additional virtual recruitment strategies. It is the mission of the Human Resources and Educator Quality Department to continue to attract, support, and retain a world class team so that the District can continue to provide a world class education to all students.

Reporting Achievement

The Government Finance Officers Association of the United States and Canada (the "GFOA") awarded a Certificate of Achievement for Excellence in Financial Reporting and the Association of School Business Officials International (the "ASBO") awarded its Certificate of Excellence in Financial Reporting to the District for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2019. This was the nineteenth 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.

A Certificate of Achievement and Certificate of Excellence are valid for a period of one year only. These awards are granted only after an intensive review of financial reports by an expert panel of certified public accountants and practicing school business officials. It is the belief of management that our current CAFR continues to meet the Certificate of Achievement Program's requirements, as well as the Certificate of Excellence Program's requirements. We are submitting this CAFR to GFOA and ASBO to determine its eligibility for another certificate.

Acknowledgements

The preparation of this report on a timely basis was made possible by the dedicated service of the entire staff of the District's Finance 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.

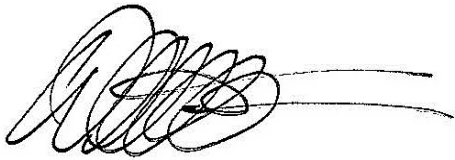
Respectfully submitted,

A handwritten signature in black ink, appearing to read "Kurt Browning".

Mr. Kurt S. Browning
Superintendent of Schools

A handwritten signature in black ink, appearing to read "Olga Swinson".

Ms. Olga Swinson, CPA, CGFM
Chief Finance Officer

A handwritten signature in black ink, appearing to read "Dominick Cristofaro".

Mr. Dominick Cristofaro
Director of Finance Services



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**District School Board of Pasco County
Florida**

For its Comprehensive Annual
Financial Report
For the Fiscal Year Ended

June 30, 2019

Christopher P. Morill

Executive Director/CEO



ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

District School Board of Pasco County

for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2019.



Clare Hertz

David J. K.

List of Principal Officials As of June 30, 2020

Principal Officials – Elected

Mr. Kurt S. Browning, Superintendent of Schools Present Term Expires	November 2020
Ms. Colleen Beaudoin, Chairman, Member from District 2 Present Term Expires	November 2020
Mr. Allen Altman, Vice-Chairman, Member from District 1 Present Term Expires	November 2022
Ms. Cynthia Armstrong, Member from District 3 Present Term Expires	November 2022
Ms. Alison Crumbley, Member from District 4 Present Term Expires	November 2020
Ms. Megan Harding, Member from District 5 Present Term Expires	November 2022

Principal Officials – Appointed

ADMINISTRATORS

Ray Gadd, Deputy Superintendent

Olga Swinson, CPA, CGFM, Chief Finance Officer

Vanessa Hilton, Chief Academic Officer

Kevin Shibley, Esq., Assistant Superintendent for Administration

Elizabeth Kuhn, Esq., Assistant Superintendent for Support Services

Dr. Kim Moore, Assistant Superintendent for Career and Innovative Programs

Marcy Hetzler-Nettles, Assistant Superintendent for Middle Schools

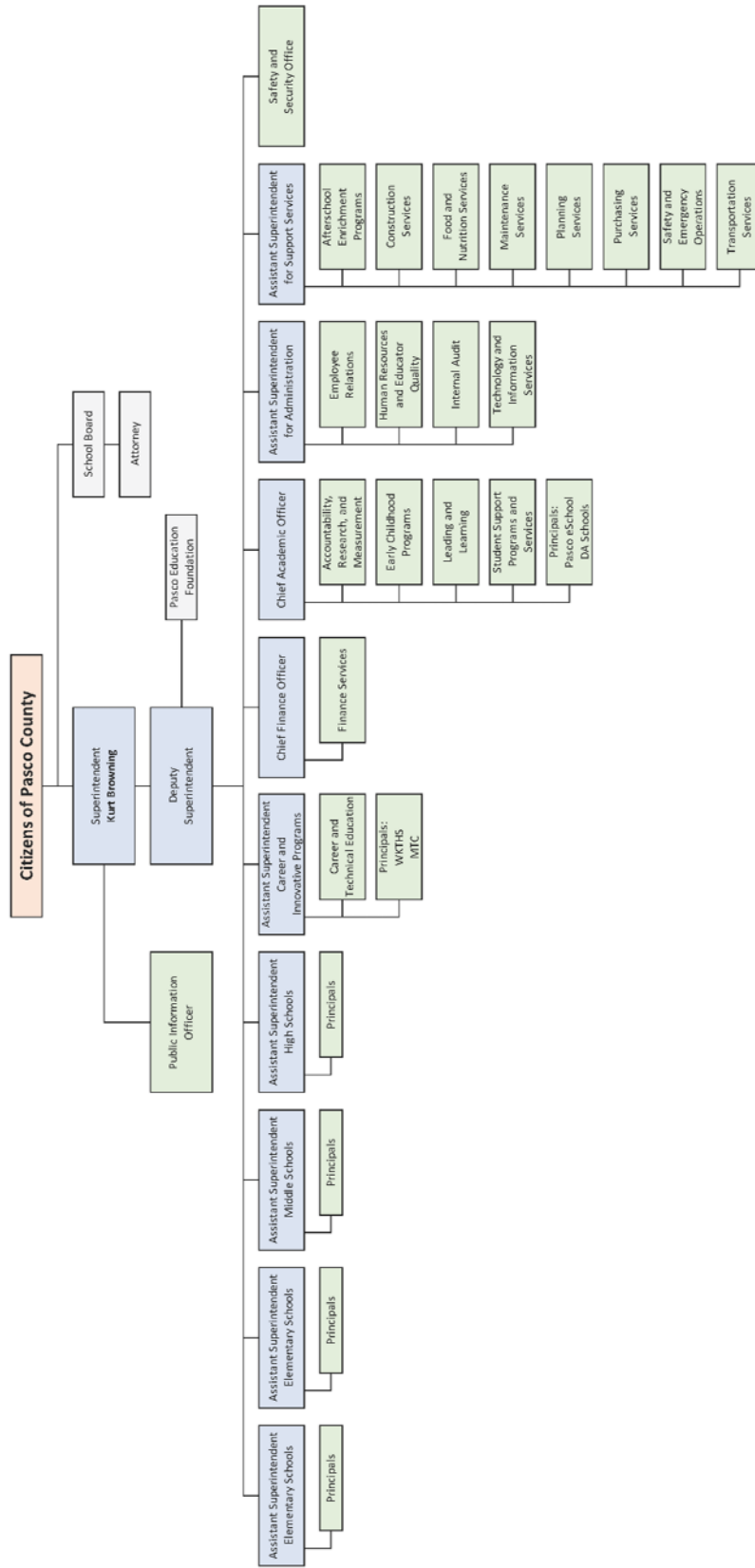
Dr. Dave Scanga, Assistant Superintendent for Elementary Schools

Dr. Monica Ilse, Assistant Superintendent for High Schools

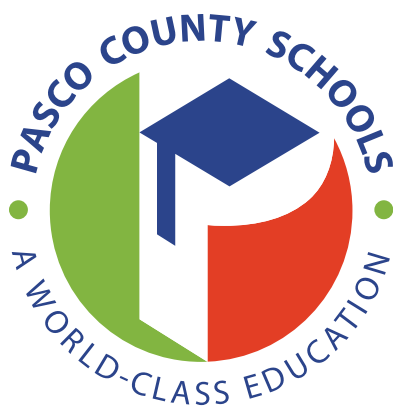
Kimberly Poe, Assistant Superintendent for Elementary Schools

Stephen Hegarty, Public Information Officer

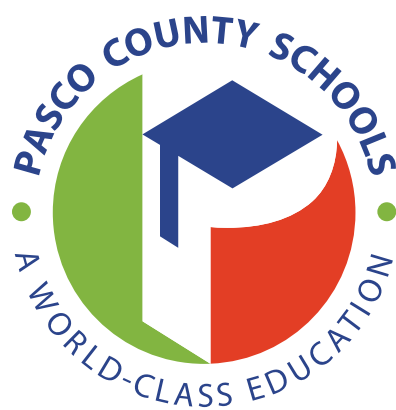
ORGANIZATIONAL CHART
District School Board of Pasco County



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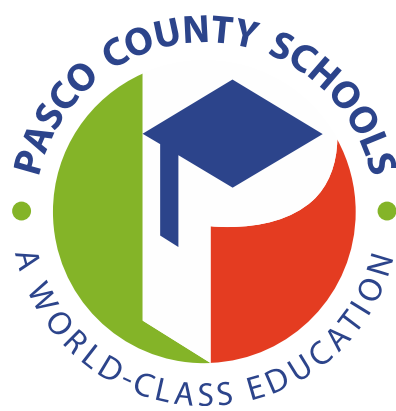


FINANCIAL SECTION





INDEPENDENT AUDITORS' REPORT ON FINANCIAL STATEMENTS



INDEPENDENT AUDITORS' REPORT

Chairman and Members of the
District School Board of Pasco County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District School Board of Pasco County, Florida ("the District") as of and for the year ended June 30, 2020, 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.

Auditors' Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the aggregate discretely presented component units, which represent 100 percent of the account balances and transactions of the aggregate discretely presented component units. 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 from 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 report of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District School Board of Pasco County as of June 30, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof and the budgetary comparison for the general and special revenue – other federal programs funds 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 and other required supplementary information, as listed in the table of contents, 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 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 nonmajor fund financial statements, and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

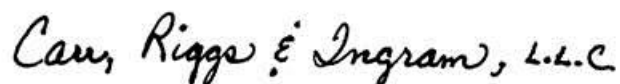
The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements 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 the basic financial statements or to 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 other auditors. In our opinion, based on our audit, the procedures performed as described above, and the reports of other auditors, the combining and individual nonmajor fund financial statements 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 February 18, 2021, 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 solely 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 effectiveness of the District's internal control over financial reporting or on 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.

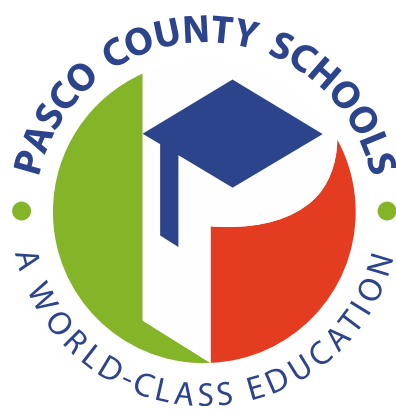


CARR, RIGGS & INGRAM, LLC

Tampa, Florida
February 18, 2021

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MANAGEMENT'S DISCUSSION AND ANALYSIS



**District School Board of Pasco County
Management's Discussion and Analysis
June 30, 2020**

The management of the District School Board of Pasco County (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.

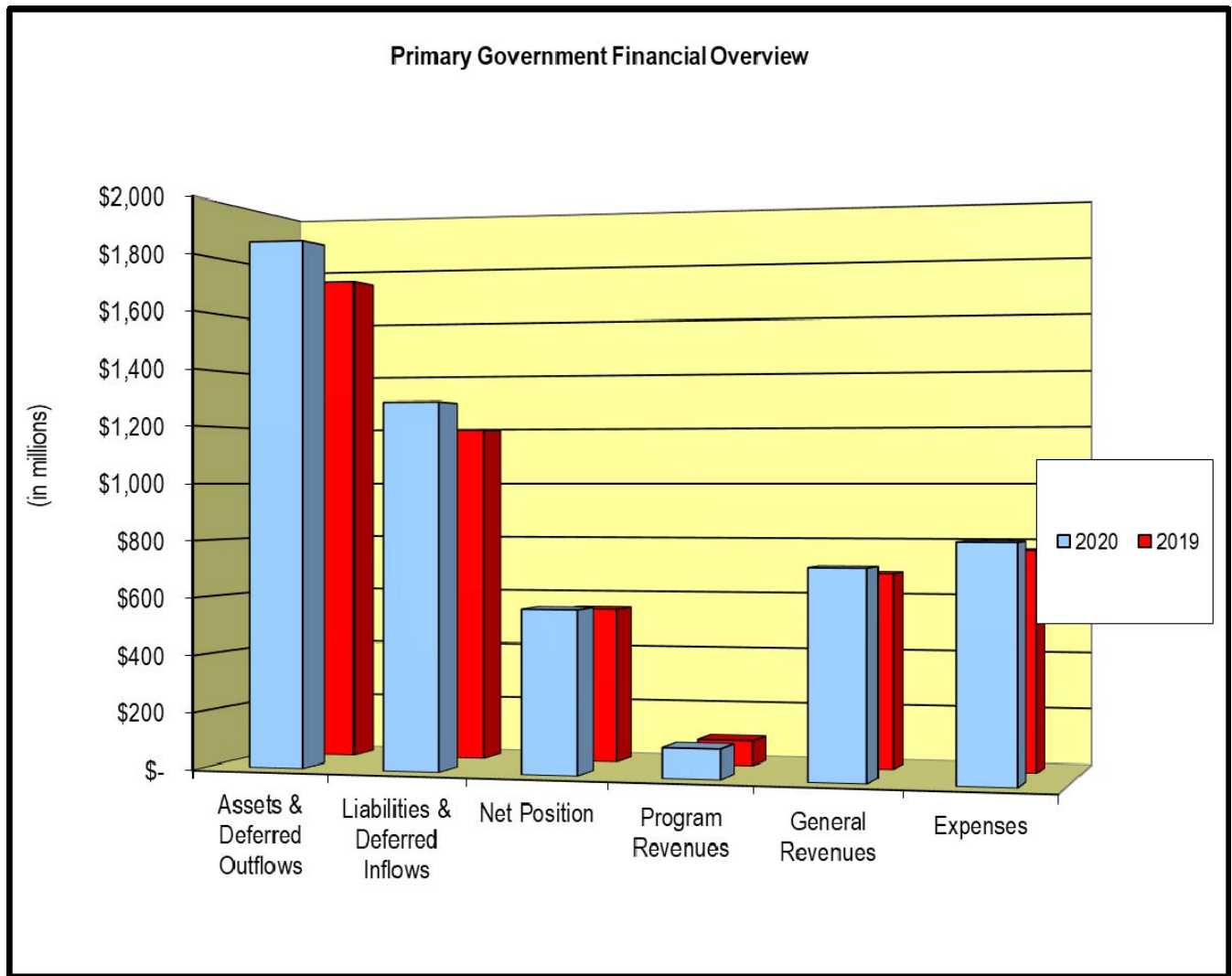
Because the information contained in the Management's Discussion and Analysis (MD&A) is intended to highlight significant transactions, events and conditions, it should be considered in conjunction with the District's basic financial statements and notes to financial statements.

Financial Highlights

Key financial highlights for the 2019-2020 fiscal year is as follows:

- The assets and deferred outflows of the District exceeded its liabilities and deferred inflows at June 30, 2020, by \$572,497,720.
- The District's total net position increased by \$22,202,419.
- Total revenues of \$823,883,566 were comprised of general revenues in the amount of \$719,005,325 or 87.3 percent, and program specific revenues from charges for services, grants and contributions in the amount of \$104,878,241 or 12.7 percent.
- For the year ended June 30, 2020, the District had \$801,681,147 in expenses related to governmental and business-type activities; \$104,878,241 of which were offset by program specific charges or services, grants and other sources. General revenues (primarily taxes and state funding programs) of \$718,934,163 were sufficient to provide the District's programs.
- The Business-type activities had total expenditures and transfers out of \$10,508,660 which did not exceed total revenues, resulting in a net deficit of \$183,918.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$362,634,741 an increase of \$63,396,964 in comparison with the prior fiscal year. Approximately 18.89 percent of this total amount, or \$68,484,033, is available for spending at the District's discretion for the purposes defined for each governmental fund (*assigned and unassigned fund balance*).
- At the end of the 2019-2020 fiscal year, unassigned fund balance for the General Fund was \$29,270,185 or 5.00 percent of total General Fund expenditures.
- The District's total long-term debt for bonds, COPS and capital leases increased by \$35,612,930 or 6.50 percent, during the current fiscal year.

The primary government financial overview for the 2018-2019 and 2019-2020 fiscal years is shown below:

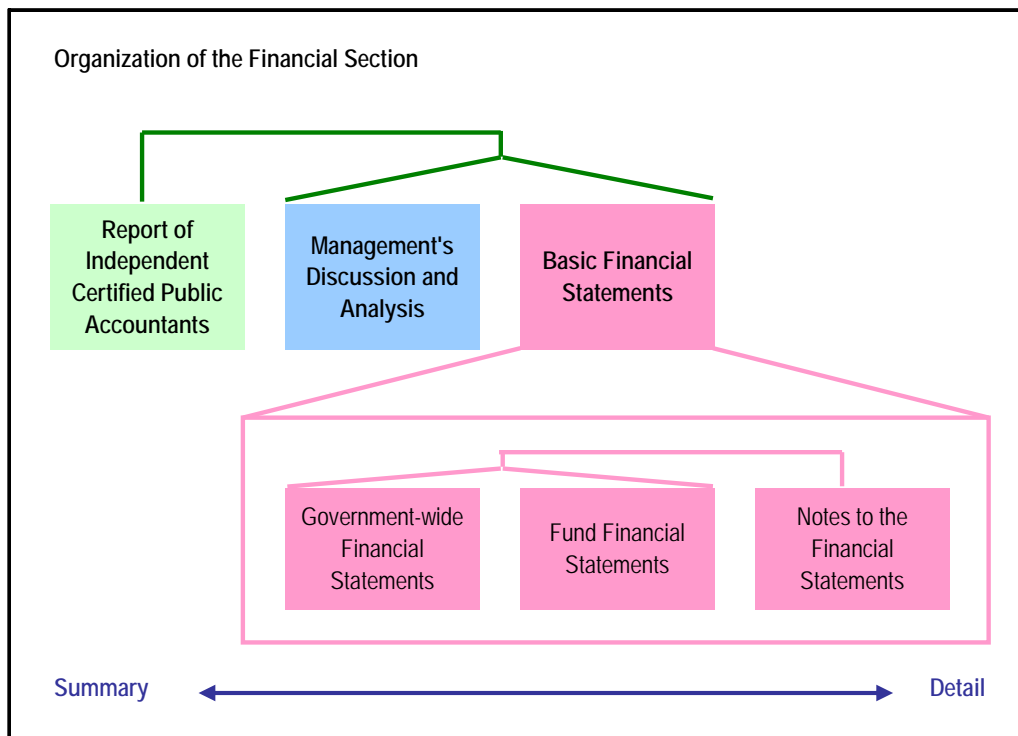


Overview of the Financial Statements

The financial section consists of three parts: Independent Auditor's Report on Financial Statements, MD&A (this section), and Basic Financial Statements. The MD&A is intended to serve as an introduction to the District's basic financial statements and presents other supplementary information in addition to the basic financial statements themselves. The District's basic financial statements are comprised of three components: 1) government-wide financial statements; 2) fund financial statements; and 3) notes to financial statements.

The government-wide financial statements provide both long-term and short-term information about the District's overall financial status. The fund financial statements focus on individual parts of the District and provide greater detail of the District's operations than the government-wide statements. The basic financial statements also include notes, which explain some of the information in the statements and provide more detailed data.

The illustration below shows how the various parts of the financial section are arranged and relate to one another.



The basic financial statements consist of three components:

- Government-wide financial statements.
- Fund financial statements.
- Notes to financial statements.

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 and business-type 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, liabilities, and deferred inflows, using an economic resources measurement focus. The difference between the assets and deferred outflows and liabilities and deferred inflows is the net position which is a measurement of the financial health of the District. The statement of activities presents information about the change in the District's net position and the results of its operations, during the fiscal year. An increase or decrease in net position is an indication of whether the District's financial health is improving or deteriorating.

The government-wide statements present the District's activities in three 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 operation and maintenance of plant, pupil 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.
- **Business-Type Activities** – The District charges fees to cover the cost of certain services it provides. After School Enrichment Program ("ASEP") and Beyond the Bell ("BTB"), two of the before and after-school enrichment programs, are reported as business-type activities. Also reported as a business-type activity is the Vending Program, which operates food and beverage machines through the District.
- **Component Units** – The District presents ten charter schools (Academy at the Farm, Inc.; Athenian Academy of Pasco County, Inc.; Classical Preparatory Charter School; Countryside Montessori Charter School; Dayspring Academy for Education and the Arts; Imagine School at Land O'Lakes; Learning Lodge Academy; Pepin Academies of Pasco County, Inc.; Plato Academy Trinity Charter School); Union Park Charter Academy; and the Pasco Education Foundation, Inc. (the "Foundation") as 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 accounting principles generally accepted in the United States ("GAAP").

The Pasco County School Board Leasing Corporation, (the "Leasing Corporation"), a legally separate entity, was formed to facilitate financing for the acquisition of facilities and equipment for the District. Due to the substantive economic relationship between the District and the Leasing Corporation, the Leasing Corporation has been included as an integral part of the primary government.

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. Certain funds are established by law 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. The 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.

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.

The governmental funds balance sheet and statement of revenues, expenditures, and changes in fund balances provide detailed information about the District's most significant funds. The District's major funds are the General Fund, Special Revenue-Other Federal Programs Fund, and Capital Projects-Other Fund. Data from the other governmental funds are combined into a single, aggregated presentation.

- **Proprietary Funds** – Proprietary funds may be established to account for activities in which a fee is charged for services. Two types of proprietary funds are maintained:
 - Enterprise funds are used to report the same functions as business-type activities in the government-wide financial statements. The District uses an enterprise fund to account for its before and after-school childcare and vending programs. The District's major enterprise fund is the After School Enrichment Program (ASEP) Fund.
 - Internal service funds are used to report activities that provide goods and services to support the District's other programs and functions through user charges. The District uses internal service funds to account for its fully insured employees' life insurance; individual self-insurance programs for property/casualty, liability, auto, workers' compensation, medical, pharmacy and behavioral health programs; the employee benefits program; the energy management program; and exclusive agreements administered by the School Board. 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.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail, for those enterprise funds determined to be major. Conversely, the internal service funds are combined into a single, aggregated column in the proprietary fund 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 a private-purpose trust fund to account for scholarship funds established by private donors. The District uses a pension trust fund to account for resources used to finance its early retirement program. The District uses agency funds to account for resources held for student activities and groups.

Notes to Financial Statements

The notes provide additional information that is essential for a full understanding of the data provided in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the District's obligation to provide Other Post-Employment Benefits (OPEB) to its employees and concerning the District's Pension Plans.

Government-Wide Financial Analysis

Net position may serve over time as a useful indicator of the government's financial position. In the case of the District, assets and deferred outflows exceeded liabilities and deferred inflows by \$568,297,720 at June 30, 2020. The following is a summary of the District's net position as of June 30, 2020, compared to net position as of June 30, 2019:

Net Position, End of Year						
	Governmental Activities		Business-Type Activities		Total	
	6/30/2020	6/30/2019	6/30/2020	6/30/2019	6/30/2020	6/30/2019
Current and Other Assets	\$ 489,823,227	\$ 416,883,308	\$ 6,775,288	\$ 6,400,374	\$ 496,598,515	\$ 423,283,682
Capital Assets	1,183,525,429	1,146,671,199	114,867	95,726	1,183,640,296	1,146,766,925
Total Assets	1,673,348,656	1,563,554,507	6,890,155	6,496,100	1,680,238,811	1,570,050,607
Deferred Outflows of Resources	168,501,619	178,385,101	1,994,613	2,209,321	170,496,232	180,594,422
Long-Term Liabilities	134,265,443	1,078,623,728	7,638,474	7,367,332	141,903,917	1,085,991,060
Other Liabilities	1,078,037,207	60,387,553	135,916	127,667	1,078,173,123	60,515,220
Total Liabilities	1,212,302,650	1,139,011,281	7,774,390	7,494,999	1,220,077,040	1,146,506,280
Deferred Inflows of Resources	57,081,049	52,848,088	1,079,234	995,360	58,160,283	53,843,448
Net Position:						
Net Investment in						
Capital Assets	716,123,608	643,476,509	-	95,726	716,123,608	643,572,235
Restricted	164,087,730	187,360,577	-	-	164,087,730	187,360,577
Unrestricted	(307,744,762)	(280,756,847)	31,144	119,336	(307,713,618)	(280,637,511)
Total Net Position	\$ 572,466,576	\$ 550,080,239	\$ 31,144	\$ 215,062	\$ 572,497,720	\$ 550,295,301
						4.03%

The largest portion of the District's net position, exclusive of Florida Retirement System (FRS) and Health Insurance Subsidy (HIS) pension amounts, reflects its net investment in capital assets (e.g. land, buildings, furniture and equipment, motor vehicles, software). The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending.

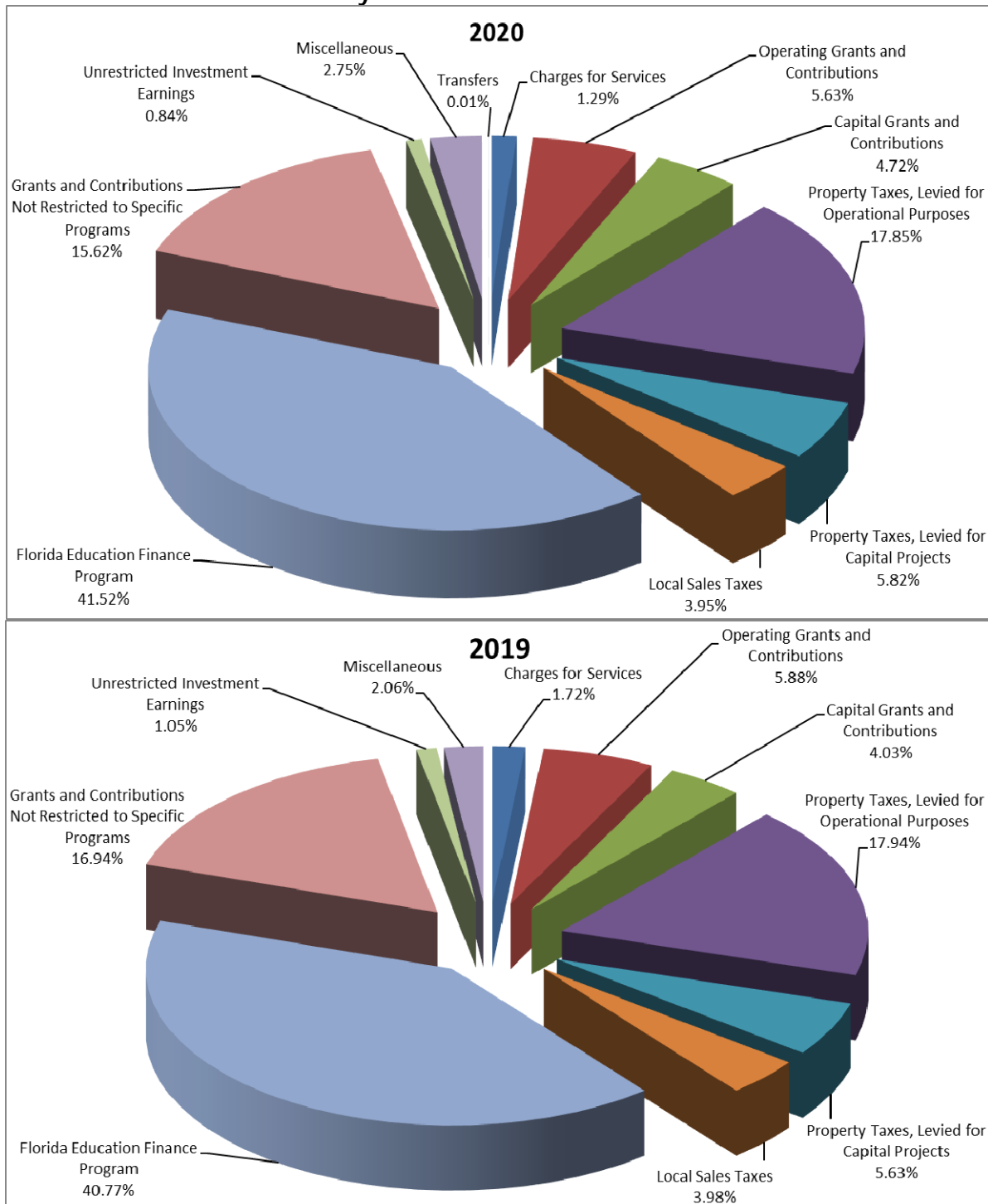
The restricted portion of the District's net position, exclusive of FRS and HIS pension amounts, represents

resources which are subject to external restrictions on how they may be used. The deficit unrestricted net position, exclusive of FRS and HIS pension amounts, was the result of liabilities related to compensated absences and Other Post-Employment Benefits (OPEB).

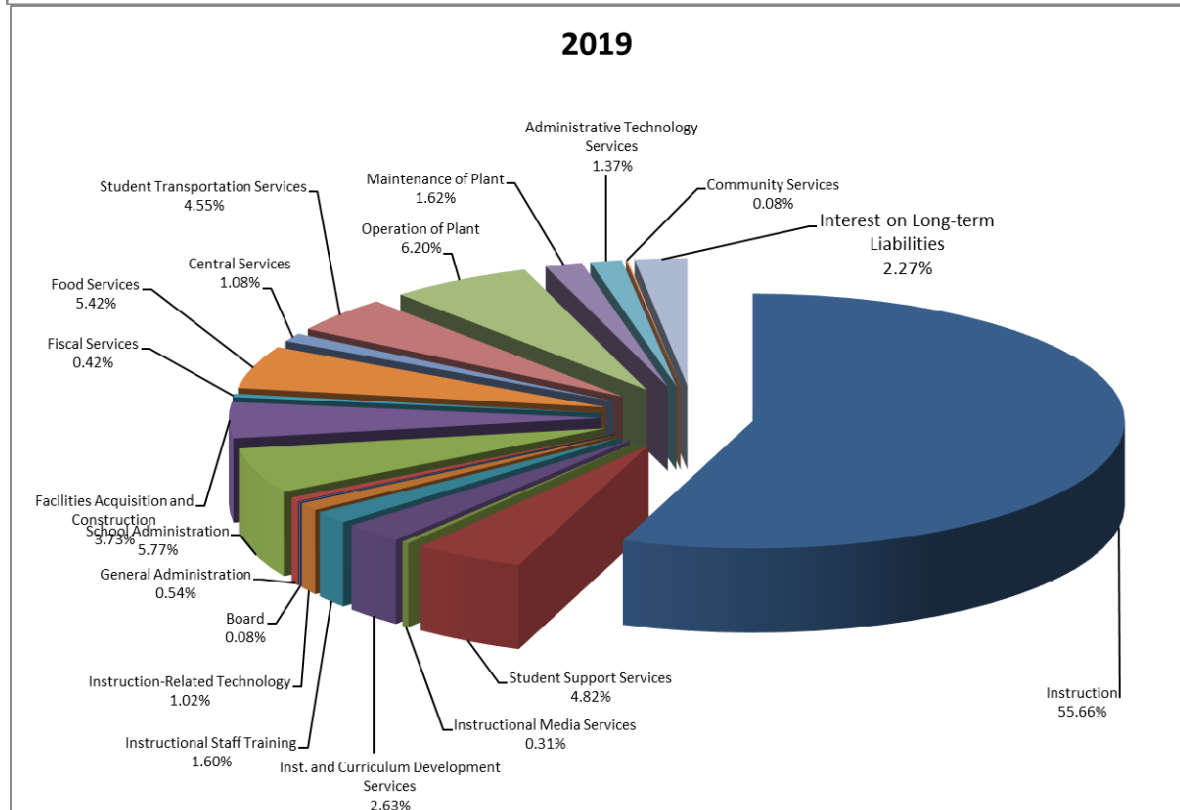
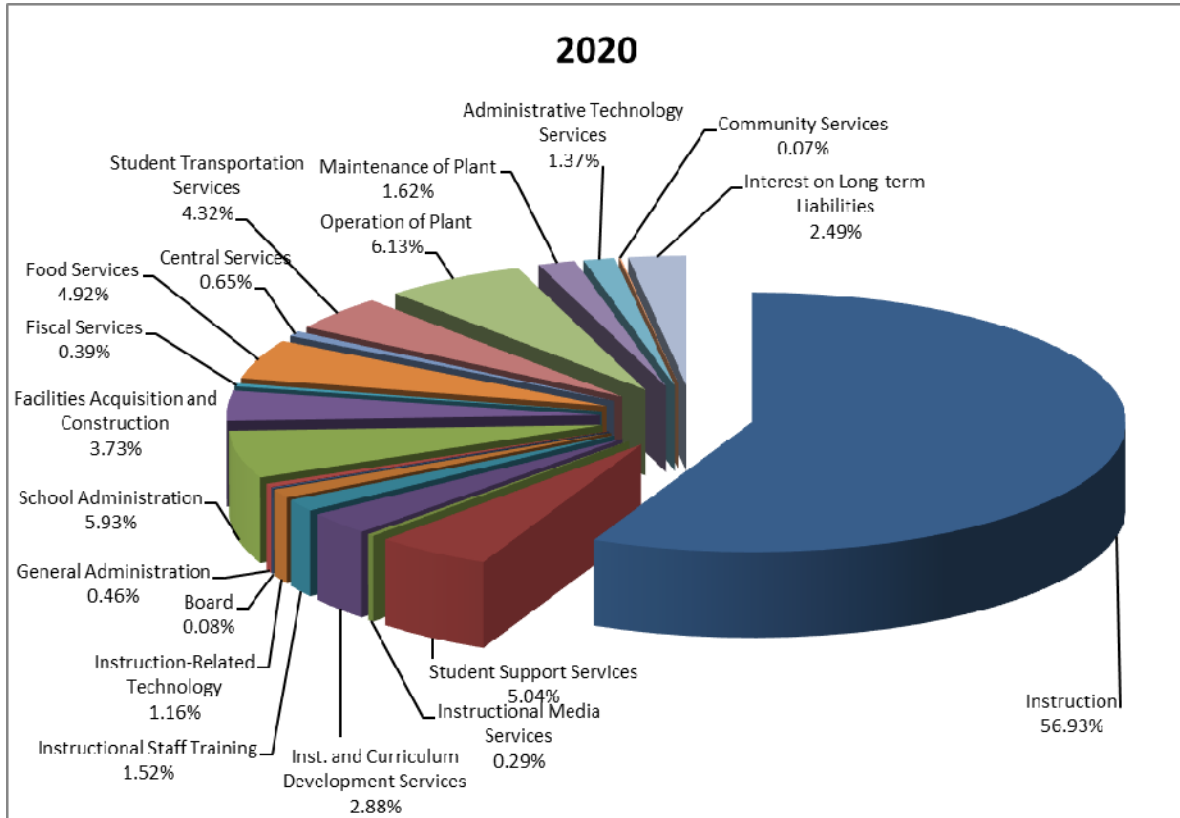
The key elements of the changes in the District's net position for the fiscal year ended June 30, 2020, and June 30, 2019 are as follows:

Operating Results for the Year							
	Governmental Activities		Business-type Activities		Total School District		% Change
	2020	2019	2020	2019	2020	2019	
Revenues:							
Program Revenues:							
Charges for Services	\$ 10,468,605	\$ 13,375,677	\$ 10,242,882	\$ 11,106,236	\$ 20,711,487	\$ 24,481,913	-15.40%
Operating Grants and Contributions	45,792,654	45,657,187	-	-	45,792,654	45,657,187	0.30%
Capital Grants and Contributions	38,374,100	31,232,910	-	-	38,374,100	31,232,910	22.86%
General Revenues:							
Property Taxes, Levied for Operational Purposes	145,183,437	139,108,018	-	-	145,183,437	139,108,018	4.37%
Property Taxes, Levied for Capital Projects	47,325,942	43,655,059	-	-	47,325,942	43,655,059	8.41%
Local Sales Taxes	32,123,910	31,013,628	-	-	32,123,910	31,013,628	3.58%
Florida Education Finance Program	337,956,712	316,279,681	-	-	337,956,712	316,279,681	6.85%
Grants and Contributions not Restricted to Specific Programs	127,070,092	131,398,012	-	-	127,070,092	131,398,012	-3.29%
Unrestricted Investment Earnings	6,846,902	8,151,676	114,994	109,370	6,961,896	8,261,046	-15.73%
Miscellaneous	22,383,103	15,994,974	233	(1,793)	22,383,336	15,993,181	39.96%
Total Revenues	813,525,457	775,866,822	10,358,109	11,213,813	823,883,566	787,080,635	4.68%
Program Expenses:							
Instruction	450,397,266	427,482,164	-	-	450,397,266	427,482,164	5.36%
Student Support Services	39,897,302	37,041,624	-	-	39,897,302	37,041,624	7.71%
Instructional Media Services	2,256,517	2,352,551	-	-	2,256,517	2,352,551	-4.08%
Inst. and Curriculum Development Services	22,753,810	20,216,195	-	-	22,753,810	20,216,195	12.55%
Instructional Staff Training	12,057,016	12,289,500	-	-	12,057,016	12,289,500	-1.89%
Instruction-Related Technology Board	9,207,600	7,842,257	-	-	9,207,600	7,842,257	17.41%
General Administration	636,315	613,403	-	-	636,315	613,403	3.74%
School Administration	3,612,169	4,159,251	-	-	3,612,169	4,159,251	-13.15%
School Administration Facilities Acquisition and Construction	46,926,692	44,305,575	-	-	46,926,692	44,305,575	5.92%
Fiscal Services	29,669,498	35,004,632	-	-	29,669,498	35,004,632	-15.24%
Food Services	3,087,789	3,195,621	-	-	3,087,789	3,195,621	-3.37%
Central Services	38,923,162	41,600,111	-	-	38,923,162	41,600,111	-6.43%
Student Transportation Services	5,140,854	8,291,206	-	-	5,140,854	8,291,206	-38.00%
Operation of Plant	34,187,902	34,943,605	-	-	34,187,902	34,943,605	-2.16%
Maintenance of Plant	48,522,885	47,571,171	-	-	48,522,885	47,571,171	2.00%
Administrative Technology Services	12,839,023	12,465,228	-	-	12,839,023	12,465,228	3.00%
Community Services	10,800,963	10,490,704	-	-	10,800,963	10,490,704	2.96%
Interest on Long-term Liabilities	546,304	595,641	10,497,962	10,453,567	11,044,266	11,049,208	-0.04%
Total Expenses	791,183,185	767,868,844	10,497,962	10,453,567	801,681,147	778,322,411	3.00%
Excess (Deficiency) of Revenues Over Expenditures	22,342,272	7,997,978	(139,853)	760,246	22,202,419	8,758,224	153.50%
Transfers	44,065	55,093	(44,065)	(55,093)	-	-	0.00%
Change in Net Position	22,386,337	8,053,071	(183,918)	705,153	22,202,419	8,758,224	153.50%
Net Position, Beginning	550,080,239	542,027,168	215,062	(490,091)	550,295,301	541,537,077	1.62%
Net Position, Ending	\$ 572,466,576	\$ 550,080,239	\$ 31,144	\$ 215,062	\$ 572,497,720	\$ 550,295,301	4.03%

Governmental Activities Revenue by Source – Statement of Activities



Governmental Activities Expenses by Function – Statement



Total revenues increased by \$36,802,931 primarily due to the state funding per student, enrollment growth, impact fee collections, and property tax revenue collections received during the fiscal year.

Total expenses increased by \$27,558,736 primarily due to a rise in instructional costs, salary and benefit increases, and the addition of school security guards.

Financial Analysis of the Government Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the District's *governmental funds* is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the close of the 2019-2020 fiscal year, the District's governmental funds reported combined ending fund balances of \$362,634,741 an increase of \$63,396,964 in comparison with the prior fiscal year. Approximately 18.89 percent of this total amount, or \$68,484,033, constitutes total assigned and unassigned fund balances, which are available for spending at the government's discretion within the purpose of each fund. The following schedule indicates the fund balances and the total changes in fund balances by major fund and other governmental (non-major) funds as reported in the basic financial statements for the fiscal years ended June 30, 2020, and June 30, 2019.

Fund Balance	2020	2019	Increase (Decrease)	Percentage Change
Major Governmental Funds:				
General Fund	\$ 79,218,969	\$ 66,781,040	\$ 12,437,929	18.62%
Capital Projects - Other Funds	230,528,273	183,460,452	47,067,821	25.66%
Other Governmental Funds (nonmajor)	52,887,499	48,996,285	3,891,214	7.94%
Total Fund Balances	<u>\$ 362,634,741</u>	<u>\$ 299,237,777</u>	<u>\$ 63,396,964</u>	<u>21.19%</u>

The General Fund is the chief operating fund of the District. At the end of the 2019-2020 fiscal year, the unassigned fund balance of the General Fund was \$29,270,185, while total fund balance reached \$79,218,969. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total expenditures. Unassigned fund balance represents 5.00 percent of total General Fund expenditures, while total fund balance represents 13.54 percent. Fund balance of the District's General Fund increased by \$12,437,929 during the 2019-2020 fiscal year.

The following schedule shows the changes in General Fund revenues and other financing sources (uses) for the fiscal years ended June 30, 2020 and June 30, 2019:

General Fund Revenues and Other Financing Sources (Uses)	2020	2019	Increase (Decrease)	Percentage Change
Federal Direct Sources:				
Reserve Officers Training Corps (ROTC)	\$ 607,321	\$ 579,251	\$ 28,070	4.85%
Federal Through State Sources:				
Other Federal Through State Sources	1,700,192	2,073,136	(372,944)	-17.99%
State Sources				
Florida Education Finance Program (FEFP)	337,956,712	316,279,681	21,677,031	6.85%
Interest Income	46,054			
Other Restricted State Sources	91,281,157	96,671,330	(5,390,173)	-5.58%
Local Sources:				
Ad Valorem Taxes	145,183,329	139,108,018	6,075,311	4.37%
Interest Income	1,748,995	2,390,207	(641,212)	-26.83%
Other Local Sources	15,947,407	13,924,279	2,023,128	14.53%
Other Financing Sources (Uses)	2,850,670	1,852,367	998,303	53.89%
Total General Fund Revenues and Other Financing Sources (Uses)	\$ 597,321,837	\$ 572,878,269	\$ 24,397,514	4.26%

During the 2019-2020 fiscal year, Revenues and Other Financing Sources (Uses) increased by \$24,443,568 or 4.27 percent. The major impacts to funding were the State Legislature increase in Base Student Allocation and the increase in the number of unweighted full-time equivalent students as well as an increase in state provided funds for Best & Brightest and School Recognition.

The following schedule shows the changes in General Fund expenditures by object for the fiscal years ended June 30, 2020 and June 30, 2019:

General Fund - Expenditures by Object	2020	2019	Increase (Decrease)	Percentage Change
Salaries	\$ 356,889,621	\$ 342,906,514	\$ 13,983,107	4.08%
Employee Benefits	125,148,559	119,660,978	5,487,581	4.59%
Purchased Services	71,497,650	67,925,998	3,571,652	5.26%
Energy Services	13,518,319	14,573,570	(1,055,251)	-7.24%
Materials and Supplies	11,132,331	14,961,289	(3,828,958)	-25.59%
Capital Outlay	796,821	1,341,904	(545,083)	-40.62%
Other Expenditures	5,900,607	8,080,501	(2,179,894)	-26.98%
Total General Fund Expenditures	\$ 584,883,908	\$ 569,450,754	\$ 15,433,154	2.71%

General Fund expenditures increased by \$15,433,154 or 2.71 percent. The following are some of the highlights:

- Salaries increased by \$13,983,107 which reflects salary increases and additional allocations
- Employee Benefits increased by \$5,487,581 due to an increase in insurance and retirement costs
- Purchased Services increased by \$3,751,652 primarily due to an increase in Charter School enrollment
- Materials and Supplies decreased by \$3,828,958 due to a delay in textbook adoption

The following schedule shows the changes in General Fund expenditures by function for the fiscal years ended June 30, 2020 and June 30, 2019:

General Fund Expenditures by Function	2020	2019	Increase (Decrease)	Percentage Change
Instruction	\$ 361,331,791	\$ 352,789,271	\$ 8,542,520	2.42%
Student Support Services	33,282,545	31,605,118	1,677,427	5.31%
Instructional Media Services	1,998,355	2,142,851	(144,496)	-6.74%
Inst. and Curriculum Development Services	14,877,979	13,886,816	991,163	7.14%
Instructional Staff Training Services	4,106,461	2,532,555	1,573,906	62.15%
Instruction-Related Technology	7,305,809	6,753,751	552,058	8.17%
Board	525,782	536,659	(10,877)	-2.03%
General Administration	1,470,137	1,782,109	(311,972)	-17.51%
School Administration	43,094,682	40,962,226	2,132,456	5.21%
Facilities Acquisition and Construction	5,118,829	4,565,091	553,738	12.13%
Fiscal Services	2,822,829	2,880,569	(57,740)	-2.00%
Food Services	179,913	188,296	(8,383)	-4.45%
Central Services	7,168,735	7,139,567	29,168	0.41%
Student Transportation Services	31,794,239	33,090,843	(1,296,604)	-3.92%
Operation of Plant	47,096,767	45,969,571	1,127,196	2.45%
Maintenance of Plant	11,923,279	11,579,092	344,187	2.97%
Administrative Technology Services	9,974,218	9,793,463	180,755	1.85%
Community Services	519,647	553,632	(33,985)	-6.14%
Capital Outlay	291,911	699,274	(407,363)	-58.26%
Total General Fund Expenditures	\$ 584,883,908	\$ 569,450,754	\$ 15,433,154	2.71%

The *Capital Projects Other Fund*, which is used to account for capital project activity funded by sources such as Certificates of Participation, Sales Tax, Impact Fees, School Hardening Grant funds, and capital leases, has a total fund balance of \$230,528,273, which is restricted for specific capital projects. The net increase in fund balance in the Capital Projects Other Fund was \$47,067,821 and resulted primarily from a Certificates of Participation bond issue.

General Fund Budgetary Highlights

During the fiscal year, the District revised its budget and brought monthly amendments to the Board for approval. The following schedule shows the changes in the General Fund revenues and other financing sources (uses), budget and actual:

General Fund Revenues and Other Financing Sources (Uses)	Original Budget	Final Budget	Actual 2020	Final -Original Budget Inc (Dec)	Actual - Final Budget Inc (Dec)
Federal Direct Sources:					
Reserve Officers Training Corps (ROTC)	\$ 615,500	\$ 640,500	\$ 607,321	\$ 25,000	\$ (33,179)
Federal Through State Sources:					
Other Federal Through State Sources	2,600,000	2,600,000	1,700,192	-	(899,808)
State Sources					
Florida Education Finance Program (FEFP)	343,411,918	345,684,523	337,956,712	2,272,605	(7,727,811)
Other Restricted State Sources	91,190,915	91,919,738	91,327,211	728,823	(592,527)
Local Sources:					
Ad Valorem Taxes	144,668,429	144,668,429	145,183,329	-	514,900
Interest Income			1,795,049	-	1,795,049
Other Local Sources	14,543,835	15,933,566	15,947,407	1,389,731	13,841
Other Financing Sources (Uses)	2,791,234	3,314,179	2,850,670	522,945	(463,509)
Total General Fund Revenues and Other Financing Sources (Uses)	\$ 599,821,831	\$ 604,760,935	\$ 597,367,891	\$ 4,939,104	\$ (7,393,044)

The General Fund actual revenues were less than the final budgeted revenues by \$7,727,811. This difference was primarily due to budgeting for the McKay Scholarships that we do not actually receive. The General Fund final budget revenues increased by \$4,939,104 over the original budget due to state-provided funds for enrollment growth, Best & Brightest supplements, and increased interest revenues.

The following schedule shows the changes in the General Fund Budget appropriations and actual:

General Fund Expenditures by Function	Original Budget	Final Budget	Actual 2020	Final -Original Budget Inc (Dec)	Actual - Final Budget Inc (Dec)
Instruction	\$ 381,692,119	\$ 390,232,528	\$ 361,331,791	\$ 8,540,409	\$ 28,900,737
Student Support Services	33,981,641	35,169,486	33,282,545	1,187,845	1,886,941
Instructional Media Services	2,488,970	3,057,321	1,998,355	568,351	1,058,966
Inst. and Curriculum Development Services	15,824,329	16,383,314	14,877,979	558,985	1,505,335
Instructional Staff Training Services	3,183,100	5,574,392	4,106,461	2,391,292	1,467,931
Instruction-Related Technology	6,883,700	7,545,049	7,305,809	661,349	239,240
Board	849,507	848,972	525,782	(535)	323,190
General Administration	1,603,001	1,670,418	1,470,137	67,417	200,281
School Administration	42,430,392	44,031,787	43,094,682	1,601,395	937,105
Facilities Acquisition and Construction	4,328,289	5,457,295	5,118,829	1,129,006	338,466
Fiscal Services	2,936,999	3,039,851	2,822,829	102,852	217,022
Food Services	-	198,217	179,913	198,217	18,304
Central Services	8,776,524	9,110,454	7,168,735	333,930	1,941,719
Student Transportation Services	33,729,503	35,632,365	31,794,239	1,902,862	3,838,126
Operation of Plant	48,406,353	48,513,076	47,096,767	106,723	1,416,309
Maintenance of Plant	12,173,291	12,238,098	11,923,279	64,807	314,819
Administrative Technology Services	11,013,884	10,844,933	9,974,218	(168,951)	870,715
Community Services	577,621	740,806	519,647	163,185	221,159
Capital Outlay	-	-	291,911	-	(291,911)
Total General Fund Expenditures	\$ 610,879,223	\$ 630,288,362	\$ 584,883,908	\$ 19,409,139	\$ 45,404,454

The General Fund actual expenditures were less than the final budgeted appropriations by \$44,738,069. There were many approved but unfilled teaching and transportation positions. The General Fund final budget appropriations increased by \$18,742,754 over the original budget due primarily to salary and benefit increases.

Capital Asset and Debt Administration

Capital Assets

The District's investment in capital assets as of June 30, 2020, amounts to \$1,183,640,296. This investment in capital assets includes land, construction in progress, improvements other than buildings, buildings and fixed equipment, furniture, fixtures and equipment, motor vehicles, audio visual materials, and computer software. Major capital asset events during the current fiscal year ended June 30, 2020, included the continued progress on the following items that were also included in Construction in Progress at fiscal year-end: the new construction of Cypress Creek Middle School, Starkey K-8, and Kirkland Ranch Academy of Innovation.

The following is a summary of the District's capital assets as of June 30, 2020:

<u>Capital Assets (net of depreciation)</u>							
	Governmental Activities		Business-type Activities		Total School District		Percentage Change
	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	<u>2020</u>	<u>2019</u>	
Land	\$ 87,622,959	\$ 83,282,057	\$ -	\$ -	\$ 87,622,959	\$ 83,282,057	5.21%
Construction in Progress	126,182,069	56,544,410	-	-	126,182,069	56,544,410	123.16%
Improvements Other Than Buildings	21,422,426	21,916,633	12,728	14,356	21,435,154	21,930,989	-2.26%
Buildings and Fixed Equipment	885,855,963	923,151,999	11,237	12,793	885,867,200	923,164,792	-4.04%
Furniture, Fixtures and Equipment	30,251,269	33,201,342	55,137	56,632	30,306,406	33,257,974	-8.87%
Motor Vehicles	25,082,389	22,732,828	22,738	-	25,105,127	22,732,828	10.44%
Audio Visual Materials	6,032	6,032	-	-	6,032	6,032	0.00%
Computer Software	7,102,322	5,835,898	13,027	11,945	7,115,349	5,847,843	21.67%
Total	\$ 1,183,525,429	\$ 1,146,671,199	\$ 114,867	\$ 95,726	\$ 1,183,640,296	\$ 1,146,766,925	3.22%

Additional information on the District's capital assets can be found in the notes to the financial statements in Note 5 - Changes in Capital Assets on pages 62 and 63.

Long-term Debt

As of June 30, 2020, the District has total long-term debt outstanding of \$587,316,024. This amount is comprised of \$107,064,327 of bonds payable, \$451,803,826 of certificates of participation and \$28,447,871 of obligations under capital leases.

The following is a summary of the District's long-term debt as of June 30, 2020:

<u>Outstanding Long-Term Debt</u>				
	Total School District		Increase (Decrease)	Percentage Change
	<u>2020</u>	<u>2019</u>		
Obligations Under Capital Leases	\$ 24,852,761	\$ 24,912,086	\$ (59,325)	-0.24%
SBE Bonds	5,706,095	6,489,511	(783,416)	-12.07%
District Revenue Bonds	2,103,853	2,221,841	(117,988)	-5.31%
Sales Tax Revenue Bonds	99,254,379	118,137,299	(18,882,920)	-15.98%
Certificates of Participation	451,803,826	396,347,247	55,456,579	13.99%
Total	\$ 583,720,914	\$ 548,107,984	\$ 35,612,930	6.50%

The District received ratings of A1 from Moody's and A+ from Fitch on its Certificates of Participation. The underlying rating for the Sales Tax Revenue Bonds, Series 2013, is A1 from Moody's and A+ from Fitch.

Additional information on the District's long-term debt can be found in the notes to the financial statements in Note 11 – Changes in Long Term Liabilities on page 75.

Outlook for the Future

At the time these basic financial statements were prepared and audited, the District was not aware of material instances that could significantly affect its financial health in the future. However, the future financial stability of the District is not without challenges.

The first challenge and continuous endeavor is for management to ensure resources can be preserved as long as possible. Management utilizes the General Fund budget and the five-year capital outlay plan as tools to manage resources effectively.

A second challenge facing the District is the local economy. It is important to note that if the growth patterns in student population change so a greater or lesser number of students enter the District than currently anticipated, adjustments will be made to the financial models upon which assumptions have been made. In addition, changes in economic conditions, such as an economic slowdown, could result in revenue forecasts being revised downward and a reduction in estimated funding sources.

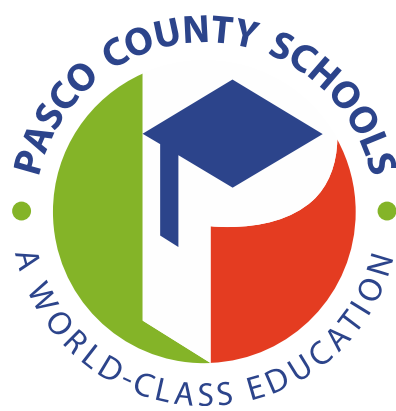
Requests for Information

These financial statements are designed to provide the District's citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to demonstrate the District's accountability for the money it receives. Questions concerning any of the information provided or requests for additional financial information should be addressed to:

Director of Finance Services
District School Board of Pasco County
7227 Land O' Lakes Boulevard
Land O' Lakes, Florida 34638

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BASIC FINANCIAL STATEMENTS



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District School Board of Pasco County
Statement of Net Position
June 30, 2020

Exhibit A

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
ASSETS:				
Cash	\$ 42,352,760	\$ 1,332,172	\$ 43,684,932	\$ 19,310,797
Cash with Fiscal Agent	8,294,743	-	8,294,743	-
Investments	395,466,059	5,422,696	400,888,755	3,604,224
Accounts Receivable	5,910,422	20,420	5,930,842	231,403
Accrued Interest Receivable	189,339	-	189,339	6
Deposits Receivable	-	-	-	141,258
Due From Other Agencies	26,068,992	-	26,068,992	234,592
Inventories	5,494,099	-	5,494,099	-
Prepaid Items	104,172	-	104,172	1,456,966
Capital Credits Receivable	5,722,532	-	5,722,532	-
Net Pension Asset - SERP	220,109	-	220,109	-
Capital Assets (net of accumulated depreciation):				
Land	87,622,959	-	87,622,959	7,764,566
Construction in Progress	126,182,069	-	126,182,069	5,323,238
Improvements Other Than Buildings	21,422,426	12,728	21,435,154	735,762
Leasehold Property and Improvements	-	-	-	7,590
Buildings and Fixed Equipment	885,855,963	11,237	885,867,200	46,870,420
Furniture, Fixtures, and Equipment	30,251,269	55,137	30,306,406	1,288,063
Motor Vehicles	25,082,389	22,738	25,105,127	375,967
Audio Visual Materials	6,032	-	6,032	-
Computer Software	7,102,322	13,027	7,115,349	9,021
Total Assets	<u>1,673,348,656</u>	<u>6,890,155</u>	<u>1,680,238,811</u>	<u>87,353,873</u>
DEFERRED OUTFLOWS OF RESOURCES				
Accumulated Decrease in Fair Value of				
Hedging Derivatives	23,735,714	-	23,735,714	-
Deferred Amount - Bond Refunding	3,506,530	-	3,506,530	-
Deferred Amount - OPEB	3,984,248	68,004	4,052,252	-
Deferred Amount - Pension SERP	362,365	-	362,365	-
Deferred Amount - Pension FRS / HIS	136,912,762	1,926,609	138,839,371	681,536
Total Deferred Outflows of Resources	<u>168,501,619</u>	<u>1,994,613</u>	<u>170,496,232</u>	<u>681,536</u>
TOTAL ASSETS AND DEFERRED OUTFLOWS	<u>\$ 1,841,850,275</u>	<u>\$ 8,884,768</u>	<u>\$ 1,850,735,043</u>	<u>\$ 88,035,409</u>

	Primary Government			Component Units
	Governmental Activities	Business-type Activities	Total	
LIABILITIES:				
Salaries and Benefits Payable	\$ 5,320,920	\$ 8,812	\$ 5,329,732	\$ 1,354,262
Payroll Deductions and Withholdings Payable	17,672,339	-	17,672,339	-
Accounts Payable	27,351,214	2,336	27,353,550	644,033
Construction Contracts Payable	2,727,946	-	2,727,946	1,019,931
Construction Contracts Payable-Retainage	3,974,110	-	3,974,110	87,661
Due to Other Agencies	25,761	-	25,761	448,278
Sales Tax Payable	2,234	54	2,288	-
Accrued Interest Payable	6,140,992	-	6,140,992	291,235
Advanced Revenue	3,410,380	124,714	3,535,094	66,219
Non-Current Liabilities Due Within One Year:				
Notes Payable	-	-	-	3,278,970
Bonds Payable	20,375,037	-	20,375,037	19,671,875
Certificates of Participation Payable	20,429,454	-	20,429,454	-
Obligations Under Capital Leases	8,727,583	-	8,727,583	6,755
Estimated Insurance Claims Payable	2,246,000	-	2,246,000	-
Compensated Absences Payable	15,985,230	378,276	16,363,506	-
Net Pension Liability- FRS / HIS	2,092,174	28,726	2,120,900	-
Long-Term Debt and Liabilities:				
Notes Payable	-	-	-	9,638,086
Bonds Payable	86,689,290	-	86,689,290	43,667,390
Certificates of Participation Payable	431,374,372	-	431,374,372	-
Obligations Under Capital Leases	19,720,288	-	19,720,288	941
Estimated Insurance Claims Payable	4,548,000	-	4,548,000	-
Compensated Absences Payable	22,577,671	204,654	22,782,325	185,730
Other Post-employment Benefits Obligation	96,943,204	1,668,770	98,611,974	13,208
Net Pension Liability - FRS / HIS	390,232,737	5,358,048	395,590,785	1,087,032
Derivatives Swap Liability	23,735,714	-	23,735,714	-
TOTAL LIABILITIES	1,212,302,650	7,774,390	1,220,077,040	81,461,606
DEFERRED INFLOWS OF RESOURCES				
Deferred Amount - OPEB	16,724,638	266,459	16,991,097	-
Deferred Amount - Pension SERP	2,019,794	-	2,019,794	-
Deferred Amount - Pension FRS / HIS	38,336,617	812,775	39,149,392	70,491
Total Deferred Inflows of Resources	57,081,049	1,079,234	58,160,283	70,491
TOTAL LIABILITIES AND DEFERRED INFLOWS	1,269,383,699	8,853,624	1,278,237,323	81,532,097
NET POSITION:				
Net Investment in Capital Assets	716,123,608	114,867	716,238,475	(4,941,121)
Restricted for:				
State Categorical Programs	6,727,153	-	6,727,153	-
Debt Service	7,826,125	-	7,826,125	4,286,260
Capital Projects	142,496,864	-	142,496,864	1,317,247
Special Revenue-Food Service	7,037,588	-	7,037,588	-
Restricted for Pasco Education Foundation	-	-	-	4,580,432
Unrestricted	(307,744,762)	(83,723)	(307,828,485)	1,260,494
Total Net Position	572,466,576	31,144	572,497,720	6,503,312
TOTAL LIABILITIES, DEFERRED INFLOWS, AND NET POSITION	\$ 1,841,850,275	\$ 8,884,768	\$ 1,850,735,043	\$ 88,035,409

The accompanying notes to financial statements are an integral part of this statement.

District School Board of Pasco County
Statement of Activities
Fiscal Year Ended June 30, 2020

Functions/Programs:	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government				
Governmental Activities:				
Instruction	\$ 450,397,266	\$ 543,901	\$ -	\$ -
Student Support Services	39,897,302	-	-	-
Instructional Media Services	2,256,517	-	-	-
Instruction and Curriculum Development Services	22,753,810	-	-	-
Instructional Staff Training Services	12,057,016	-	-	-
Instruction-Related Technology	9,207,600	-	-	-
Board	636,315	-	-	-
General Administration	3,612,169	-	-	-
School Administration	46,926,692	-	-	-
Facilities Acquisition and Construction	29,669,498	-	-	35,212,530
Fiscal Services	3,087,789	-	-	-
Food Services	38,923,162	9,433,667	28,444,998	-
Central Services	5,140,854	-	-	-
Student Transportation Services	34,187,902	491,037	17,347,656	-
Operation of Plant	48,522,885	-	-	-
Maintenance of Plant	12,839,023	-	-	-
Administrative Technology Services	10,800,963	-	-	-
Community Services	546,304	-	-	-
Interest on Long-term Liabilities	19,720,118	-	-	3,161,570
Total Governmental Activities	<u>791,183,185</u>	<u>10,468,605</u>	<u>45,792,654</u>	<u>38,374,100</u>
Business-Type Activities:				
ASEP Program	9,971,006	9,700,015	-	-
Vending Program	526,956	542,867	-	-
Total Business-Type Activities	<u>10,497,962</u>	<u>10,242,882</u>	<u>-</u>	<u>-</u>
Total Primary Government	<u>\$ 801,681,147</u>	<u>\$ 20,711,487</u>	<u>\$ 45,792,654</u>	<u>\$ 38,374,100</u>
Component Units:				
Educational Foundation/Charter Schools	<u>\$ 50,980,684</u>	<u>\$ 1,373,659</u>	<u>\$ 815,733</u>	<u>\$ 2,616,769</u>
General Revenues:				
Taxes:				
Property Taxes, Levied for Operational Purposes				
Property Taxes, Levied for Capital Projects				
Local Sales Taxes				
Grants and Contributions not Restricted to Specific Programs				
Unrestricted Investment Earnings				
Miscellaneous				
Transfers				
Total General Revenues and Transfers				
Change in Net Position				
Net Position, July 1, 2019				
Net Position, June 30, 2020				

The accompanying notes to financial statements are an integral part of this statement.

Net (Expense) Revenue and Changes in Net Position			
Primary Government			
Governmental Activities	Business-type Activities	Total	Component Units
\$ (449,853,365)	\$ -	\$ (449,853,365)	\$ -
(39,897,302)	-	(39,897,302)	-
(2,256,517)	-	(2,256,517)	-
(22,753,810)	-	(22,753,810)	-
(12,057,016)	-	(12,057,016)	-
(9,207,600)	-	(9,207,600)	-
(636,315)	-	(636,315)	-
(3,612,169)	-	(3,612,169)	-
(46,926,692)	-	(46,926,692)	-
5,543,032	-	5,543,032	-
(3,087,789)	-	(3,087,789)	-
(1,044,497)	-	(1,044,497)	-
(5,140,854)	-	(5,140,854)	-
(16,349,209)	-	(16,349,209)	-
(48,522,885)	-	(48,522,885)	-
(12,839,023)	-	(12,839,023)	-
(10,800,963)	-	(10,800,963)	-
(546,304)	-	(546,304)	-
(16,558,548)	-	(16,558,548)	-
(696,547,826)	-	(696,547,826)	-
-	(270,991)	(270,991)	-
-	15,911	15,911	-
-	(255,080)	(255,080)	-
(696,547,826)	(255,080)	(696,802,906)	-
-	-	-	(46,174,523)
145,183,437	-	145,183,437	-
47,325,942	-	47,325,942	-
32,123,910	-	32,123,910	-
465,026,804	-	465,026,804	41,779,846
6,846,902	114,994	6,961,896	9,801
22,383,103	233	22,383,336	3,852,702
44,065	(44,065)	-	-
718,934,163	71,162	719,005,325	45,642,349
22,386,337	(183,918)	22,202,419	(532,174)
550,080,239	215,062	550,295,301	7,035,486
\$ 572,466,576	\$ 31,144	\$ 572,497,720	\$ 6,503,312

**District School Board of Pasco County
Balance Sheet
Governmental Funds
June 30, 2020**

	Major Funds				
	General	Capital Projects	Special Revenue		
	Primary		Other	Nonmajor	Total
	Operating	Other	Federal Programs	Governmental	Governmental
	Fund	Fund	Fund	Funds	Funds
ASSETS:					
Cash	\$ 1,701,851	\$ 21,467,860	\$ 78,047	\$ 14,055,905	\$ 37,303,663
Cash with Fiscal Agent	-	4,862,172	-	3,433,542	8,295,714
Investments	82,071,875	209,579,166	-	33,120,526	324,771,567
Accounts Receivable	3,386,481	460,045	-	7,488	3,854,014
Accrued Interest Receivable	-	189,330	-	9	189,339
Due from Other Funds	11,223,963	1,417,151	-	524,222	13,165,336
Due from Other Agencies	3,586,589	8,464,450	10,565,924	3,452,029	26,068,992
Inventories	3,903,611	-	-	1,590,488	5,494,099
Prepaid Items	104,172	-	-	-	104,172
TOTAL ASSETS	\$ 105,978,542	\$ 246,440,174	\$ 10,643,971	\$ 56,184,209	\$ 419,246,896
LIABILITIES AND FUND BALANCES:					
Liabilities:					
Salaries and Benefits Payable	\$ 5,141,192	\$ -	\$ 50,270	\$ 20,225	\$ 5,211,687
Payroll Deductions and Withholdings Payable	17,671,715	-	-	624	17,672,339
Accounts Payable	3,871,137	6,633,934	740,578	1,115,874	12,361,523
Construction Contracts Payable	-	2,661,995	-	65,951	2,727,946
Construction Contracts Payable-Retainage	-	3,839,535	-	134,575	3,974,110
Due to Other Funds	-	1,085,128	9,844,002	524,222	11,453,352
Due to Other Agencies	24,730	-	1,031	-	25,761
Sales Tax Payable	2,234	-	-	-	2,234
Accrued Interest Payable	-	-	-	971	971
Advanced Revenue	48,565	1,691,309	8,090	1,434,268	3,182,232
Total Liabilities	26,759,573	15,911,901	10,643,971	3,296,710	56,612,155
Fund Balances:					
Nonspendable:					
Inventories:					
General Fund	3,903,611	-	-	-	3,903,611
Special Revenue-Food Service	-	-	-	1,590,488	1,590,488
Prepaid Items:					
General Fund	104,172	-	-	-	104,172
Restricted:					
Categorical Programs	6,727,153	-	-	-	6,727,153
Special Revenue-Food Service	-	-	-	5,447,100	5,447,100
Debt Service	-	-	-	13,967,117	13,967,117
Capital Projects	-	230,528,273	-	31,882,794	262,411,067
Assigned:					
School Operations:					
School and Local Programs	29,376,410	-	-	-	29,376,410
Next Year Budget	9,837,438	-	-	-	9,837,438
Unassigned Fund Balance	29,270,185	-	-	-	29,270,185
Total Fund Balances	79,218,969	230,528,273	-	52,887,499	362,634,741
TOTAL LIABILITIES AND FUND BALANCES	\$ 105,978,542	\$ 246,440,174	\$ 10,643,971	\$ 56,184,209	\$ 419,246,896

The accompanying notes to financial statements are an integral part of this statement.

District School Board of Pasco County
Reconciliation of the Governmental Funds Balance Sheet
to the Statement of Net Position
Fiscal Year Ended June 30, 2020

Total fund balances for total governmental funds (page 26). \$ 362,634,741

Amounts reported for governmental activities in the statement of net position (page 23)
are different because:

Non-current assets do not represent current financial resources and, therefore,
are not reported in the governmental funds.

Non-current assets at year-end consist of:

Capital Credits Receivable	\$ 5,722,532	
Net Pension Asset - SERP	220,109	
Capital Assets (net of accumulated depreciation)	1,183,525,429	1,189,468,070

Deferred outflows of resources are reported as a result of:

Changes in fair value of Hedging Derivatives	23,735,714	
Deferred Amounts on Bond Refundings	3,506,530	
Deferred Amounts for Pension - SERP	362,365	
Deferred Amounts for Pension - OPEB	3,984,248	
Deferred Amounts for Pension - FRS / HIS	136,912,762	168,501,619

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. (6,140,992)

Long-term liabilities are not due and payable in the current period, therefore,
are not reported in the governmental funds.

Long-term liabilities at year-end consist of:

Bonds Payable	(107,064,327)	
Certificates of Participation Payable	(451,803,826)	
Obligations Under Capital Leases	(28,447,871)	
Compensated Absences Payable	(38,274,571)	
Other Post-employment Benefits Obligation	(96,531,487)	
Net Pension Liability FRS / HIS	(390,664,599)	
Derivative Swap Liability	(23,735,714)	(1,136,522,395)

Deferred inflows of resources are reported as a result of :

Deferred Amounts for Pension - SERP	(2,019,794)	
Deferred Amounts for Pension - OPEB	(16,724,638)	
Deferred Amounts for Pension - FRS / HIS	(38,336,617)	(57,081,049)

Internal service funds are used by management to charge the costs of certain activities,
such as insurance, to individual funds. The assets and liabilities of the internal
service funds are included in governmental activities in the statement of net position. 51,606,582

Total Net Position - Governmental Activities **\$ 572,466,576**

The accompanying notes to financial statements are an integral part of this statement.

District School Board of Pasco County
Statement of Revenues, Expenditures, and Changes in Fund Balances
Governmental Funds
Fiscal Year Ended June 30, 2020

	Major Funds				Nonmajor Governmental Funds	Total Governmental Funds
	General Primary Operating Fund	Capital Projects Other Fund	Special Revenue Federal Programs Fund	Other		
Revenues:						
Federal Sources:						
Federal Direct	\$ 607,321	\$ -	\$ 7,956,947	\$ -	282,686	\$ 8,846,954
Federal Through State	1,700,192	-	40,107,692	-	28,056,082	69,863,966
State Sources:						
Florida Education Finance Program	337,956,712	-	-	-	-	337,956,712
Public Education Capital Outlay	-	-	-	-	3,945,019	3,945,019
Food Services	-	-	-	-	388,916	388,916
SBE/COBI Bond Interest	-	-	-	-	1,264	1,264
CO & DS Withheld for State Education Bonds	-	-	-	-	906,442	906,442
CO & DS Interest	46,054	-	-	-	90,062	136,116
CO & DS Distributed	-	-	-	-	2,117,748	2,117,748
Racing Commission Funds	-	-	-	-	223,250	223,250
State Grants and Other	91,281,157	2,258,503	-	-	-	93,539,660
Local Sources:						
Property Taxes	145,183,329	-	-	-	47,325,942	192,509,271
Local Sales Taxes	-	32,123,910	-	-	-	32,123,910
Impact Fees	-	31,267,511	-	-	-	31,267,511
Food Services	-	-	-	-	8,624,652	8,624,652
Investment Earnings	1,748,995	3,845,837	-	-	1,252,070	6,846,902
Local Grants and Other	15,947,407	3,940,936	-	-	1,826,625	21,714,968
Total Revenues	594,471,167	73,436,697	48,064,639	-	95,040,758	811,013,261
Expenditures:						
Current-Education:						
Instruction	361,331,791	-	25,601,135	-	-	386,932,926
Student Support Services	33,282,545	-	3,909,603	-	-	37,192,148
Instructional Media Services	1,998,355	-	27,187	-	-	2,025,542
Inst. and Curriculum Development Services	14,877,979	-	6,080,466	-	-	20,958,445
Instructional Staff Training Services	4,106,461	-	7,277,939	-	-	11,384,400
Instruction-Related Technology	7,305,809	-	1,225,061	-	-	8,530,870
Board	525,782	-	-	-	-	525,782
General Administration	1,470,137	-	1,955,308	-	-	3,425,445

(continued)

	Major Funds				
	Capital Projects		Special Revenue		
	General Primary Operating Fund	Other Fund	Federal Programs Fund	Nonmajor Governmental Funds	Total Governmental Funds
Expenditures (continued):					
School Administration	43,094,682	-	180,257	-	43,274,939
Facilities Acquisition and Construction	5,118,829	964,335	600	1,877,169	7,960,933
Fiscal Services	2,822,829	-	99,976	-	2,922,805
Food Services	179,913	-	79,406	37,320,238	37,579,557
Central Services	7,168,735	-	380,627	-	7,549,362
Student Transportation Services	31,794,239	-	168,241	-	31,962,480
Operation of Plant	47,096,767	-	186,799	-	47,283,566
Maintenance of Plant	11,923,279	-	56,338	-	11,979,617
Administrative Technology Services	9,974,218	-	67,890	-	10,042,108
Community Services	519,647	-	-	-	519,647
Capital Outlay:					
Facilities Acquisition and Construction	1,112	83,002,303	42,547	13,421,519	96,467,481
Other Capital Outlay	290,799	-	724,495	3,397	1,018,691
Debt Service:					
Principal	-	-	-	42,548,515	42,548,515
Interest	-	-	-	19,672,173	19,672,173
Fiscal Charges	-	-	-	962,618	962,618
Total Expenditures	584,883,908	83,966,638	48,063,875	115,805,629	832,720,050
Excess (Deficiency) of Revenues Over Expenditures	9,587,259	(10,529,941)	764	(20,764,871)	(21,706,789)
Other Financing Sources (Uses):					
Insurance of Refunding Bonds	-	-	-	820,000	820,000
Premiums of Refunding Bonds	-	-	-	160,595	160,595
Proceeds of Refunding Certificates of Participation	-	-	-	49,990,000	49,990,000
Premium on Refunding Certificates of Participation	-	-	-	5,305,206	5,305,206
Proceeds of Certificates of Participation Issued	-	56,165,000	-	-	56,165,000
Premiums on Certificates of Participation Issued	-	15,835,000	-	648,858	16,483,858
Capital Leases	-	11,860,632	-	27,540	11,888,172
Payments to Refunded Bond Escrow Agent	-	-	-	(56,212,063)	(56,212,063)
Proceeds from the Sale of Capital Assets	55,520	-	-	-	55,520
Transfers In	3,314,943	-	-	64,733,302	68,048,245
Transfers Out	(519,793)	(26,262,870)	(764)	(40,817,353)	(67,600,780)
Total Other Financing Sources (Uses)	2,850,670	57,597,762	(764)	24,656,085	85,103,753
Net Change in Fund Balances	12,437,929	47,067,821	-	3,891,214	63,396,964
Fund Balances, July 1, 2019	66,781,040	183,460,452	-	48,996,285	299,237,777
Fund Balances, June 30, 2020	\$ 79,218,969	\$ 230,528,273	\$ -	\$ 52,887,499	\$ 362,634,741

The accompanying notes to financial statements are an integral part of this statement.

District School Board of Pasco County
Reconciliation of the Statement of Revenues,
Expenditures, and Changes in Fund Balances for Governmental Funds
to the Statement of Activities
Fiscal Year Ended June 30, 2020

Net Change in Fund Balances - Governmental Funds (page 29). \$ 63,396,964

Amounts reported for governmental activities on the statement of activities (pages 24 & 25) are different because:

Capital outlays are reported in the governmental funds 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 exceeded depreciation in the current period.

Expenditures for capital assets	\$ 97,486,172	
Less current year depreciation	(60,600,505)	36,885,667

Capital assets donated to the District increase net position on the statement of activities.

However, they do not provide current financial resources and are not reported as revenues in the governmental funds.		726,488
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The un depreciated cost of capital assets disposed of during the period is reported in the statement of activities. In the governmental funds, the cost of these assets was recognized as an expenditure in the year purchased. Thus, the change in net position differs from the change in fund balance by the un depreciated cost of the assets disposed of.

(757,293)

The net change in the Net Pension Asset (SERP) and the related Deferred Amounts is reported in the government-wide statements, but not in the governmental fund statements.

39,092

The net change in the Net Pension Liability (FRS / HIS) and the related Deferred Amounts is reported in the government-wide statements, but not in the governmental fund statements.

(43,355,312)

Long-term debt proceeds provide current financial resources to the governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. Additionally, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized over the life of the debt in the statement of activities.

Principal payments	42,548,515	
New Certificates of Participation Issues	(72,648,858)	
Certificates of Participation Refunded	(55,295,206)	
Bonds Refunded	(980,595)	
Payments to Refunded Escrow Agent	56,212,063	
Capital Leases Issued	(11,888,172)	
Net decrease in deferred charges	(1,629,907)	
Net decrease in premiums and discounts	3,073,840	(40,608,320)

Capital credits to be received in future years are accrued in the government-wide statements, but the credits do not provide current financial resources and are not recognized in the governmental funds. This is the net amount of capital credits earned in excess of the amount paid in the current period.

15,809

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 not recognized based on the amounts actually paid for compensated absences. This is the net amount of compensated absences earned in excess of the amount paid in the current period.

4,572,842

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.

(529,260)

The net change in liability for post-employment health care benefits is reported in the government-wide statements, but not in the governmental fund statements.

(2,262,403)

Internal service funds are used by management to charge the cost of certain activities, such as insurance, to individual funds. The change in net position of internal service funds is reported with governmental activities.

4,262,063

Change in Net Position - Governmental Activities (pages 24 & 25).

\$ 22,386,337

The accompanying notes to financial statements are an integral part of this statement.

District School Board of Pasco County
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
General Fund
Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental:				
Federal Sources:				
Federal Direct	\$ 615,500	\$ 640,500	\$ 607,321	\$ (33,179)
Federal Through State	2,600,000	2,600,000	1,700,192	(899,808)
State Sources:				
Florida Education Finance Program	343,411,918	345,684,523	337,956,712	(7,727,811)
State Grants and Other	91,190,915	91,919,738	91,327,211	(592,527)
Local Sources:				
Property Taxes	144,668,429	144,668,429	145,183,329	514,900
Investment Earnings	1,582,483	1,582,483	1,748,995	166,512
Local Grants and Other	12,961,352	14,420,733	15,947,407	1,526,674
Total Revenues	597,030,597	601,516,406	594,471,167	(7,045,239)
Expenditures:				
Current-Education:				
Instruction				
Salaries	\$ 235,673,324	237,755,285	\$ 228,845,372	\$ 8,909,913
Employee Benefits	74,717,320	74,513,554	75,293,492	(779,938)
Purchased Services	49,180,446	54,179,099	45,187,811	8,991,288
Materials and Supplies	16,249,213	17,145,201	7,741,229	9,403,972
Capital Outlay	118,668	665,153	178,652	486,501
Other Expenditures	5,753,148	5,974,236	4,085,235	1,889,001
Student Support Services				
Salaries	21,996,485	22,130,100	21,486,765	643,335
Employee Benefits	7,641,294	7,683,931	7,709,321	(25,390)
Purchased Services	3,870,567	4,610,954	3,774,294	836,660
Materials and Supplies	308,249	538,277	139,515	398,762
Capital Outlay	16,340	32,546	3,519	29,027
Other Expenditures	148,706	173,678	169,131	4,547
Instructional Media Services				
Salaries	938,395	956,135	956,923	(788)
Employee Benefits	457,708	466,165	468,287	(2,122)
Purchased Services	379,010	741,804	166,342	575,462
Materials and Supplies	362,671	336,944	251,913	85,031
Capital Outlay	350,936	555,923	154,540	401,383
Other Expenditures	250	350	350	-
Instruction and Curriculum Development Services				
Salaries	11,436,836	11,898,890	10,988,737	910,153
Employee Benefits	3,254,189	3,524,986	3,504,134	20,852
Purchased Services	604,416	696,622	272,917	423,705
Materials and Supplies	460,888	162,554	61,524	101,030
Capital Outlay	4,950	15,035	12,402	2,633
Other Expenditures	63,050	85,227	38,265	46,962

(continued)

District School Board of Pasco County
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
General Fund
Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Expenditures (continued):				
Instructional Staff Training Services				
Salaries	1,932,065	2,940,442	2,735,801	204,641
Employee Benefits	455,343	576,389	603,847	(27,458)
Purchased Services	421,242	1,659,238	704,135	955,103
Materials and Supplies	300,019	164,226	36,093	128,133
Capital Outlay	-	65,146	1,681	63,465
Other Expenditures	74,431	168,951	24,904	144,047
Instruction-Related Technology				
Salaries	5,116,845	5,619,672	5,408,244	211,428
Employee Benefits	1,744,495	1,851,031	1,841,393	9,638
Purchased Services	22,360	73,410	55,350	18,060
Other Expenditures	-	936	822	114
Board				
Salaries	240,383	240,383	228,612	11,771
Employee Benefits	405,554	405,554	144,754	260,800
Purchased Services	146,902	146,990	99,388	47,602
Materials and Supplies	2,985	2,487	1,305	1,182
Capital Outlay	435	160	-	160
Other Expenditures	53,248	53,398	51,723	1,675
General Administration				
Salaries	742,029	753,368	700,695	52,673
Employee Benefits	264,982	308,323	290,791	17,532
Purchased Services	208,800	259,001	144,709	114,292
Materials and Supplies	7,205	7,071	2,212	4,859
Capital Outlay	1,780	2,060	378	1,682
Other Expenditures	378,205	340,595	331,352	9,243
School Administration				
Salaries	29,556,803	30,096,111	29,464,114	631,997
Employee Benefits	10,514,557	11,540,804	11,601,612	(60,808)
Purchased Services	1,052,432	1,130,022	1,028,277	101,745
Materials and Supplies	597,384	451,378	341,695	109,683
Capital Outlay	92,476	157,544	75,514	82,030
Other Expenditures	616,740	655,928	583,470	72,458
Facilities Services				
Salaries	1,243,542	1,262,780	1,259,459	3,321
Employee Benefits	382,627	481,643	471,557	10,086
Purchased Services	2,505,470	3,518,222	3,379,875	138,347
Materials and Supplies	10,750	9,550	6,347	3,203
Capital Outlay	179,400	178,600	256	178,344
Other Expenditures	6,500	6,500	1,335	5,165

(continued)

District School Board of Pasco County
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
General Fund
Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Expenditures (continued):				
Fiscal Services				
Salaries	2,031,734	2,055,018	1,953,296	101,722
Employee Benefits	688,610	733,164	717,650	15,514
Purchased Services	114,925	149,530	70,289	79,241
Materials and Supplies	16,950	16,012	7,866	8,146
Capital Outlay	1,830	3,177	1,857	1,320
Other Expenditures	82,950	82,950	71,871	11,079
Food Services				
Salaries	-	163,281	163,281	-
Employee Benefits	-	22,286	16,361	5,925
Materials and Supplies	-	12,650	271	12,379
Central Services				
Salaries	5,385,217	5,425,797	4,632,401	793,396
Employee Benefits	1,741,492	1,748,686	1,576,125	172,561
Purchased Services	1,143,961	1,420,993	608,975	812,018
Materials and Supplies	86,693	86,486	44,398	42,088
Capital Outlay	20,123	24,794	4,659	20,135
Other Expenditures	399,038	403,698	302,177	101,521
Student Transportation Services				
Salaries	17,933,706	18,852,211	18,209,573	642,638
Employee Benefits	8,769,305	8,778,246	8,693,873	84,373
Purchased Services	1,313,252	1,351,449	1,233,670	117,779
Energy Services	4,110,000	5,055,823	2,402,170	2,653,653
Materials and Supplies	1,510,540	1,496,436	1,162,261	334,175
Capital Outlay	2,700	3,200	138	3,062
Other Expenditures	90,000	95,000	92,554	2,446
Operation of Plant				
Salaries	18,634,035	17,959,733	17,420,327	539,406
Employee Benefits	7,819,979	7,940,185	7,985,610	(45,425)
Purchased Services	9,759,225	9,851,099	9,512,323	338,776
Energy Services	11,138,000	11,138,000	11,116,149	21,851
Materials and Supplies	1,002,956	1,525,267	986,743	538,524
Capital Outlay	24,233	67,128	48,323	18,805
Other Expenditures	27,925	31,664	27,292	4,372
Maintenance of Plant				
Salaries	6,237,657	6,139,597	6,001,449	138,148
Employee Benefits	2,091,796	2,092,225	2,076,644	15,581
Purchased Services	3,457,255	3,584,445	3,517,681	66,764
Materials and Supplies	369,475	405,543	320,729	84,814
Capital Outlay	14,783	13,963	5,528	8,435
Other Expenditures	2,325	2,325	1,248	1,077

(continued)

District School Board of Pasco County
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
General Fund
Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Expenditures (continued):				
Administrative Technology Services				
Salaries	6,669,182	6,423,875	6,246,534	177,341
Employee Benefits	2,157,122	2,168,945	2,103,574	65,371
Purchased Services	2,114,220	2,178,026	1,589,189	588,837
Materials and Supplies	25,935	26,584	11,664	14,920
Capital Outlay	18,125	18,203	6,955	11,248
Other Expenditures	29,300	29,300	16,302	12,998
Community Services				
Salaries	79,395	210,941	188,038	22,903
Employee Benefits	44,121	66,227	49,534	16,693
Purchased Services	238,754	237,390	152,425	84,965
Materials and Supplies	26,471	37,217	16,566	20,651
Capital Outlay	20,288	20,439	10,508	9,931
Other Expenditures	168,592	168,592	102,576	66,016
Capital Outlay:				
Facilities Acquisition and Construction	-	-	1,112	(1,112)
Other Capital Outlay	-	-	290,799	(290,799)
Total Expenditures	610,879,223	630,288,362	584,883,908	45,404,454
Excess (Deficiency) of Revenues Over Expenditures	(13,848,626)	(28,771,956)	9,587,259	38,359,215
Other Financing Sources (Uses):				
Proceeds from the Sale of Capital Assets	50,000	58,000	55,520	(2,480)
Transfers In	2,791,234	3,314,179	3,314,943	764
Transfers Out	(395,907)	(519,796)	(519,793)	3
Total Other Financing Sources (Uses)	2,445,327	2,852,383	2,850,670	(1,713)
Net Change in Fund Balance	(11,403,299)	(25,919,573)	12,437,929	38,357,502
Fund Balance, Beginning	66,781,040	66,781,040	66,781,040	-
Fund Balance, Ending	\$ 55,377,741	\$ 40,861,467	\$ 79,218,969	\$ 38,357,502

The accompanying notes to financial statements are an integral part of this statement.

District School Board of Pasco County
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Special Revenue - Other Federal Programs Fund
Fiscal Year Ended June 30, 2020

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual Amounts	
Revenues:				
Federal Sources:				
Federal Direct	\$ 8,105,066	\$ 8,192,971	\$ 7,956,947	\$ (236,024)
Federal Through State	39,951,814	50,523,242	40,107,692	(10,415,550)
Total Revenues	48,056,880	58,716,213	48,064,639	(10,651,574)
Expenditures:				
Current-Education:				
Instruction				
Salaries	13,250,132	15,975,427	13,709,739	2,265,688
Employee Benefits	6,086,195	7,345,367	6,011,334	1,334,033
Purchased Services	3,217,397	3,912,506	3,068,276	844,230
Materials and Supplies	1,430,548	2,460,616	1,727,587	733,029
Capital Outlay	343,464	471,535	286,946	184,589
Other Expenditures	1,107,766	1,258,446	797,253	461,193
Student Support Services				
Salaries	2,842,879	2,949,807	2,596,123	353,684
Employee Benefits	1,057,167	1,059,304	964,871	94,433
Purchased Services	196,028	206,582	161,202	45,380
Materials and Supplies	249,227	347,045	177,141	169,904
Capital Outlay	5,200	7,981	7,981	-
Other Expenditures	3,922	3,085	2,285	800
Instructional Media Services				
Salaries	19,110	21,170	18,975	2,195
Employee Benefits	8,575	8,954	8,212	742
Capital Outlay	-	505	-	505
Instruction and Curriculum Development Services				
Salaries	3,808,099	5,122,025	4,287,691	834,334
Employee Benefits	1,121,184	1,496,802	1,242,177	254,625
Purchased Services	379,443	563,666	411,690	151,976
Materials and Supplies	206,706	230,680	109,665	121,015
Capital Outlay	30,600	33,990	13,285	20,705
Other Expenditures	87,342	73,121	15,958	57,163
Instructional Staff Training Services				
Salaries	4,366,653	5,415,225	4,471,234	943,991
Employee Benefits	1,208,441	1,356,743	1,206,753	149,990
Purchased Services	1,527,504	1,802,666	1,292,299	510,367
Materials and Supplies	108,753	187,778	113,467	74,311
Capital Outlay	4,000	3,546	3,116	430
Other Expenditures	440,946	328,953	191,070	137,883

(continued)

District School Board of Pasco County
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Special Revenue - Other Federal Programs Fund
Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Expenditures (continued):				
Instruction-Related Technology				
Salaries	811,047	876,293	855,096	21,197
Employee Benefits	260,335	275,907	268,066	7,841
Purchased Services	79,053	145,374	101,849	43,525
Materials and Supplies	100	50	50	-
General Administration				
Purchased Services	-	72,148	72,148	-
Other Expenditures	2,107,124	2,254,462	1,883,160	371,302
School Administration				
Salaries	86,538	137,253	136,707	546
Employee Benefits	29,096	43,906	43,550	356
Facilities Services				
Other Capital Outlay	-	600	600	-
Fiscal Services				
Salaries	83,592	85,945	73,250	12,695
Employee Benefits	28,528	28,838	24,052	4,786
Purchased Services	250	1,765	1,765	-
Materials and Supplies	950	788	788	-
Capital Outlay	600	121	121	-
Food Services				
Purchased Services	60,156	79,406	79,406	-
Materials and Supplies	250	-	-	-
Capital Outlay	500	-	-	-
Central Services				
Salaries	183,237	157,535	133,115	24,420
Employee Benefits	43,156	44,003	31,615	12,388
Purchased Services	107,000	132,248	107,498	24,750
Materials and Supplies	93,800	82,207	73,586	8,621
Capital Outlay	-	2,615	2,615	-
Other Expenditures	62,900	44,998	32,198	12,800
Student Transportation Services				
Salaries	65,777	65,777	47,163	18,614
Employee Benefits	22,547	22,547	15,357	7,190
Purchased Services	217,676	241,073	105,721	135,352
Capital Outlay	270	-	-	-
Other Expenditures	950	-	-	-
Operation of Plant				
Purchased Services	29,000	53,702	53,702	-
Energy Services	107,000	109,758	109,758	-
Materials and Supplies	9,200	23,339	23,339	-

(continued)

District School Board of Pasco County
Statement of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Special Revenue - Other Federal Programs Fund
Fiscal Year Ended June 30, 2020

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual Amounts	
Expenditures (continued):				
Maintenance of Plant				
Purchased Services	22,323	56,338	56,338	-
Administrative Technology Services				
Salaries	51,088	63,979	51,935	12,044
Employee Benefits	15,827	19,816	15,955	3,861
Capital Outlay:				
Facilities Acquisition and Construction	26,600	42,547	42,547	-
Other Capital Outlay	343,129	906,586	724,495	182,091
Total Expenditures	48,056,880	58,715,449	48,063,875	10,651,574
Excess (Deficiency) of Revenues Over Expenditures	-	764	764	-
Other Financing Sources (Uses):				
Transfers Out	-	(764)	(764)	-
Total Other Financing Sources (Uses)	-	(764)	(764)	-
Net Change in Fund Balance	-	-	-	-
Fund Balance, Beginning	-	-	-	-
Fund Balance, Ending	\$ -	\$ -	\$ -	\$ -

The accompanying notes to financial statements are an integral part of this statement.

District School Board of Pasco County
Statement of Fund Net Position
Proprietary Funds
June 30, 2020

Exhibit I

	Business-Type Activity		Governmental Activities
	Major Fund	Nonmajor	
	After School Enrichment Program (ASEP)	Vending Program	Total Enterprise Funds
			Internal Service Funds
ASSETS:			
Current Assets:			
Cash	\$ 1,307,135	\$ 25,037	\$ 1,332,172
Investments	5,422,696	-	5,422,696
Accounts Receivable	20,420	-	20,420
Total Current Assets	6,750,251	25,037	6,775,288
Noncurrent Assets:			
Improvements Other Than Buildings, Net	12,728	-	12,728
Buildings and Fixed Equipment, Net	11,237	-	11,237
Furniture, Fixtures, and Equipment, Net	55,137	-	55,137
Motor Vehicles, Net	22,738	-	22,738
Computer Software, Net	13,027	-	13,027
Total Noncurrent Assets	114,867	-	114,867
Total Assets	6,865,118	25,037	6,890,155
DEFERRED OUTFLOWS OF RESOURCES:			
Pension FRS/HIS	1,926,609	-	1,926,609
Other Post-Employment Benefits	68,004	-	68,004
Total Deferred Outflows of Resources	1,994,613	-	1,994,613
TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 8,859,731	\$ 25,037	\$ 8,884,768
LIABILITIES:			
Current Liabilities:			
Payroll Deductions and Withholdings Payable	\$ 2,336	\$ -	\$ 2,336
Accounts Payable	8,812	-	8,812
Sales Tax Payable	-	54	54
Due To Other Funds	-	-	-
Estimated Unpaid Claims	-	-	-
Advanced Revenues	124,714	-	124,714
Current portion of long-term liabilities:			
Compensated Absences Payable	378,276	-	378,276
Net Pension Liability - FRS / HIS	28,726	-	28,726
Estimated Insurance Claims Payable	-	-	-
Total Current Liabilities	542,864	54	542,918
Noncurrent Liabilities:			
Compensated Absences Payable	204,654	-	204,654
Estimated Insurance Claims Payable	-	-	-
Other Post-Employment Benefits Obligation	1,668,770	-	1,668,770
Net Pension Liability - FRS / HIS	5,358,048	-	5,358,048
Total Noncurrent Liabilities	7,231,472	-	7,231,472
Total Liabilities	7,774,336	54	7,774,390
DEFERRED INFLOWS OF RESOURCES:			
Pension FRS/HIS	812,775	-	812,775
Other Post-Employment Benefits	266,459	-	266,459
Total Deferred Inflows of Resources	1,079,234	-	1,079,234
NET POSITION:			
Investment in Capital Assets	114,867	-	114,867
Unrestricted	(108,706)	24,983	(83,723)
Total Net Position	6,161	24,983	31,144
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	\$ 8,859,731	\$ 25,037	\$ 8,884,768

The accompanying notes to financial statements are an integral part of this statement.

District School Board of Pasco County
Statement of Revenues, Expenses, and Changes in Fund Net Position
Proprietary Funds
Fiscal Year Ended June 30, 2020

Exhibit J

	Business-Type Activity		Governmental Activities
	Major Fund	Nonmajor	
	After School Enrichment Program (ASEP)	Vending Program	Total Enterprise Funds
			Internal Service Funds
Operating Revenues:			
Charges for Services Provided	\$ 9,700,015	\$ -	\$ 9,700,015
Charges for Sales	-	542,867	542,867
Insurance Premiums:			
Board Contributions	-	-	-
Employees	-	-	-
Retirees	-	-	-
Other Operating Revenues	-	233	233
Total Operating Revenues	9,700,015	543,100	10,243,115
Operating Expenses:			
Salaries	5,463,542	-	5,463,542
Employee Benefits	2,839,714	-	2,839,714
Purchased Services	307,943	-	307,943
Insurance Premiums	-	-	-
Energy Services	410,310	-	410,310
Materials and Supplies	279,381	17,097	296,478
Capital Outlay	40,583	-	40,583
Insurance Claims	-	-	-
Other	607,340	509,859	1,117,199
Depreciation	16,032	-	16,032
Total Operating Expenses	9,964,845	526,956	10,491,801
Operating Income (Loss)	(264,830)	16,144	(248,686)
Nonoperating Revenues (Expenses):			
Investment Earnings	114,994	-	114,994
Gifts, Grants, and Bequests	-	-	-
Insurance Loss Recoveries	-	-	-
Loss on Disposition of Assets	(6,161)	-	(6,161)
Total Nonoperating Revenues (Expenses)	108,833	-	108,833
Income (Loss) Before Transfers	(155,997)	16,144	(139,853)
Transfers In	-	-	-
Transfers Out	(44,065)	-	(44,065)
Change in Net Position	(200,062)	16,144	(183,918)
Total Net Position, July 1, 2019	206,223	8,839	215,062
Total Net Position, June 30, 2020	\$ 6,161	\$ 24,983	\$ 31,144

The accompanying notes to financial statements are an integral part of this statement.

District School Board of Pasco County
Statement of Cash Flows
Proprietary Funds
Fiscal Year Ended June 30, 2020

Exhibit K

	Business-Type Activity		Governmental Activities
	Major Fund	Nonmajor	
	After School Enrichment Program (ASEP)	Vending Program	Total Enterprise Funds
			Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES:			
Cash Received from Sales and Services	\$ 9,711,475	\$ 542,867	\$ 10,254,342
Cash Received from Premiums	-	-	-
Cash Received from Other Operating Revenues	-	233	233
Cash Payments to Suppliers for Goods and Services	(1,650,040)	(527,576)	(2,177,616)
Cash Payments to Employees for Services	(7,724,720)	-	(7,724,720)
Cash Payments for Insurance Claims	-	-	-
Net Cash Provided (Used) by Operating Activities	336,715	15,524	352,239
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Insurance Loss Recoveries	-	-	-
Gifts, Grants and Bequests	-	-	-
Transfers In	-	-	-
Transfers Out	(44,065)	-	(44,065)
Net Cash Provided (Used) by Noncapital Financing Activities	(44,065)	-	(44,065)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Acquisition and Construction of Capital Assets	(41,334)	-	(41,334)
Net Cash Provided (Used) by Capital and Related Financing Activities	(41,334)	-	(41,334)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Investment Earnings	115,032	-	115,032
Purchase and Sale of Investments	(114,995)	-	(114,995)
Net Cash Provided (Used) by Investing Activities	37	-	37
Net Change in Cash	251,353	15,524	266,877
Cash, Beginning	1,055,782	9,513	1,065,295
Cash, Ending	\$ 1,307,135	\$ 25,037	\$ 1,332,172
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	\$ (264,830)	\$ 16,144	\$ (248,686)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Depreciation	16,032	-	16,032
Change in Assets and Liabilities:			
(Increase) Decrease in Accounts Receivable	6,920	-	6,920
Estimated Unpaid Claims			(4,200,000)
Increase (Decrease) in Accounts Payable	(4,483)	(32)	(4,515)
Increase in Sales Tax Payable	-	(588)	(588)
Increase in Salaries and Benefits Payable	8,812	-	8,812
Increase in Payroll Deductions and Withholdings Payable	-	-	-
Increase in Advanced Revenues	4,540	-	4,540
(Decrease) in Compensated Absences Payable	(65,558)	-	(65,558)
Increase in Due From/To Other Funds	-	-	-
Increase in Other Post-Employment Benefits Obligation	(231,084)	-	(231,084)
Increase in Pension Amounts	866,366	-	866,366
(Decrease) in Estimated Insurance Claims Payable	-	-	-
Total Adjustments	601,545	(620)	600,925
Net Cash Provided (Used) by Operating Activities	\$ 336,715	\$ 15,524	\$ 352,239

The accompanying notes to financial statements are an integral part of this statement.

District School Board of Pasco County
Statement of Fiduciary Net Position
Fiduciary Funds
June 30, 2020

Exhibit L

	Pension Trust	Private-Purpose Trust	Agency
ASSETS:			
Cash and Cash Equivalents	\$ 7,697	\$ 472	\$ 10,492,154
Collateralized Mortgage Obligations	238,689		-
Corporate Bonds	82,796	-	-
Government and Municipal Bonds	6,389,452	-	-
Domestic Equity Mutual Funds	3,108,505	-	-
International Equity Mutual Funds	1,521,505	-	-
Domestic Fixed Income Mutual Funds	3,358,850	-	-
Government Sponsored Enterprise Securities	63,429	25,920	77,718
Money Market Funds	2,359,527	-	-
Accounts Receivable	-	-	4,794
Interest Receivable	101,736	-	-
Inventories	-	-	14,643
	<u>-</u>	<u>-</u>	<u>14,643</u>
TOTAL ASSETS	<u><u>\$ 17,232,186</u></u>	<u><u>\$ 26,392</u></u>	<u><u>\$ 10,589,309</u></u>
LIABILITIES:			
Accounts Payable	\$ -	\$ -	\$ 654,432
Due to Other Funds	931,346	-	271,397
Internal Accounts Payable	-	-	9,571,212
ABC Program Payable	-	-	92,268
	<u>-</u>	<u>-</u>	<u>92,268</u>
Total Liabilities	<u>931,346</u>	<u>-</u>	<u><u>\$ 10,589,309</u></u>
FIDUCIARY NET POSITION:			
Restricted for Pension Benefits	16,300,840	-	
Restricted for Medical Benefits	-	26,392	
Restricted for Educational Support	-	-	
	<u>-</u>	<u>-</u>	
Total Fiduciary Net Position	<u>16,300,840</u>	<u>26,392</u>	
TOTAL LIABILITIES AND FIDUCIARY NET POSITION	<u><u>\$ 17,232,186</u></u>	<u><u>\$ 26,392</u></u>	

The accompanying notes to financial statements are an integral part of this statement.

District School Board of Pasco County
Statement of Changes in Fiduciary Net Position
Fiduciary Funds
Fiscal Year Ended June 30, 2020

	Pension Trust	Private-Purpose Trust
ADDITIONS:		
Investment Earnings:		
Interest, Dividends and Other	\$ 937,156	\$ 549
Total Additions	937,156	549
DEDUCTIONS:		
Purchased Services	1,459,522	-
Administrative Expense (other)	1,760	-
Total Deductions	1,461,282	-
Change in Fiduciary Net Position	(524,126)	549
Fiduciary Net Position, July 1, 2019	16,824,966	25,843
Fiduciary Net Position, June 30, 2020	\$ 16,300,840	\$ 26,392

The accompanying notes to financial statements are an integral part of this statement.

DISTRICT SCHOOL BOARD OF PASCO COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

➤ Reporting Entity

The District School Board of Pasco County (the "District") has direct responsibility for operation, control, and supervision of District schools and is considered a primary government for financial reporting. The Pasco County School District is considered part of the Florida system of public education. The governing body of the School District is the School Board which is composed of five elected members. The elected Superintendent of Schools is the executive officer of the School Board. Geographic boundaries of the District correspond with those of Pasco 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)(I), 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 Pasco County School Board Leasing Corporation, Inc. (Leasing Corporation) was formed to facilitate financing for the acquisition of facilities and equipment as further discussed in Note 8. Due to the substantive economic relationship between the District and the Leasing Corporation, the financial activities of the Leasing Corporation are included in the accompanying basic financial statements. Separate financial statements for the Leasing 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, eleven 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:
 - ◊ Academy at the Farm, Inc. is a K through 8th grade school focused on creatively integrating equestrian, horticultural, and farm animal components into an interactive, inclusive learning environment.

DISTRICT SCHOOL BOARD OF PASCO COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

- ◇ Athenian Academy of Pasco County, Inc. is a K through 8th grade school offering students a program that focuses on technology, performing arts, hands-on science, character education, cooperative learning, reteach and enrichment, and rigorous educational programs.
- ◇ Classical Preparatory Charter School is a K through 11th grade school providing a classical style education.
- ◇ Countryside Montessori Charter School is a 1st through 8th grade school providing an alternative education program.
- ◇ Dayspring Academy for Education and the Arts is a K through 12th grade school emphasizing the fine arts, offering students specialized instruction in dance, music, and art.
- ◇ Imagine School at Land O'Lakes is a K through 8th grade school providing an alternative education program.
- ◇ Learning Lodge Academy is a K through 5th grade school providing an alternative elementary education program.
- ◇ Pepin Academies of Pasco County is a 3rd through 12th grade school providing an alternative education program for special needs students.
- ◇ Plato Academy Trinity Charter School is a K through 3rd grade school offering an enriched, disruption-free environment through optimum instruction, support and encouragement.
- ◇ Union Park Charter Academy is a K through 8th grade school offering a learning environment that integrates research-based curriculum, a culture of safety and success, and concentration on academic rigor, while focusing on citizenship and experiential learning through student engagement.

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 ending June 30, 2020.

The Pasco Education Foundation (Foundation) is a separate not-for-profit corporation organized and operated as a direct-support organization under Section 1001.453, Florida Statutes, to receive, hold, invest, and administer property and to make expenditures to or for the benefit of the District. Because of the nature and significance

DISTRICT SCHOOL BOARD OF PASCO COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

of its relationship with the District, the Foundation is considered a component unit. The financial data reported on the accompanying statements was derived from the Foundation's audited financial statements for the fiscal year ending June 30, 2020.

Audits of the charter schools and Foundation for the fiscal year ending June 30, 2020, were conducted by independent certified public accountants and are filed at the District's administrative office at 7227 Land O' Lakes Boulevard, Land O' Lakes, Florida 34638.

➤ **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 function/programs of the primary government. Program revenues include charges paid by the recipient of the goods or services offered by program and grants and contributions that are restricted to meeting the operational or capital requirements of a 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

DISTRICT SCHOOL BOARD OF PASCO COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

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.
- Capital Projects – Other Fund – to account for the financial resources such as sales tax proceeds, impact fees, certificates of participation and capital leases which are used for capital outlay needs.
- Special Revenue – Other Federal Programs Fund – to account for and report on certain Federal grant program resources.

Additionally, the District reports the following major proprietary fund:

- Enterprise Fund – After School Enrichment Program (ASEP) Fund – to account for the financial resources of the District's ASEP program, a before and after-school child care program.

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

- Internal Service Funds – to account for the District's fully-insured program for employees' life insurance; individual self-insurance programs for property/casualty, liability, auto, workers' compensation, medical, pharmacy and behavioral health programs; the employee benefits program; the energy management program; and exclusive agreements administered by the School Board.
- Pension Trust Fund – to account for resources used to finance the early retirement program.
- Private-Purpose Trust Fund – to account for resources of various scholarship funds that provide for medical benefits and educational support.
- 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.
- Enterprise Fund – Vending Program – to account for the operation of food and beverage machines throughout the District.

DISTRICT SCHOOL BOARD OF PASCO COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

➤ **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 75 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, other post-employment healthcare benefits, pensions and compensated absences and, which are recognized when due. Allocations of cost, such as depreciation, are not recognized in governmental funds.

Agency (Fiduciary) Funds are purely custodial in nature (assets equal liabilities) and, as such, do not have a measurement focus, but utilize the accrual basis of accounting for reporting assets and liabilities.

In applying the "susceptible to accrual" concept to revenues from Federal and State sources, the legal contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of revenues. In one, monies must be expended for the specific purpose before the District will receive any amounts; therefore, revenues are recognized based upon the incurrence of the expenditures. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed legal and contractual requirements. These resources are reflected as revenues at the time of receipt or earlier if the "susceptible to accrual" criteria are met. In all cases, monies

DISTRICT SCHOOL BOARD OF PASCO COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

received before the revenue recognition criteria have been met, are reported as unearned revenue.

The Proprietary Funds are prepared under the economic resources measurement focus and the accrual basis of accounting. 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 employee health insurance, workers' compensation, general liability, and property insurance. The principal operating expenses include salaries and benefits for employees, insurance claims, and excess coverage insurance. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. Unrestricted net position in the internal service funds is designated for future losses.

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

The Foundation is accounted for under the not-for-profit basis of accounting and uses the accrual basis of accounting whereby revenues are recognized when earned and expenses are recognized when incurred.

➤ **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 reported period. Actual results could differ from those estimates.

➤ **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 investments pools are classified as cash equivalents for purposes of these

DISTRICT SCHOOL BOARD OF PASCO COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

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 demand deposits; amounts placed with the State Board of Administration (SBA) in Florida PRIME, the Florida Fixed Income Trust Cash Pool and the Florida Public Assets for Liquidity Management (FL PALM).

Cash deposits are held by banks qualified as public depositories under Florida law. All deposits are insured by the Federal Depositary Insurance Corporation and collateralized with securities held in Florida's multiple financial institution collateral pool as required by Chapter 280, Florida Statutes. For the enterprise and internal service funds, the statement of cash flows considers cash and cash equivalents as those accounts used as demand deposit accounts and amounts held by fiscal agent.

Investments consist of amounts placed in the SBA debt service accounts for investment of debt service moneys, with the 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 215.47, Florida Statutes.

The District's investments in Florida PRIME and Florida Public Assets for Liquidity Management (FL PALM), which the SBA and FL PALM indicate are Securities and Exchange Commission Rule 2a7-like external investment pool, as of June 30, 2020, are similar to money market funds in which shares are owned in the fund rather than the underlying investments. These amounts are reported at amortized cost.

Investments made locally consist of United States Treasury Securities and Federal Agency Securities, money market and bond mutual funds, corporate debt obligations, commercial paper and are reported at fair value. Types and amounts of investments held at fiscal year-end are described in Note 3.

➤ **Inventories and Prepaid Items**

Inventories consist of expendable supplies held for consumption in the course of District operations. The valuation of the inventories is based on various methods and is presented at cost. Warehouse (including purchased foods and supplies used by the District's Food and Nutrition Services Department), maintenance, telecommunications, technology services, and transportation items are based on a weighted average. Fuel inventories are stated at last quoted price at June 30, 2020. The United States Department of Agriculture surplus commodities are stated at their fair 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 when used rather than purchased.

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

➤ **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 at cost 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 \$1,000 or more or electronic equipment, such as computers, tablets, printers, and projectors, or band equipment costing \$250 or more. 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. Land and buildings acquired or constructed prior to July 1, 1972, are stated at estimated historical cost using price levels at the time of acquisition and, as a result, \$1,348,251 of stated land values and \$15,047,877 of stated building values are based on these estimates.

The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend 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 costs of construction.

The original recorded value of capital assets, less the estimated salvage value, is used to depreciate capital assets using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Improvements Other than Buildings	15 years
Buildings and Fixed Equipment	20 - 40 years
Furniture, Fixtures, and Equipment	3 - 15 years
Motor Vehicles	5 - 10 years
Audio Visual Materials and Computer Software	5 years

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

➤ **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

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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 30, 2020 by those employees who are currently eligible to receive termination payments and those employees to 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 Florida Retirement System contributions.

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

➤ **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 and discounts 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 or discount.

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 and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources, while premiums and discounts on debt issuances are reported as other financing sources and uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Changes in long-term liabilities 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 Florida Retirement System (FRS) defined benefit plan, the Health Insurance Subsidy (HIS) defined benefit plan, and Supplemental Early Retirement Plan (SERP) and additions to/deductions from the FRS, the HIS, and SERP

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fiduciary net position have been determined on the same basis as they are reported by the FRS the HIS, and the SERP plans. For this purpose, defined benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

➤ **Deferred Outflows/Inflows of Resources**

In the government-wide statement of net position, activities of the District's postemployment benefits other than pensions (OPEB) plan are recognized in accordance with GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. This statement addresses accounting and financial reporting for OPEB including the recognition and measurement of liabilities, deferred outflows of resources, deferred inflows of resources and expense. Additional information regarding the District's OPEB Plan can be found in Note 19.

➤ **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 future period and so will *not* be recognized as an expense until then. The District has four types of items that meet this criterion- those related to the loss on refunding which is the difference between reacquisition price and the net carrying amount of old debt, those related to the accumulated decrease in the fair value of hedging derivatives, those related to OPEB as further discussed in Note 19 and those related to pension plans which are further discussed in Note 17, State Retirement Programs and Note 18, Early Retirement Program.

In addition to liabilities, the statement of net position reports 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 the criterion – those related to pension plans which are further discussed in Note 17, State Retirement Programs and those related to OPEB as further discussed in Note 19.

➤ **Fund Balance Flow Assumptions**

The District may fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned and unassigned fund balance). To calculate the amounts to report as restricted, committed, assigned and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when components of unrestricted fund balance can be used for the same purpose, committed fund balance

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is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

➤ **Program Revenues**

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 particular program.

➤ **State Revenue Sources**

Revenues from State sources for current operations are primarily from the Florida Education Finance Program administered by the Florida Department of Education ("FDOE") under the provisions of Chapter 1011, Florida Statutes. This revenue is recognized in the year of entitlement. The District files reports on full-time equivalent ("FTE") student membership with FDOE. The FDOE accumulates information from these reports and calculates the allocation of FEFP funds to the District. The District is permitted to amend its original reporting during specified time periods following the date of original reporting. Such amendments may impact funding allocations for subsequent years. The FDOE 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 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 FDOE 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 FDOE. 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

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valorem taxes on real and personal property within the District. The Pasco County Property Appraiser determines the real and personal property values within the District. The Pasco County Tax Collector then collects the taxes and remits them to the District.

The School Board adopted the 2019-2020 fiscal year tax levy on September 2019. 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.

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 Pasco 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 Pasco County, on March 9, 2004, approved a one-cent sales tax authorized under Section 212.055(6), Florida Statutes. The Board receives 45 percent of the one-cent sales tax. The surtax levy commenced on January 1, 2005 and remained in effect for a period of 10 years through December 31, 2014. The citizens of Pasco County, on November 6, 2012, approved an extension of the one-cent sales tax that expired on December 31, 2014. The extension was authorized for another ten years beginning January 1, 2015.

➤ **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.

➤ **Upcoming Pronouncements**

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*. This statement will become effective for fiscal year ended June 30, 2021. This statement establishes criteria for identifying fiduciary activities of state and local governments. The focus of the criteria generally is on (1) whether the government is controlling the assets of the fiduciary activity, and (2) the beneficiaries with whom a fiduciary relationship exists. An activity meeting the criteria should be reported in a fiduciary fund in the basic

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financial statements. This statement is being evaluated for possible effects to the District's financial statements.

In June 2017, the GASB issued Statement No. 87, *Leases*. This statement will become effective for fiscal year ended June 30, 2022. This statement changes the accounting and financial reporting for leases by governments by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this statement, a lessee government is required to recognize a lease liability and an intangible right-to-use asset, and a lessor government is required to recognize a lease receivable and a deferred inflow of resources. The District is currently evaluating the statement for impact of effects to ensure the accounting and financial reporting requirements are properly addressed in the year of implementation.

2. BUDGETARY COMPLIANCE AND ACCOUNTABILITY

The Board maintains budgetary controls, the objective of which is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the Board. The Board follows procedures established by State statutes and State Board of Education 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 State Board of Education rules.
- Appropriations are controlled at the object level (e.g., salaries, purchased services, and capital outlay) within each activity (e.g., instruction, student support services, and school administration) and may be amended by resolution at any School 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 are approved by the Board.

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3. INVESTMENTS

The District categorizes its fair value measurements within the fair market value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair market value of the asset.

Money market funds are held with Fidelity Institutional Government Money Market Fund and have no unfunded commitments and invests in U.S. dollar-denominated money market securities of domestic and foreign issuers, U.S. Government securities, and repurchase agreements. This fund does not institute liquidity fees or redemption rates.

Intergovernmental investment pool funds are held with Florida Prime and Florida Public Assets for Liquidity Management (FLPALM), which are valued based on amortized cost, and Florida Fixed Income Trust (FLFIT) which is value at net asset value. This fund has no unfunded commitments and allows unlimited daily redemptions and investments with a 1-day minimum holding period.

Investments at June 30, 2020 are shown below:

			Fair Value Measurements Using		
Investments by Fair Value Level	Maturities	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Commercial Paper	12 Days Average	\$ 599,720	\$ -	\$ 599,720	\$ -
United States Treasury Securities	4.69 Years Average	7,662,816	999,841	6,662,975	-
Government Sponsored Enterprises (2)	175 Days Average	12,834,243	3,572,120	9,262,123	-
Municipal Securities	207 Days Average	7,641,600	-	7,641,600	-
Corporate Notes	312 Days Average	9,170,775	7,143,235	2,027,540	-
Total Investments by Fair Value Level		37,909,154	\$ 11,715,196	\$ 26,193,958	\$ -
<u>Investments Measured at Net Asset Value (NAV)</u>					
Florida Fixed Income Trust - Select Cash Pool	2.88 Years Average	84,329,146			
Florida Fixed Income Trust - Cash Pool	101 Day Average	177,877,977			
Florida Fixed Income Trust - Enhanced Cash Pool	175 Days Average	4,181,362			
Total Investments Measured at NAV		266,388,485			
<u>Investments Measured at Amortized Cost</u>					
SBA-Debt Service Account	6 months	118,596			
Local Government Investment Pools					
Florida PRIME	53 Days Average	981,997			
Florida Public Assets for Liquidity Management	53 Days Average	10,037,526			
Money Market Funds					
Fidelity Institutional Government	44 Days Average	85,556,637			
Total Investments Measured at Amortized		96,694,756			
Total Investments		\$ 400,992,395			

(1) Pension Trust Fund investments are separately disclosed in Note 17.

(2) Amount includes \$103,640 held in Fiduciary Funds.

Interest Rate Risk

- Interest rate risk is the risk that changes in interest rates will adversely affect the fair market value of an investment. The District's investment policy limits investments of operating

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funds to a maximum of eighteen months as a means of managing its exposure to fair value losses arising from an increase in interest rates. Investments of reserves, project funds, debt proceeds and other non-operating funds are limited to a maximum of five years with the average duration of all these funds as a whole not to exceed three years.

- Florida PRIME, FLPALM and FLFIT use a weighted average days to maturity (WAM). 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.
- Florida PRIME, Chapter 218.409(8)(a), Florida Statutes, states that "The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the Executive Director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the Trustees, the Joint Legislative Auditing Committee, the Investment Advisory Council, and the Participant Local Government Advisory Council. The Trustees shall convene an emergency meeting as soon as practicable from the time the Executive Director has instituted such measures and review the necessity of those measures. If the Trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the Executive Director until the Trustees are able to meet to review the necessity for the moratorium. If the trustees agree with such measures, the Trustees shall vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the Trustees exceed 15 days." As of June 30, 2020, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.
- FLPALM has daily liquidity with unlimited investments and redemptions. The fund has investments in negotiable certificates of deposits, commercial paper, repurchase agreements, certificate of deposit - FHLB LOC, Bank Notes, Corporate Notes, and US Treasury Notes. The investment advisor, on behalf of the fund, determines the net asset value of the shares at the close of each business day and monitors the difference between the amortized cost and fair market value. The Trustees of the fund can suspend the right of withdrawal or postpone the date of payment if the Trustees determine that there is an emergency the makes the sale of a Portfolio's securities or determination of its net asset value not reasonably practical.
- FLFIT Cash Pool has daily liquidity with unlimited investments and redemptions. The fund has investments in Commercial Paper, Certificates of Deposit, Collateralized Bank Deposits, US Treasury Notes, Corporate Notes, and Federal Agencies.

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Credit Risk

- The District's investment policy authorizes the following investments which are limited to credit quality ratings from nationally recognized rating agencies as follows:
 - Florida PRIME when rated at least AAAm by Standard & Poor's or the equivalent by another Nationally Recognized Statistical Rating Organization (NRSRO)
 - United States Government Securities
 - United States Government Agencies
 - Federal Instrumentalities (United States Government Sponsored Enterprise ("GSE")) limited to the Federal Farm Credit Bank (FFCB), Federal Home Loan Bank or its District banks (FHLB), Federal National Mortgage Association (FNMA) and the Federal Home Loan Mortgage Corporation (Freddie-Mac) including Federal Home Loan Mortgage Corporation participation certificates
 - Interest Bearing Time Deposit or Savings Accounts
 - Repurchase Agreements
 - Commercial Paper of any United States company that is rated, at the time of purchase, Prime 1 by Moody's and A-1 by Standards & Poor's (prime commercial paper)
 - Corporate Notes issued by corporations organized and operating within the United States or by depository institutions licensed by the United States that have a long-term debt rating, at the time of purchase, at a minimum single A category by any two NRSROs
 - State and/or Local Government Taxable and/or Tax-Exempt Debt, general obligation and/or revenue bonds, rated at the time of purchase, at a minimum single A category by any two NRSROs for long-term debt, or rated at least MIG-1 by Moody's or SP-1 by Standard & Poor's for short-term debt
 - Money Market Mutual Funds rated AAAm by Standard & Poor's or the equivalent by another NRSRO
 - Short Term Bonds rated AAA or better by Standards & Poor's or the equivalent by another NRSRO
 - Intergovernmental Investment Pools rated AAAm by Standard & Poor's or the equivalent by another NRSRO
- The District's investments in the State Board of Administration (SBA) Debt Service Accounts are to provide for debt service payments on bond debt issued by the State Board of Education for the benefit of the District. The District relies on policies developed by the SBA for managing interest rate and credit risk for this account.

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- The Florida Fixed Income Trust was rated AAAf/S1+ by Standard & Poor's.
- The District's investments in Commercial Paper were rated A-1 by Standard & Poor's and P-1 by Moody's.
- US Treasury Securities were rated Aaa by Moody's and AA+ by Standard & Poor's.
- The District's investment in Government Sponsored Enterprise Securities was rated P-1 by Moody's and/or A1+ by Standard & Poor's.
- The District's investments in State and Local Government Bonds had ratings from AA+ to AAA by Standard & Poor's.
- The District's investments in Corporate Notes had ratings from A to AA+ by Standard & Poor's.
- As of June 30, 2020, the District's investment in Florida PRIME was rated AAAm by Standard & Poor's.
- The Florida Public Assets for Liquidity Management fund is rated AAAm by Standard & Poor's.
- The District's investments in money market funds were rated AAAm by Standard & Poor's.
- The District's investment in the Florida FIT Cash Pool was rated AAAf/S1 by Standard & Poor's.
- The District's investment in the Florida FIT Enhanced Cash Pool was rated AAAf/S1 by Standard & Poor's.
- The District's investment in the Florida FIT Select Cash Pool was rated AAAf/S1 by Standard & Poor's.

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, 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

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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 requires that all investment securities purchased by the District shall be held by third party custodians and be properly designated as an asset of the District. All investments, except for investments in money market funds and Local Government Investment Pools, were held in third-party custodial accounts in the District's name.

Concentration of Credit Risk

- The District's investment policy has established permitted investment sectors which are designed to reduce concentration of credit risk of the District's investment portfolio.
- Less than five (5) percent of the District's investments are in Government Sponsored Enterprise Securities.

Foreign Currency Risk

- The District's investment policy does not allow for investments in foreign currency. Therefore, the District has no exposure to foreign currency risk.

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4. RECEIVABLES

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

All receivable balances are expected to be received within the subsequent year. Due from other agencies at June 30, 2020, are shown below:

FL Department of Education	\$	10,998,219
FL Department of Revenue		5,980,019
Board of County Commissioners		4,863,038
FL Department of Agriculture		1,920,495
US Department of Health & Human Services		1,046,465
FL Department of Financial Services		663,107
FL Department of Health		346,407
US Department of Defense		91,104
Pasco County Sheriff		53,310
Southwest Florida Water Management		39,014
Pasco County Tax Collector		37,925
Eckerd Kids / Eckerd Community Alternati		26,111
Early Learning Coalition of Pasco		3,777
Total	\$	<u>26,068,992</u>

DISTRICT SCHOOL BOARD OF PASCO COUNTY
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5. CHANGES IN CAPITAL ASSETS

Changes in capital assets, as of June 30, 2020, are presented in the table below:

	Balance 7/1/2019	Additions	Deletions	Balance 6/30/2020
GOVERNMENTAL ACTIVITIES				
Capital Assets Not Being Depreciated:				
Land	\$ 83,282,057	\$ 4,340,902	\$ -	\$ 87,622,959
Construction in Progress	56,544,410	78,477,996	8,840,337	126,182,069
Total Capital Assets Not Being Depreciated	139,826,467	82,818,898	8,840,337	213,805,028
Capital Assets Being Depreciated:				
Improvements Other Than Buildings	61,962,700	1,569,589	-	63,532,289
Buildings and Fixed Equipment	1,565,464,993	7,270,748	-	1,572,735,741
Furniture, Fixtures, and Equipment (1)	110,743,302	7,078,346	4,763,083	113,058,565
Motor Vehicles	56,245,822	5,361,392	2,245,358	59,361,856
Audio Visual Materials	60,317	-	-	60,317
Computer Software	34,835,254	2,954,024	-	37,789,278
Total Capital Assets Being Depreciated	1,829,312,388	24,234,099	7,008,441	1,846,538,046
Less Accumulated Depreciation for:				
Improvements Other Than Buildings	40,046,067	2,063,796	-	42,109,863
Buildings and Fixed Equipment	642,312,994	44,566,784	-	686,879,778
Furniture, Fixtures, and Equipment (1)	77,541,960	9,520,873	4,255,537	82,807,296
Motor Vehicles	33,512,994	2,761,452	1,994,979	34,279,467
Audio Visual Materials	54,285	-	-	54,285
Computer Software	28,999,356	1,687,600	-	30,686,956
Total Accumulated Depreciation	822,467,656	60,600,505	6,250,516	876,817,645
Total Capital Assets Being Depreciated, Net	1,006,844,732	(36,366,406)	757,925	969,720,401
Governmental Activities Capital Assets, Net	\$ 1,146,671,199	\$ 46,452,492	\$ 9,598,262	\$ 1,183,525,429
Note (1) includes Internal Service Fund assets of \$6,116 and \$5,504 of accumulated depreciation.				
BUSINESS-TYPE ACTIVITIES				
Capital Assets Being Depreciated:				
Improvements Other Than Buildings	\$ 27,131	\$ -	\$ -	\$ 27,131
Buildings and Fixed Equipment	34,575	-	-	34,575
Furniture, Fixtures, and Equipment	351,929	15,348	60,976	306,301
Motor Vehicles	-	24,582	-	24,582
Computer Software	48,875	1,404	-	50,279
Total Capital Assets Being Depreciated	462,510	41,334	60,976	442,868
Less Accumulated Depreciation for:				
Improvements Other Than Buildings	12,775	1,628	-	14,403
Buildings and Fixed Equipment	21,782	1,556	-	23,338
Furniture, Fixtures, and Equipment	295,297	10,682	54,815	251,164
Motor Vehicles	-	1,844	-	1,844
Computer Software	36,930	322	-	37,252
Total Accumulated Depreciation	366,784	16,032	54,815	328,001
Business Type Activities Capital Assets, Net	\$ 95,726	\$ 25,302	\$ 6,161	\$ 114,867

**DISTRICT SCHOOL BOARD OF PASCO COUNTY
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Depreciation expense was charged to functions as follows:

Function	Amount
GOVERNMENTAL ACTIVITIES	
Instruction	\$ 37,961,337
Student Support Services	66,332
Instructional Media Services	121,963
Instruction and Curriculum Dev Services	18,587
Instructional Staff Training Services	2,973
Instruction-Related Technology	144
Board Administration	56
School Administration	48,778
Facilities Services	21,685,357
Fiscal Services	297
Food Services	63,528
Central Services	2,344
Student Transportation Services	317,936
Operation of Plant	5,016
Maintenance of Plant	297,200
Community Services	8,657
Total Depreciation Expense - Governmental Activities	<u>\$ 60,600,505</u>
BUSINESS - TYPE ACTIVITIES	
ASEP Program	<u>\$ 16,032</u>

6. CURRENT LIABILITIES

Accounts payable and other current liabilities at June 30, 2020, are shown below:

Accounts Payable	\$ 27,351,214
Payroll Deductions and Withholdings Payable	17,672,339
Salary and Benefits Payable	5,320,920
Construction Contracts Payable-Retainage	3,974,110
Construction Contracts Payable	2,727,946
Due to Other Agencies	25,761
Sales Tax Payable	2,234
Total	<u>\$ 57,074,524</u>

**DISTRICT SCHOOL BOARD OF PASCO COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020**

7. CAPITAL LEASES

The classes and amounts of property acquired by the District under capital leases are as follows:

<u>Asset Description</u>	<u>Asset Balance</u>
Buses	\$ 4,444,000
Computer Equipment	7,444,173
Total	<u><u>\$ 11,888,173</u></u>

Following are the future minimum lease payments and the present value of the minimum lease payments as of June 30, 2020

	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
Fiscal Year Ending June 30:			
2021	\$ 9,296,659	8,727,583	569,076
2022	7,444,743	7,059,245	385,498
2023	5,477,370	5,248,269	229,101
2024	4,396,239	4,261,449	134,790
2025	1,819,854	1,756,522	63,331
2026	1,420,943	1,394,803	26,140
Total Minimum Lease Payments	<u><u>29,855,808</u></u>	<u><u>28,447,871</u></u>	<u><u>1,407,936</u></u>
Less Interest	(1,407,936)	-	-
Present Value of Minimum Payments	<u><u>\$ 28,447,871</u></u>	<u><u>\$ 28,447,871</u></u>	<u><u>\$ 1,407,936</u></u>

The stated and imputed interest rates range from 1.56 percent to 2.75 percent.

8. CERTIFICATES OF PARTICIPATION

The District entered into a financing arrangement on April 1, 1992, which was characterized as a lease-purchase agreement, with the Florida School Boards Association and supplemental arrangements dated December 23, 2005, July 1, 2007, December 16, 2009, July 1, 2013, June 1, 2014, June 30, 2014, December 1, 2014, March 1, 2015, January 1, 2016, November 1, 2018, April 1, 2020, and June 29, 2020 with the Pasco County School Board Leasing Corporation (Leasing Corporation), whereby the District secured financing of various educational facilities in the total amounts of \$785,612, \$74,115,000, \$11,000,000, \$45,385,000, \$30,655,000, \$72,246,316, \$13,655,000, \$44,145,000, \$25,995,000, \$68,200,000, \$30,605,000, \$56,165,000, and \$19,385,000, respectively.

DISTRICT SCHOOL BOARD OF PASCO COUNTY
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The financing was accomplished through the issuance of Certificates of Participation, as listed below, to be repaid from the proceeds of rents paid by the District. On March 1, 2004, the financing agreements with the Florida School Boards Association were assigned to the Leasing Corporation.

Certificates of Participation payable at June 30, 2020, are as follows:

	Amount Issued	Amount Outstanding	Remaining Interest Rates (Percent)	Annual Maturity To
Certificates of Participation				
Series 2005 - QZAB	\$ 785,612	\$ 785,612	0.00	2020
Series 2008C (1)(2)	74,115,000	71,720,000	Weekly	2032
Series 2009 - QSCB	11,000,000	11,000,000	2.44	2025
Series 2013A (3)	45,385,000	33,590,000	3.00 - 5.00	2029
Series 2014A (4)	30,655,000	1,500,000	2.98	2030
Series 2014B-1 (5)	72,246,316	46,798,980	2.60	2026
Series 2014 - QSCB	13,655,000	13,655,000	5.00	2037
Series 2015A (6)	44,145,000	37,170,000	5.00	2027
Series 2016A	25,995,000	23,665,000	2.00 - 5.00	2040
Series 2018A	68,200,000	66,720,000	4.00 - 5.00	2043
Series 2020A (7)	30,605,000	30,605,000	1.77	2030
Series 2020C	56,165,000	56,165,000	5.00	2035
Series 2020D (8)	19,385,000	19,385,000	5.00	2030
Total Certificates of Participation	<u>\$ 492,336,928</u>	<u>\$ 412,759,592</u>		

Note: (1) On June 5, 2008, the School Board caused the issuance of the Certificates of Participation, Series 2008C in the aggregate principal amount of \$74,115,000 for the principal purpose of refunding, on a current basis, all of the outstanding Series 2007B Certificates.

(2) On May 5, 2017, the School Board renewed the expiring floating rate note on the Series 2008C with Bank of America at an interest initially calculated as the SIFMA Index plus a 47 basis point spread. The floating rate note has to be renegotiated in three (3) years. On May 5, 2020, the School Board signed an extension of the floating rate note with Bank of America to August 5, 2020 in order to allow time for a public offering to remarket the floating rate note.

(3) On July 2, 2013, the School Board caused the issuance of the Certificates of Participation, Series 2013A in the aggregate principal amount of \$45,385,000, which was used to refund portions of the Certificates of Participation, Series 2004.

DISTRICT SCHOOL BOARD OF PASCO COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

- (4) On June 12, 2014, the School Board entered into an arrangement to refund a portion of the District's Certificates of Participation, Series 2005A. This refunding was accomplished through the issuance of \$30,655,000 of Certificates of Participation, Series 2014A.
- (5) On June 30, 2014, the School Board issued Certificates of Participation, Series 2014B-1 & 2014B-2 in the total principal amount of \$75,656,458, which was used to refund Certificates of Participation, Series 2008A and to terminate the swap agreement. Series 2014 B-2, the taxable portion of the bond issue in the amount of \$3,410,142, was paid off in the 2015-16 year.
- (6) On March 31, 2015, the School Board caused the issuance of the Certificates of Participation, Series 2015A in the aggregate principal amount of \$44,145,000, which were used to refund portions of the Certificates of Participation, Series 2007A.
- (7) On April 1, 2020, , the School Board entered into an arrangement to refund the District's Certificates of Participation, Series 2005B. This refunding was accomplished through the issuance of \$30,605,000 of Certificates of Participation, Series 2020A.
- (8) On June 29, 2020, the School Board caused the issuance of the Certificates of Participation 2020D in the aggregate principal amount of \$19,385,000, which were used to refund portions of the Certificates of Participation, Series 2014A.

As a condition of the financing arrangement, the District has given a ground lease on District property to the Leasing Corporation with a rental fee of \$1 per year. The properties covered by the ground leases are, together with the improvements constructed thereon from the financing proceeds, leased back to the District. If the District fails to renew the leases and to provide for the rent payment through to term, the District may be required to surrender the sites included under the various Ground Lease Agreements for the benefit of the securers of the Certificates for a period of time as specified by the arrangements. The Certificates of Participation Series 2008C contains a provision by which the purchaser can, upon the occurrence and continuation of an event of default, impose a default interest rate equal to the sum of the otherwise applicable interest rate from time to time in effect plus 4 percent. The Certificates of Participation Series 2014B-1 contains a provision by which the purchaser can, upon the occurrence and continuation of an event of default, impose a default interest rate of the then applicable interest rate plus 2 percent not to exceed the maximum lawful rate.

DISTRICT SCHOOL BOARD OF PASCO COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

The District has the following ground leases as of June 30, 2020:

	Ground Lease Commencement Date	Run Through
<u>Certificates of Participation</u>		
Series 2005 - QZAB	December 23, 2005	December 23, 2020
Series 2008C	July 1, 2007	August 1, 2032
Series 2009 - QSCB	December 16, 2009	December 15, 2025
Series 2013A	July 1, 2013	August 1, 2029
Series 2014A	June 1, 2014	August 1, 2020
Series 2014B	June 30, 2014	August 1, 2026
Series 2014 - QSCB	December 1, 2014	December 1, 2037
Series 2015A	March 1, 2015	August 1, 2027
Series 2016A	January 1, 2016	August 1, 2040
Series 2018A	November 1, 2018	July 31, 2043
Series 2020A	April 1, 2020	August 1, 2030
Series 2020C	June 29, 2020	August 1, 2035
Series 2020D	June 29, 2020	August 1, 2030

**DISTRICT SCHOOL BOARD OF PASCO COUNTY
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The District properties included in the ground lease agreements are as follows:

Certificates of Participation, Series 1992-A

Colee River Elementary School
Seven Springs Middle School
Hudson Elementary School Media Center Addition
Mitty P. Locke Elementary School ESE Addition
R. B. Stewart Middle School ESE Addition
Lake Myrtle Elementary School ESE Addition
West Zephyrhills Elementary School Addition

Certificates of Participation, Series 1996

Sand Pine Elementary School
Chasco Elementary School
Wesley Chapel High School, Phases I and II
James M. Marlowe Elementary School
J. W. Mitchell High School
Pine View Elementary School

Certificates of Participation, Series 2004

Paul R. Smith Middle School
Wiregrass Ranch High School
Odessa Elementary School Equipment

Certificates of Participation, Series 2004-QZAB

Additions and Renovations for the following facilities:
Bayonet Point Middle School
Chasco Middle School
Cypress Elementary School
Gulf High School
Gulf Middle School
Hudson High School
Mitty P. Locke Elementary School
Lacoochee Elementary School
Pasco High School
Rodney B. Cox Elementary School
Ridgewood High School
Sanders Memorial Elementary School
Woodland Elementary School
T. E. Weightman Middle School
Zephyrhills High School

Certificates of Participation, Series 2005-QZAB

Additions and Renovations for the following facilities:
Fox Hollow Elementary School
Dr. Mary Giella Elementary School
Moore Mickens Education Center
Hudson Elementary School
Calusa Elementary School

Certificates of Participation, Series 2005-A and B

Gulf Highlands Elementary School
Trinity Oaks Elementary School
Dr. John Long Middle School
Odessa Elementary School

Certificates of Participation, Series 2007-A and B

Sunlake High School
New River Elementary School
Veterans Elementary School
Ridgewood High School Classroom Additions
Charles S. Rushe Middle School
Gulf Trace Elementary School
Zephyrhills High School Classroom Additions

Certificates of Participation, Series 2008-QZAB

Renovations for Pasco High School

Certificates of Participation, Series 2009 QSCB

Culinary Arts Academy at Land O Lakes High School
Renovations for Richey Elementary School

Certificates of Participation, Series 2014 QSCB

Repairs and Replacements of HVAC for the following facilities:
Wesley Chapel High School
Woodland Elementary School
San Antonio Elementary School
T.E. Weightman Middle School
Pineview Middle School
Ridgewood High School

Certificates of Participation, Series 2014 QSCB (Cont'd)

Repairs and Replacements of HVAC for the following facilities:
Dr. Mary Giella Elementary School
Chasco Middle School
Seven Springs Elementary School
Anclote High School
Gulf High School
Pasco Middle School
Trinity Elementary School
Pasco Elementary School
Moon Lake Elementary School
Pine View Elementary
Seven Springs Middle School
Dear Park Elementary School
Hudson Middle School
James W. Mitchell High School
Centennial Elementary School
Colee River Elementary School
Seven Springs Middle School
Dear Park Elementary School
Hudson Middle School
James W. Mitchell High School
Centennial Elementary School
Colee River Elementary School

Certificates of Participation, Series 2016A

Cypress Creek Middle/High School

Certificates of Participation, Series 2018A

Cypress Creek Middle School
Starkey K-8 School (partial funding)

Certificates of Participation, Series 2020C

Kirkland Ranch Academy of Innovation

DISTRICT SCHOOL BOARD OF PASCO COUNTY
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The lease payments for the Series 2013-A, Series 2014-A, 2014-B(1), Series 2015A, Series 2016A, Series 2018A, Series 2020A, Series 2020C, and Series 2020D Certificates are payable by the District, semiannually, on August 1st and February 1st. Interest payments for the Series 2005-B Certificates are payable weekly at current auction interest rates until the final maturity date. Interest payments for the Series 2008-C Certificates are payable monthly. The lease payments for the Series 2005-QZAB are payable by the District, annually, on December 23rd. Interest payments for the Series 2009-QSCB are payable by the District, quarterly, on September 15th, December 15th, March 15th and June 15th. The lease payments for the Series 2014 QSCB are payable by the District, semiannually, on June 1st and December 1st. The following is a schedule by years of future minimum lease payments under the lease agreements together with the present value of minimum lease payments as of June 30, 2020:

	Total	Principal	Interest
Fiscal Year Ending June 30:			
2021	\$ 33,307,491	\$ 17,524,783	\$ 15,782,708
2022	32,778,401	16,344,083	16,434,318
2023	32,775,966	17,002,613	15,773,353
2024	32,773,130	17,699,593	15,073,537
2025	32,779,327	18,444,488	14,334,839
2026-2030	181,233,073	122,764,032	58,469,041
2031-2035	159,247,902	126,310,000	32,937,902
2036-2040	68,606,375	58,605,000	10,001,375
2041-2045	19,789,625	18,065,000	1,724,625
Sub-Total	593,291,290	412,759,592	180,531,698
Add: Unamortized Premium on Debt	39,044,234	39,044,234	-
Total Minimum Lease Payments	<u>\$ 632,335,524</u>	<u>\$ 451,803,826</u>	<u>\$ 180,531,698</u>

DISTRICT SCHOOL BOARD OF PASCO COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

9. DERIVATIVE INSTRUMENTS

Objectives – On June 5, 2008, the District issued Certificates of Participation, Series 2008C in the aggregate principal amount of \$74,115,000. The Certificates of Participation, Series 2008C pay interest at a weekly rate determined by the Remarketing Agent and will mature on August 1, 2032.

The District entered into a pay-fixed, receive-variable interest rate swap agreement in order to protect against the potential of rising interest rates. The intention of the swap agreements was to effectively change the District's variable interest rate on the certificates of participation to a synthetically fixed rate. These interest rate swaps qualify for hedge accounting under Government Accounting Standards Board Statement No. 53; therefore, there is no impact on the Statement of Net Position.

On May 5, 2017, the School Board renewed the expiring floating rate note on the Series 2008C with Bank of America at an interest initially calculated as the SIFMA Index plus a 47 basis point spread. The floating rate note must be renegotiated in three (3) years from the issuance of the floating rate note. On May 5, 2020, the School Board signed an extension of the floating rate note with Bank of America to August 5, 2020 in order to allow time for a public offering to remarket the floating rate note.

The interest rate swap is reported as an investment derivative instrument because it does meet the criteria for effectiveness. Accordingly, the change in the fair value of the swap was reported within the investment earnings classification for the year ending June 30, 2020.

The fair value balances and notional amounts of derivative instruments outstanding at June 30, 2020 and the changes in fair values of such derivative instruments for the year ended are as follows:

Changes In Fair Value		Fair Value at June 30, 2020		
Classification	Amount	Classification	Amount	Notional
Governmental activities				
Fair value hedges:				
Pay-fixed interest rate				
swaps	Deferred outflow	\$ (7,115,755) Debt	\$(23,735,714)	\$ 71,720,000

Terms – The Certificates of Participation, Series 2008C and related swap agreement mature on August 1, 2032. The swap's notional amount of \$71,950,000 matches the \$71,950,000 variable-rate certificates of participation. The swap agreement was entered into at the same time the Series 2008C Certificates of Participation were issued. The notional value of the swap declines in direct relationship to the certificates of participation principal payments. Under the swap agreement, the District pays the trustee, U.S. Bank, a fixed payment of 4.38 percent and Bank of America, N.A.

DISTRICT SCHOOL BOARD OF PASCO COUNTY
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pays the trustee the variable interest payment for the certificates of participation, which is based on USD-SIFMA Municipal Swap Index.

Fair Value – Because interest rates have declined since inception of the swap, it has resulted in a fair value of negative \$16,619,959 for the Certificates of Participation, Series 2008C. The estimated the fair value of the Certificates of Participation, Series 2008C related swap agreement using estimated prices or spread levels at which the bank, in its capacity as an agent for the customer, might find liquidity for a round lot transaction within the relevant market. This fair value estimate is calculated based on level 2 valuation inputs.

Credit Risk – The District is exposed to credit risk when a swap has a positive fair value. All the swap agreements contain a collateral agreement with the Counterparty. A Counterparty's credit rating from either Standard & Poor's (S&P) and/or Moody's Investors Service must be A+ or A1, respectively. If the Counterparty or guarantor's long-term unsecured rating falls below Baa3 or BBB- by either Moody's or S&P, a replacement counterparty or guarantor, meeting the rating requirements above, shall be required.

Termination Risk – In the event the swap is terminated, the District could be exposed to higher interest rate payments on the Certificate. Also, if at the time of termination, the swap has a negative fair value, the District would be liable to the Counterparty for payment equal to the swap's fair value. Under certain circumstances, some within the control and some outside the control of the School Board, the 2008C swap agreement may be terminated and the School Board may be obligated to make a termination payment, which under certain market conditions, could be substantial.

DISTRICT SCHOOL BOARD OF PASCO COUNTY
NOTES TO FINANCIAL STATEMENTS
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10. BONDS PAYABLE

Bonds payable at June 30, 2020, are as follows:

Bond Type	Amount Outstanding	Original Amount	Interest Rates (Percent)	Range of Final Maturity Dates
State School Bonds:				
Series 2011A	\$ 520,000	\$ 1,710,000	3.00 - 5.00	2020-2023
Series 2014A, Refunding	903,000	1,724,000	2.00 - 3.00	2020-2025
Series 2017A, Refunding	2,827,000	3,288,000	5.00	2020-2028
Series 2020A, Refunding	820,000	820,000	5.00	2020-2031
District Revenue Bonds:				
Series 2003, Refunding	2,130,000	3,660,000	4.00 - 4.625	2020-2033
Series 2013, Sales Tax	53,750,000	96,715,000	3.00 - 5.00	2020-2024
Series 2016, Sales Tax	17,955,000	30,075,000	1.99	2020-2024
Series 2016, Sales Tax	25,205,000	35,000,000	2.80	2020-2024
Subtotal	104,110,000			.
Unamortized Premium on Debt	2,980,474			
Unamortized Discount on Debt	(26,147)			
Total Bonds Payable	<u>\$ 107,064,327</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 are issued by the State Board of Education 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. 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 State Board of Education and the State Board of Administration.

➤ **District Revenue Bonds**

District Revenue Bonds, Refunding Series 2003 - These bonds are authorized by Chapter 79-547 and 79-548, Special Acts of 1979, Laws of Florida, which provides that the bonds be secured from the pari-mutuel tax proceeds distributed annually to Pasco County from the State's Pari-Mutuel Tax Collection Trust Fund pursuant to Chapter 550, Florida Statutes

DISTRICT SCHOOL BOARD OF PASCO COUNTY
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JUNE 30, 2020

(effective July 1, 2000, tax proceeds are distributed pursuant to Section 212.20(6)(d)7.a., Florida Statutes, now Section 212.20(6)(d)6.a., Florida Statutes). The approximate amount of pari-mutuel tax proceeds pledged is \$2,872,825, which represents the total amount of principal and interest still due, and the remaining period of the pledge is 14 years. The annual distribution is remitted by the Florida Department of Financial Services to the District. The District pledged 100 percent of these revenues for the Series 2003 bond issue until repaid. The Series 2003 bonds were issued to provide funds, together with other available funds, sufficient to (1) refund all refunded bonds, (2) finance the cost of the 2003 project, and (3) pay issuance costs of the 2003 Series bonds. As required by the bond resolution, the District has established the sinking fund and reserve account and has accumulated and maintained adequate resources in the sinking fund and reserve account. For the 2019-2020 fiscal year, the District recognized \$223,250 in pledged revenue and paid \$222,456 of principal and interest.

➤ **District Sales Tax Revenue Bonds**

These bonds are generally referred to as Sales Tax Revenue Bonds, Series 2013, Series 2016 and Series 2018, and are authorized by Chapter 212, 1001, and 1013, Florida Statutes. These bonds are secured by a pledge of the proceeds received by the District from the levy and collection of the 45 percent of the one-cent local infrastructure sales surtax pursuant to Section 212.055(6), Florida Statutes. Proceeds of the bonds were used to finance major remodeling and infrastructure upgrades including technology of elementary, middle, and high schools within the District. The District pledged a total of \$106,554,910 of the local infrastructure sales surtax revenues in connection with the Sales Tax Revenue Bond issues described above. For the 2019-2020 fiscal year, the District recognized pledged revenue of \$31,013,627 and paid \$17,320,000 in principal and \$4,050,575 in interest for all Series.

DISTRICT SCHOOL BOARD OF PASCO COUNTY
NOTES TO FINANCIAL STATEMENTS
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Annual requirements to amortize all bonded debt outstanding as of June 30, 2020, are as follows:

	Total	Principal	Interest
State School Bonds:			
2021	\$ 901,614	\$ 670,000	\$ 231,614
2022	922,520	723,000	199,520
2023	940,870	774,000	166,870
2024	766,030	632,000	134,030
2025	643,430	541,000	102,430
2026-2030	<u>1,903,980</u>	<u>1,730,000</u>	<u>173,980</u>
Total State School Bonds	<u>6,078,444</u>	<u>5,070,000</u>	<u>1,008,444</u>
District Revenue Bonds:			
2021	21,560,313	18,070,000	3,490,313
2022	21,546,402	18,765,000	2,781,402
2023	21,532,147	19,490,000	2,042,147
2024	21,522,605	20,245,000	1,277,605
2025	21,500,225	21,020,000	480,225
2026-2030	1,104,388	845,000	259,388
2031-2035	<u>661,656</u>	<u>605,000</u>	<u>56,656</u>
Total District Revenue Bonds	<u>109,427,736</u>	<u>99,040,000</u>	<u>10,387,736</u>
Subtotal	115,506,181	104,110,000	11,396,181
Unamortized Discount on Debt	(26,147)	(26,147)	-
Unamortized Premium on Debt	<u>2,980,474</u>	<u>2,980,474</u>	<u>-</u>
Total	<u><u>\$118,460,508</u></u>	<u><u>\$107,064,327</u></u>	<u><u>\$11,396,181</u></u>

DISTRICT SCHOOL BOARD OF PASCO COUNTY
NOTES TO FINANCIAL STATEMENTS
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11. CHANGES IN LONG-TERM LIABILITIES

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

Description	Balance 7/1/2019	Additions	Deductions	Balance 6/30/2020	Due in One Year
GOVERNMENTAL ACTIVITIES					
Bonds, Notes and Other Payable:					
Bonds Payable	\$ 101,023,000	\$ 820,000	\$ 15,688,000	\$ 86,155,000	\$ 15,248,000
Bonds from Direct Borrowings and Direct Placements	21,340,000	-	3,385,000	17,955,000	3,450,000
Certificates of Participation Payable	252,770,612	75,550,000	64,685,000	263,635,612	11,090,612
Certificates of Participation from Direct Borrowings and Direct Placements	124,807,108	30,605,000	6,288,128	149,123,980	6,323,128
Obligations Under Capital Leases	24,912,086	11,888,172	8,352,387	28,447,871	8,727,583
	524,852,806	118,863,172	98,398,515	545,317,463	44,839,323
Add: Unamortized Premium (Discount) on Debt	23,255,178	21,949,659	3,206,276	41,998,561	3,911,291
Total Bonds, Notes and Other Payable	548,107,984	140,812,831	101,604,791	587,316,024	48,750,614
Other Liabilities:					
Estimated Insurance Claims Payable	7,036,000	69,760,012	70,002,012	6,794,000	2,246,000
Compensated Absences Payable	43,200,569	13,267,014	17,904,681	38,562,902	15,985,230
Net Other Postemployment Benefits Payable	106,334,908	6,260,537	15,652,241	96,943,204	-
Net Pension Liability:					
Florida Retirement System	239,959,663	176,206,906	147,146,958	269,019,611	-
Health Insurance Subsidy	117,364,645	40,951,110	35,010,454	123,305,301	2,092,174
Derivative Instruments - Swap Liability	16,619,959	7,115,755	-	23,735,714	-
Total Governmental Activities Long-Term Liabilities	\$ 1,078,623,728	\$ 454,374,165	\$ 387,321,137	\$ 1,145,676,756	\$ 69,074,018
BUSINESS - TYPE ACTIVITIES					
Compensated Absences Payable	\$ 648,488	\$ 355,262	\$ 420,820	\$ 582,930	\$ 378,276
Net OPEB Liability	1,815,100	97,544	243,874	1,668,770	-
Net Pension Liability:					
Florida Retirement System	3,292,704	2,431,766	2,030,722	3,693,748	-
Health Insurance Subsidy	1,611,040	565,151	483,166	1,693,025	28,726
Total Business - Type Activities	\$ 7,367,332	\$ 3,449,723	\$ 3,178,582	\$ 7,638,473	\$ 407,002

For the governmental activities, compensated absences, pensions, and other post-employment benefits are generally liquidated with resources of the General Fund. The estimated insurance claims are generally liquidated with resources of the Internal Service Fund, as discussed in Note 22.

DISTRICT SCHOOL BOARD OF PASCO COUNTY
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2020

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 and inventories, and principal (corpus) of an endowment fund. The District has inventories totaling \$5,494,099 and prepaid items totaling \$104,172 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, Committed, Assigned, and Unassigned* and considers each to have been spent when expenditures are incurred. 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, and 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 or other governments, constitutional provisions, or enabling legislation. Restricted fund balance places the most binding level of constraints 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 \$288,552,437 and represents \$6,727,153 in State Categorical programs primarily for Instructional Materials, \$5,447,100 in Food Service, \$13,967,117 in Debt Service, and \$262,411,067 in 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 an authorized government body or official, but the constraint imposed does not satisfy the criteria to be classified as restricted or committed. At year end, the assigned fund balance is \$9,837,438 for the subsequent year's appropriated budget and \$29,376,410 for State and local programs.
- Unassigned: The portion of fund balance that is the residual classification for the General Fund. 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 Board has not adopted a

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stabilization arrangement or a minimum fund balance policy. Instead, the Board has adopted Policy 6220 which states that to ensure the financial strength, maintain a favorable bond rating, and the stability of the District, the adopted annual operating budget shall include a reasonable unassigned fund balance to cover unforeseen events (e.g. revenue shortfalls, student enrollment under projections, etc.). At the end of the fiscal year, the unassigned General Fund balance was \$29,270,185, or 5.00 percent, of General Fund total expenditures.

The following table represents fund balances at June 30, 2020

Description	Major Funds			Other Governmental Funds	Total Governmental Funds
	General Funds	Capital Projects Other Funds			
Fund Balances:					
Nonspendable:					
Inventories:					
General Fund	\$ 3,903,611	\$ -	\$ -	\$ 3,903,611	
Special Revenues - Food Service	-	-	1,590,488	1,590,488	
Prepaid Items:					
General Fund	104,172	-	-	104,172	
Restricted:					
Categorical Programs	6,727,153	-	-	6,727,153	
Special Revenues -Food Service	-	-	5,447,100	5,447,100	
Debt Service	-	-	13,967,117	13,967,117	
Capital Projects	-	230,528,273	31,882,794	262,411,067	
Assigned:					
School Operations					
State and Local Programs	29,376,410	-	-	29,376,410	
Next Year Budget	9,837,438	-	-	9,837,438	
Unassigned:	29,270,185	-	-	29,270,185	
	<u>\$ 79,218,969</u>	<u>\$ 230,528,273</u>	<u>\$ 52,887,499</u>	<u>\$ 362,634,741</u>	

13. ENCUMBRANCES

Appropriations in governmental fund types are encumbered upon issuance of purchase orders for goods and/or services. Even though appropriations lapse at the end of the fiscal year, unfilled

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purchase orders of the current year are carried forward and the next year's appropriations are likewise encumbered. The District uses encumbrance accounting for recording purchase order commitments. At June 30, 2020 the District has recorded \$61,566,773 in encumbrances within the District's governmental funds as follows: \$6,436,948 for the General Fund; \$49,357,616 for the Capital Projects-Other Fund; \$5,772,209 for the Nonmajor Governmental Funds.

14. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

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

Funds	Interfund	
	Receivables	Payables
Major Funds:		
General	\$ 11,223,963	\$ -
Capital Projects - Other	1,417,151	1,085,128
Special Revenue - Other Federal Programs Fund	-	9,844,002
Nonmajor Governmental Funds	524,222	524,222
Internal Service Funds	-	509,241
Pension Trust Fund	-	931,346
Agency Fund	-	271,397
Total	<u>\$ 13,165,336</u>	<u>\$ 13,165,336</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 purpose for which the monies were received in the fund providing the advancement. All amounts will be repaid within the 2020-2021 fiscal year.

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

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Transfers Out	Transfers In		
	General Fund	Nonmajor Governmental Funds	Total
General Fund	\$ -	\$ 519,793	\$ 519,793
Capital Projects - Other Funds	92,912	26,169,958	26,262,870
Special Revenue -			
Other Federal Programs Fund	764	-	764
Nonmajor Governmental Funds	2,817,867	37,999,486	40,817,353
Internal Service Funds	403,400	-	403,400
ASEP Enterprise Fund	-	44,065	44,065
Total	\$ 3,314,943	\$ 64,733,302	\$ 68,048,245

Interfund transfers of money represent permanent transfers of monies between funds. A portion of the transfers out of the Local Capital Improvement and Local Sales Tax – Capital Projects Fund was to provide debt service principal and interest payments. A portion of the transfers in to the General Fund was for Charter Schools Grant and Capital Outlay funds. The remaining transfers were operational in nature.

15. SCHEDULE OF STATE REVENUE SOURCES

The following is a schedule of the District's State revenue for the 2019-2020 fiscal year:

Florida Education Finance Program	\$ 337,956,712
Class Size Reduction	81,997,483
Public Ed Capital Outlay (PECO)	3,945,019
School Recognition	3,224,057
Workforce Development Program	3,080,624
Motor Vehicle License Tax (Capital Outlay and Debt Service)	3,161,571
Voluntary Pre K	1,339,381
Charter School Capital Outlay Funding	2,817,867
Mobile Home License Tax	406,693
Food Service Supplement	388,916
Pari-Mutuel Tax	223,250
Fuel Tax Refund	134,301
Miscellaneous	539,252
Total	\$ 439,215,127

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

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16. PROPERTY TAXES

The following is a summary of millages and taxes levied on the 2019 tax roll for the 2019-2020 fiscal year:

	<u>Millages</u>	<u>Taxes Levied</u>
<u>GENERAL FUND</u>		
Nonvoted School Tax:		
Required Local Effort	3.853	\$ 125,859,366
Basic Discretionary Local Effort	0.748	24,433,636
<u>CAPITAL PROJECTS FUNDS</u>		
Nonvoted Tax:		
Local Capital Improvements	1.500	48,997,936
Total	<u>6.101</u>	<u>\$ 199,290,939</u>

17. FLORIDA RETIREMENT SYSTEM

General Information about the Florida Retirement System (FRS)

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 Health Insurance Subsidy (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 \$76,505,136 for the fiscal year ending June 30, 2020.

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FRS Pension Plan

Plan Description. The FRS Pension Plan (Plan) is a cost-sharing multiple-employer defined benefit pension plan, with DROP for eligible employees. 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 6 years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at 8 years of creditable service. 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. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service. Members of the Plan may include up to 4 years of credit for military service toward creditable service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

DROP, 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 5 highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the 8 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. The following chart shows the percentage value for each year of service credit earned:

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<u>Class, Initial Enrollment, and Retirement Age/Years of Service</u>	<u>% Value</u>
<u>Regular Class members initially enrolled before July 1, 2011</u>	
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
<u>Regular Class members initially enrolled on or after July 1, 2011</u>	
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
<u>Elected District Officers</u>	3.00
<u>Senior Management Service Class</u>	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.

Contributions – The Florida Legislature establishes the contribution rates for participating employers and employees. During the 2019-2020 fiscal year, contribution rates were as follows:

<u>Class or Plan</u>	<u>Percent of Gross Salary</u>	
	<u>Employee</u>	<u>Employer</u> (A)
Florida Retirement System, Regular	3.00	8.47
Florida Retirement System, Elected County Officers	3.00	42.00
Florida Retirement System, Senior Management Service	3.00	25.41
Deferred Retirement Option Program, Applicable to		
Members from All of the Above Classes	0.00	14.60
Florida Retirement System, Reemployed Retiree	(B)	(B)

Notes: (A) Employer rates include 1.66 percent for the post-employment health insurance subsidy. Also, employer rates other than for DROP participants, include .06 percent for administrative costs of the Investment Plan.

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

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The District's contributions to the Plan totaled \$25,981,256 for the fiscal year ending June 30, 2020.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2020, the District reported a liability of \$272,713,359 for its proportionate share of the FRS Pension Plan net pension liability. The net pension liability was measured as of June 30, 2019 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2019. The District's proportionate share of the net pension liability was based on the District's 2018-19 fiscal year contributions relative to the 2018-19 fiscal year contributions of all participating members. At June 30, 2019, the District's proportionate share was 0.7919 percent, which was a decrease of 1.94 percent from its proportionate share of 0.8076 percent measured as of June 30, 2018.

For the fiscal year ending June 30, 2020, the District recognized pension expense of \$66,467,158 for the FRS Pension Plan. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions for the FRS Pension Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
	<hr/>	<hr/>
Difference between expected and actual experience	\$ 16,175,409	\$ 169,244
Changes in assumptions	70,044,525	-
Net difference between projected and actual earnings on pension plan investments	-	15,087,926
Changes in proportionate share of District in relation to other Plan participants and changes in proportionate share between District funds	1,486,722	9,276,258
District contributions subsequent to the measurement date	25,981,256	-
Total	<hr/> <hr/> \$ 113,687,912	<hr/> <hr/> \$ 24,533,428

The deferred outflows of resources related to pensions totaling \$25,981,256 resulting from District contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions for the FRS Pension Plan will be recognized in pension expense as follows:

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Fiscal Year Ending June 30	Amount
2021	\$ 23,807,657
2022	5,659,797
2023	16,928,386
2024	12,873,295
2025	2,682,707
Thereafter	1,221,386
Total	<u>\$ 63,173,228</u>

Actuarial Assumptions – The total pension liability in the July 1, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all pensions included in the measurement:

Inflation	2.60	percent
Salary increases	3.25	percent, average, including inflation
Investment rate of return	6.90	percent, net of pension plan investment expense, including inflation

Mortality rates were based on the PUB2010 base table with Projection Scale MP-2018.

The actuarial assumptions used in the July 1, 2019, valuation were based on the results of an actuarial experience study for the period July 1, 2008 to 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:

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Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1%	3.3%	3.3%	1.2%
Fixed income	18%	4.1%	4.1%	3.5%
Global equity	54%	8.0%	6.8%	16.5%
Real Estate	11%	6.7%	6.1%	11.7%
Private Equity	10%	11.2%	8.4%	25.8%
Strategic investments	6%	5.9%	5.7%	6.7%
Total	100.00%			
Assumed Inflation - Mean			2.60%	1.70%

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

Discount Rate – The discount rate used to measure the total pension liability was 6.90 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. The discount rate used in the 2019 valuation was updated from 7.00 percent to 6.90 percent.

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 of the FRS Pension Plan calculated using the discount rate of 6.90 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (5.90 percent) or 1 percentage-point higher (7.90 percent) than the current rate:

	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
District's proportionate share of			
FRS Pension Plan net pension liability	\$ 471,430,584	\$ 272,713,359	\$ 106,750,863

FRS 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.

Health Insurance Subsidy (HIS) Pension Plan

Plan Description – The Retiree Health Insurance Subsidy (HIS) Program is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying

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their health insurance costs and is administered by the Division of Retirement within the Department of Management Services.

Benefits Provided – For the fiscal year ending June 30, 2020, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of creditable service completed at the time of retirement multiplied by \$5. The payments are at least \$30 but not more than \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

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 ending June 30, 2020, 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 3 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 Pension Plan totaled \$6,454,415 for the fiscal year ending June 30, 2020.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2020, the District reported a net pension liability of \$124,998,326 for its proportionate share of the HIS Pension Plan 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 1 year, net of the District's proportionate share of the pension plan's fiduciary net position available to pay that amount. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018, and updated procedures were used to determine liabilities as of July 1, 2018.

The District's proportionate share of the net pension liability was based on the District's 2018-19 fiscal year contributions relative to the total 2018-19 fiscal year contributions of all participating members. At June 30, 2019, the District's proportionate share was 1.1172 percent, which was a decrease of 0.6138 percent from its proportionate share of 1.1241 percent measured as of June 30, 2018.

For the fiscal year ending June 30, 2020, the District recognized pension expense of \$10,037,978 for the HIS Pension Plan. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions for the HIS Pension Plan from the following sources:

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	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ 1,518,244	\$ 153,056
Changes in assumptions	14,473,625	10,216,345
Net difference between projected and actual earnings on pension plan investments	80,660	-
Changes in proportionate share of District in relation to other Plan participants and changes in proportionate share between District funds	2,624,515	4,246,563
District contributions subsequent to the measurement date	6,454,415	-
Total	<u>\$ 25,151,459</u>	<u>\$ 14,615,964</u>

The deferred outflows of resources related to pensions totaling \$6,454,415 resulting from District contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2021.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions for the HIS Pension Plan will be recognized in pension expense as follows:

Fiscal Year Ending June 30	Amount
2021	\$ 2,903,355
2022	1,544,537
2023	754,663
2024	(1,287,719)
2025	(516,014)
Thereafter	682,260
Total	<u>\$ 4,081,082</u>

Actuarial Assumptions – The total pension liability for the HIS Pension Plan was determined by an actuarial valuation based on the following assumptions:

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Valuation date	July 1, 2018
Discount rate	3.50%
Municipal bond rate	3.50%
Inflation	2.60%
Salary increases, including inflation	3.25%
Mortality	Generational RP-2000 with Projection Scale BB
Actuarial cost method	Entry Age Normal

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

While an experience study had not been completed for the HIS Plan, the actuarial assumptions that determined the total pension liability for the HIS Plan were based on certain results of the most recent experience study for the FRS Plan.

Discount Rate – The discount rate used to measure the total pension liability was 3.50 percent, which is an decrease from 3.87 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 of the HIS Pension Plan calculated using the discount rate of 3.50 percent as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (2.50 percent) or 1 percentage-point higher (4.50 percent) than the current rate:

	1% Decrease (2.50%)	Current Discount Rate (3.50%)	1% Increase (4.50%)
District's proportionate share of HIS Pension Plan net pension liability	\$ 142,691,997	\$ 124,998,326	\$ 110,261,501

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.

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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. Costs of administering the Investment Plan, including the FRS Financial Guidance Program are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of Investment Plan members. Allocations to the investment members' accounts during the 2019-20 fiscal year were as follows:

Class	Percent of Gross Compensation
Florida Retirement System, Regular	6.54
Florida Retirement System, Elected County Officers	46.98
Florida Retirement System, Senior Management Service	22.34

For all membership classes, employees are immediately vested in their own contributions and are vested after one (1) year of service for employer contributions and investment earnings. 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 five (5) years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For the fiscal year ending June 30, 2020, 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.

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

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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.

The District's Investment Plan pension expense totaled \$7,085,243 for the fiscal year ending June 30, 2020.

18. EARLY RETIREMENT PROGRAM

Plan Description

As authorized by Section 1012.685, Florida Statutes, the Board implemented an Early Retirement Plan (the "Plan"), effective July 1, 1983, and amended as of January 1, 1997. The Plan is a single-employer, defined benefit pension plan. The purpose of the Plan is to provide District employees, who elect to retire under the early retirement provisions of the FRS, as described in Note 18, with a monthly benefit equal to the statutory reduction of the normal retirement benefits when early retirement precedes the normal retirement age.

On January 20, 2015, the Board ratified a new contract with the Union stating that, effective June 30, 2018, no employee or retiree will be permitted to begin receiving an early retirement benefit. Any employee or retiree already receiving a benefit will continue to receive any benefit to which he/she is entitled.

Based on an actuarial report as of July 1, 2019, there are 337 retirees and beneficiaries receiving benefits.

A summary of eligibility and benefits follow:

➤ Eligibility

The participant must have elected early retirement under the FRS; attained the age of 50 but not have attained the age of 62 upon early retirement; been credited with at least 25 years (and who have reached the final step on the appropriate salary schedule) of service under the FRS upon early retirement; and completed at least 12 years of service in the District, with 10 of those years being consecutive.

➤ Benefits

The amount of the monthly benefit will be equal to the reduction imposed on the retirement benefit by the FRS due to early retirement. The benefit amount will be based on the initial benefit amount determined by the FRS prior to any cost-of-living adjustments and will

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remain unchanged, once established, unless a specific increase is authorized by the Board. Effective July 1, 1997, the amount of early retirement benefits for new participants ages 50 through 54 has been reduced to a flat 35 percent of the FRS benefit, with this reduction phased-in over a period of four (4) years. In addition, the plan was amended effective June 2011 to provide a one-time early retirement incentive payment for certain individuals who retired during that month. The payment was equal to 10 percent of the employee's annual salary to a maximum benefit of \$5,000.

Summary of Significant Accounting Policies

The Plan is accounted for as a Pension Trust Fund; therefore, it is accounted for in substantially the same manner as a proprietary fund with a capital maintenance measurement focus and the accrual basis of accounting. Employer contributions are recognized in the period in which contributions are due. Benefits and refunds are recognized when due and payable in accordance with terms of the Plan. Plan assets are valued at fair market value for financial statement purposes.

Separate statements are not issued for the plan.

Contributions and Reserves

The Plan was established by the Board on July 1, 1983 and amended as of January 1, 1997. Pursuant to the Plan Agreement, no contribution shall be required or permitted from any member. Board contributions shall be sufficient to meet the annual pension cost of the Plan and to amortize the unfunded actuarial accrued liability within 30 years based on an actuary study. There are no long-term contracts to the Plan. Periodic employer contributions to the Plan are determined on an actuarial basis using the Entry Age Normal Cost Method. Annual pension cost is funded on a current basis. Pursuant to Section 112.64, Florida Statutes, the unfunded actuarial accrued liability is funded over a 30-year period for participants prior to July 1, 1997 and funded over a 40-year period for the revised plan. Periodic contributions for both normal cost and the amortization of the unfunded actuarial liability are based on the level percentage of payroll method.

Significant actuarial assumptions used to compute annual required contributions are the same as those used to determine the actuarial accrued liability. Total contributions to the Plan amounted to \$0 for 2017-2018, 2018-2019, and 2019-2020 fiscal years.

As of June 30, 2020, the actuarial accrued liability for benefits was \$16,080,731. The computation of the annual required contribution for the 2019-2020 fiscal year was based on the same: (a) actuarial assumptions, (b) benefit provisions, (c) actuarial funding method and (d) other significant factors used to determine the required annual contributions for the previous fiscal years.

Benefits and refunds are recognized when due and payable in accordance with terms of the Plan. All of the assets in the District's Pension Trust Fund are legally required reserves. None of the assets have been designated by the Board for any other specific purpose. Costs of administering

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the Plan are financed through the Plan's resources (employer contributions and investment earnings).

Investments

The Board of the Early Retirement Program includes the same members as the District School Board of Pasco County which established and has the authority to amend the investment policy for the plan. An Investment Oversight Committee monitors the investment performance and reports to the Board. On January 20, 2015, the Board approved an updated investment policy that allows the plan to invest in equities and fixed income securities.

The following was the Board adopted asset allocation as of June 30, 2020:

Asset Class	Asset Allocation	
	Range	Target
Domestic Equity	19% - 59%	39%
International Equity	3% - 43%	21%
Other / Alternatives	0% - 15%	0%
Domestic Fixed Income	20% - 60%	40%
Cash Equivalent	0% -20%	0%

DISTRICT SCHOOL BOARD OF PASCO COUNTY
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The Plan's cash and investments at June 30, 2020, consisted of the following:

				Fair Value Measurements Using		
				Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs	Significant Unobservable Inputs
	Maturity Range	Balance June 30, 2020	Percentage of Plan Net Assets	(Level 1)	(Level 2)	(Level 3)
<u>Investments by Fair Value Level</u>						
Collateralized Mortgage Obligations	12.99 Years - 15.82 Years	\$ 238,689	1.39%	-	168,718	69,971
Corporate Bonds	2.83 Years - 5.04 Years	82,796	0.48%	-	82,796	-
Government Sponsored Enterprises	0.88 years - 13.15 Years	63,429	0.37%	-	63,429	-
Government and Municipal Bonds	1.42 Years - 38.00 Years	6,389,452	37.30%	944,271	5,445,181	-
T total Investments by Fair Value Level		<u>6,774,366</u>	<u>39.55%</u>	<u>\$ 944,271</u>	<u>\$ 5,760,124</u>	<u>\$ 69,971</u>
<u>Investments Measured at Net Asset Value (NAV)</u>						
Domestic Equity Mutual Funds		3,108,505	18.15%			
International Equity Mutual Funds		1,521,505	8.88%			
Domestic Fixed Income Mutual Funds		3,358,850	19.61%			
T total Investments Measured at NAV		<u>7,988,860</u>	<u>46.64%</u>			
<u>Investments Measured at Amortized Cost</u>						
Cash and Cash Equivalents		7,697	0.04%			
Money Market Funds		2,359,527	13.77%			
T total Investments Measured at Amortized Cost		<u>2,367,224</u>	<u>13.82%</u>			
T total Investments		<u>\$ 17,130,450</u>	<u>100.00%</u>			

Credit Risk

- The District's investment policy authorizes the District to participate in the SBA Florida PRIME. The policy also authorizes the District to invest in interest-bearing time deposits or savings accounts, direct obligations of the United States Treasury, money market funds with the Securities and Exchange Commission, and United States government funds registered under the Investment Act of 1940. The policy further provides that the securities shall only be purchased from financial institutions which are qualified as public depositories by the Treasurer of the State of Florida, Florida-based regional dealers that qualify under Securities and Exchange Commission Rule 15C3-1, or from primary security dealers as designated by the Federal Reserve of New York.
- The Plan's investments in Collateralized Mortgage Obligations had ratings of D to AAA by Standard and Poor's or WR to A3 by Moody's.
- The Plan's investments in Corporate Bonds had ratings of BBB+ by Standard and Poor's or of Baa1 by Moody's.
- The Plan's investments in Government Sponsored Enterprises had a rating of Aaa by Moody's.
- The Plan's investments in Government and Municipal Bonds had ratings of NR to AAA by Standard and Poor's or of WR to Aaa by Moody's.

DISTRICT SCHOOL BOARD OF PASCO COUNTY
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Concentration of Credit Risk

- The District's investment policy has established permitted investment sectors which are designed to reduce concentration of credit risk of the District's investment portfolio.
- Less than five (5) percent of the Early Retirement Plan's investments are in Government Sponsored Enterprise Securities.

Rate of Return

- For the year ending June 30, 2020, the annual money-weighted rate of return on the pension plan investments, net of pension plan investment expense, was 5.57 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

DISTRICT SCHOOL BOARD OF PASCO COUNTY
NOTES TO FINANCIAL STATEMENTS
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Pension Asset, Pension Income, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The components of the net pension asset of the District at June 30, 2020, the measurement date, were as follows:

Plan Fiduciary Net Position	\$ 16,300,840
Total Pension Liability	(16,080,731)
Net Pension Asset	<u>\$ 220,109</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	101.37%

For the fiscal year ending June 30, 2020, the District recognized pension expense of \$(39,092) for the SERP Pension Plan. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions for the SERP Pension Plan from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Unexpected investment income	\$ 362,365	\$ 12,899
Assumption changes	-	2,006,895
Total	<u>\$ 362,365</u>	<u>\$ 2,019,794</u>

These amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions for the SERP Pension Plan will be recognized in pension expense as follows:

Fiscal Year Ending June 30	Amount
2021	(217,592)
2022	(335,592)
2023	(395,836)
2024	(391,534)
2025	(316,875)
Total	<u>\$ (1,657,429)</u>

DISTRICT SCHOOL BOARD OF PASCO COUNTY
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Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of July 1, 2019, using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation Date	July 1, 2019
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percent Open
Remaining Amortization Period	30 Years
Asset Valuation Method	Fair Market Value
Actuarial Assumptions:	
Investment Rate of Return *	6.78%
Projected Salary Increases	3.00%
*Includes Inflation at:	2.50%
Cost-of-Living Adjustments	None

The actuarial assumptions that determined the total pension liability as of June 30, 2019, were based on expectations as to future plan experience and not the results of a historical actuarial experience study.

Long Term Expected Rate of Return

Best estimates of arithmetic real rate of return on the major asset class included in the pension plan's target asset allocation as of June 30, 2020 are summarized in the following table:

Asset Class	Target Allocation	Expected Long-Term Real Rate of Return
Domestic Equity	39%	5.00% per annum
International Equity	15%	4.90% per annum
Emergin Market Equity	6%	5.00% per annum
Core Domestic Fixed Income	20%	2.60% per annum
Investment Grade Coporate Fixed Income	10%	3.60% per annum
Emergin Market Fixed Income	5%	4.20% per annum
High Yield Fixed Income	5%	4.10% per annum
Total or Weighted Arithmetic Average	100%	4.28% per annum

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Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the District's net pension liability calculated using the discount rate of 6.78 percent, as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.78 percent) or 1-percentage-point higher (8.78 percent) than the current rate:

	1% Decrease (5.78%)	Current Discount Rate (6.78%)	1% Increase (7.78%)
Total Pension Liability	\$ 17,586,543	\$ 16,080,731	\$ 14,794,817
Less Fiduciary Net Position	(16,300,840)	(16,300,840)	(16,300,840)
Net Pension Liability	<u>\$ 1,285,703</u>	<u>\$ (220,109)</u>	<u>\$ (1,506,023)</u>

Changes in the Net Pension Asset

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)
Balances at 6/30/2019	\$ 16,344,755	\$ 16,824,966	\$ (480,211)
Changes for the year:			
Expected interest growth	1,060,385	(1,092,008)	(31,623)
Unexpected investment income	-	154,851	154,851
Benefit payments, including refunds of member contributions	(1,430,328)	1,430,328	-
Demographic experience	105,919	-	105,919
Administrative Expenses	-	30,955	30,955
Net change in total pension liability	(264,024)	524,126	260,102
Balances at 6/30/2020	<u>\$ 16,080,731</u>	<u>\$ (16,300,840)</u>	<u>\$ (220,109)</u>

19. OTHER POST-EMPLOYMENT BENEFIT OBLIGATION (OPEB)

Plan Description

The Other Postemployment Benefits Plan (OPEB) is a single-employer defined benefit plan administered by the District that provides OPEB for all employees who satisfy the District's retirement eligibility provisions. Pursuant to the provisions of Section 112.0801, Florida Statutes, employees who retire from the District and their eligible dependents, may continue to participate in the District's health plan for medical, prescription drug, mental health/substance abuse, employee assistance program and life insurance. 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)

DISTRICT SCHOOL BOARD OF PASCO COUNTY
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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. Additionally, for certain retirees, the District pays a portion of the cost of health and pharmacy insurance benefits. For those retirees, the School Board contributes the same amount toward the retiree's health insurance premium each year as it does toward an active employee's premium. This contribution is contingent upon the retiree meeting all of the following conditions: 1) 30 years of service under Florida Retirement System or 25 years of service under FRS and at least age 50 at retirement; 2) 20 years of service in the District; 3) contributes his/her health insurance subsidy received from the State of Florida toward the cost of this medical premium; and 4) continues to participate in one of the Board-approved health plans after his/her retirement. An eligible retiree may receive a cash payment in lieu of receiving these benefits. The District does not offer any explicit subsidies for retiree coverage. Retirees are assumed to enroll in the Federal Medicare program parts A and B for their primary coverage as soon as they are eligible. The OPEB Plan does not issue a stand-alone report and is not included in the report of a public employee retirement system or another entity. The District has not advance-funded or established a funding methodology for the annual OPEB expense or the net OPEB Plan liability, and the OPEB Plan is financed as pay-as-you-go basis. No assets are accumulated in a trust that meets all of the criteria in GASB Statement No. 75, paragraph 4. A copy of the actuarial report provided by GRS Retirement Consulting dated July 31, 2020 is available in the District's Finance Services Department.

In addition, the District contributed \$20 per month toward health insurance premiums for eligible former employees. This contribution will continue as long as the eligible retiree maintains health benefits through the District. New retirees are not eligible for this program.

Employees Covered by Benefit Terms

At June 30, 2020, the following employees were covered by the benefit terms:

Retirees and Beneficiaries	2,015
Inactive, Nonretired Members	-
Active Plan Members	9,591
Total Plan Members	<u>11,606</u>

Total OPEB Liability

The District's total OPEB liability of \$98,611,974 was measured as of June 30, 2019, and was determined by an actuarial valuation as of June 30, 2019.

Actuarial Assumptions and Other Inputs

The total OPEB liability in the June 30, 2019, actuarial valuation was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified

**DISTRICT SCHOOL BOARD OF PASCO COUNTY
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Actuarial Cost Method	Entry Age Normal
Roll Forward Procedures	The Total OPEB Liability was rolled forward from the Valuation Date to the Measurement Date using standard actuarial techniques.
Inflation	2.25%
Discount Rate	3.13%
Salary Increases	Salary increase rates used in the July 1, 2019 actuarial valuation of the Florida Retirement System; 3.6% - 8.0%, including inflation.
Retirement Age	Retirement rates used in the July 1, 2019 actuarial valuation of the Florida Retirement System for K-12 Instructional Regular Class members. They are based on the results of a statewide experience study covering the period 2013 through 2018.
Mortality	Mortality rates are the same as used in the July 1, 2019 actuarial valuation of the Florida Retirement System for K-12 Instructional Regular Class members. These rates were taken from adjusted Pub-2010 mortality tables published by SOA with generational mortality improvements using scale MP-2018. Adjustments to reference tables are based on the results of a statewide experience study covering the period 2013 through 2018.
Healthcare Cost Trend Rates	Based on the Getzen Model, with trend starting at 6.50% and gradually decreasing to an ultimate trend rate of 3.99% plus 0.38% increase for excise tax.
Aging factors	Based on the 2013 SOA Study "Health Care Costs - From Birth to Death".
Expenses	Administrative expenses are included in the per capita health costs.

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 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 schedule of funding progress as required supplementary information following the notes to the financial statements, presents multiyear trend information.

Projections of benefits for financial reporting purposes are based in the substantive 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 benefit costs between the employer and participating members. The actuarial methods and assumptions used include techniques that are designed to reduce the effect of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. The valuation date was June 30, 2019, and rolled forward to June 30, 2020.

DISTRICT SCHOOL BOARD OF PASCO COUNTY
NOTES TO FINANCIAL STATEMENTS
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Changes to the Total OPEB Liability

The following table shows the change in the District's OPEB Plan liability:

<u>Description</u>	<u>Amount</u>
Service Cost	\$ 4,520,831
Interest on Total OPEB Obligation	3,993,017
Changes in assumptions and other inputs	(13,093,669)
Difference between expected and actual experience	(225,204)
Benefit payments	(4,733,009)
Net change in Total OPEB Liability	(9,538,034)
Total OPEB Liability, Beginning	108,150,008
Total OPEB Liability, Ending	\$ 98,611,974

Changes of assumptions and other inputs reflect a change in the discount rate from 3.62 percent as of June 30, 2019 to 3.13 percent as of June 30, 2020.

Sensitivity of the District's Total OPEB PLAN Liability to Changes in the Discount Rate

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.13 percent) or 1 percentage point higher (4.13 percent) than the current discount rate:

	1% Decrease (2.13%)	Current Discount Rate (3.13%)	1% Increase (4.13%)
Total Pension Liability	\$ 108,723,046	\$ 98,611,974	\$ 89,557,051

Sensitivity of the District's Total OPEB PLAN Liability to the Healthcare Cost Trend Rate Assumption

The following presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower and 1 percentage point higher than the current healthcare cost trend rates:

**DISTRICT SCHOOL BOARD OF PASCO COUNTY
NOTES TO FINANCIAL STATEMENTS
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	1% Decrease (5.50% down to 2.99%)	Current Healthcare Cost Trend Rate Assumption (6.50% down to 3.99%)	1% Increase (7.50% down to 4.99%)
Total Pension Liability	\$ 86,466,040	\$ 98,611,974	\$ 113,394,616

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB.

For the year ending June 30, 2020, the District recognized OPEB Expense of \$6,358,079. At June 30, 2020, the District reported deferred outflows and inflows of resources related to the OPEB Plan liability from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ -	\$ 201,745
Changes in Assumptions	-	16,789,352
Benefits Paid after the Measurement Date	4,052,252	-
Total	\$ 4,052,252	\$ 16,991,097

Amounts recognized in the deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in the OPEB expense as follows:

Fiscal Year Ending June 30	Amount
2021	\$ (2,155,769)
2022	(2,155,769)
2023	(2,155,769)
2024	(2,155,769)
2025	(2,155,769)
Thereafter	(6,212,252)
Total	\$ (16,991,097)

20. MEMBERSHIP IN NONPROFIT CORPORATION

The District participated in a nonprofit electric cooperative, the Withlacoochee River Electric Cooperative, Inc., established under the provisions of Chapter 425, Florida Statutes. In accordance with this Statute, revenues in excess of operating expenses, unless determined by a vote of the

DISTRICT SCHOOL BOARD OF PASCO COUNTY
NOTES TO FINANCIAL STATEMENTS
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membership, are distributed by the Cooperative on a pro rata basis to its members. The policy of the Cooperative is to credit the excess revenues to members' accounts. Capital credits are distributed only after the Cooperative attains a certain margin of profit required by the Rural Electrification Administration. At June 30, 2020, the accumulated credits to the District's account are \$5,722,532. During the 2019-2020 fiscal year, the District earned capital credits of \$447,770 and received a cash payment of \$431,960, for a net increase of \$15,809.

21. CONSTRUCTION CONTRACT AND OTHER COMMITMENTS

The following is a summary of major construction contract commitments remaining at fiscal year-end:

Project	Contract Amount	Completed to Date	Balance Committed
<i>Cypress Creek Middle School</i>			
New School Construction	\$ 29,469,873	\$ 26,395,864	\$ 3,074,009
<i>Gulf High School</i>			
Stadium Replacement	\$ 3,684,269	\$ -	\$ 3,684,269
<i>Starkey Ranch K-8</i>			
New School Construction	\$ 33,734,378	\$ 8,741,558	\$ 24,992,820
<i>Starkey Ranch TLC</i>			
New School Construction	\$ 7,543,520	\$ 1,952,959	\$ 5,590,561
<i>Sunlake High School</i>			
Classroom Addition	\$ 6,904,613	\$ 4,311,427	\$ 2,593,186
<i>Zephyrhills High School</i>			
Campus Redevelopment	\$ 30,247,348	\$ 14,884,574	\$ 15,362,774
Total	\$ 111,584,000	\$ 56,286,382	\$ 55,297,618

22. RISK MANAGEMENT PROGRAMS

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, general liability, as well as, medical, behavioral health and prescription plan coverage are being provided on a self-insured basis up to specified limits. The District has entered into agreements with various insurance companies to provide specific excess coverage of claim amounts above the stated amount on an individual claim basis, and aggregate excess coverage when total claims minus specific excess coverage exceeds the loss fund established annually by the District. The District has contracted with an insurance administrator to

DISTRICT SCHOOL BOARD OF PASCO COUNTY
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administer these self-insurance programs, including the processing, investigating, and payment of claims.

Property and casualty coverage is obtained through purchased commercial insurance. The property insurance fund is used to track premiums and any claims expense. In the 2019-2020 fiscal year, property insurance coverage amounts were \$100 million for named wind and \$140 million excess of wind.

Settled claims resulting from the risks described above have not exceeded commercial insurance coverage in any of the past three fiscal years.

A liability in the amount of \$6,794,000 was actuarially determined to cover estimated incurred, but not reported, workers' compensation, automobile liability and general liability insurance claims payable at June 30, 2020.

The following schedule represents the changes in claims liability for the current and prior fiscal year for the District's self-insurance program:

	Beginning of Fiscal Year Liability	Current-Year Claims and Changes in Estimates	Claims Payments	Balance at Fiscal Year-End
2018-2019	\$ 7,210,000	\$ 66,895,051	\$ 67,069,051	\$ 7,036,000
2019-2020	7,036,000	69,760,012	70,002,012	6,794,000

Life insurance coverage is being provided through purchased commercial insurance with a minimum deductible.

23. LITIGATION

The Board is involved in several pending and threatened legal actions, the range of potential loss from which, as estimated by the Board's attorney, should not materially affect the financial condition of the District. However, one case has completed the initial trial and a verdict of \$1,670,364 has been rendered in favor of the plaintiff. The District intends to defend itself vigorously through the appeals and Claims Bill process with the State Legislature and has not recorded an obligation in relation to this case. Final determination of liability, if any, is unlikely for a number of years.

24. SUBSEQUENT EVENTS

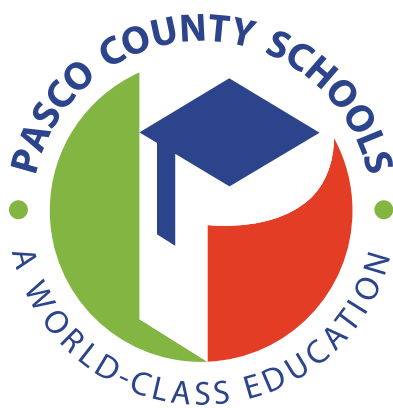
On July 28, 2020, the School Board approved a resolution adding Schedules 13, 14, and 15 to the Master Lease Agreement with Banc of America Capital Corporation. The District financed the purchase of buses, warehouse vehicles, and radios totaling \$4,480,000 under Schedule 13. The District also financed the purchase of Apple and Dell laptops and ScreenBeams totaling \$2,600,949 and iPads totaling \$28,478 under Schedules 14 and 15, respectively.

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On August 5, 2020, the School Board issued Certificates of Participation, Series 2020B, in an aggregate par amount of \$71,465,000 to refinance the Certificates of Participation, Series 2008C, and extended the floating rate note for 3-years.

On August 19, 2020, the School Board issued Capital Improvement Revenue Bonds, Series 2020, in an aggregate par amount of \$3,400,000 to refinance the Capital Improvement Revenue Bonds, Series 2003, and to fund various capital projects.

OTHER REQUIRED SUPPLEMENTARY INFORMATION



**DISTRICT SCHOOL BOARD OF PASCO COUNTY
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CHANGES IN THE DISTRICT SCHOOL BOARD'S
NET PENSION LIABILITY AND RELATED RATIOS – EARLY RETIREMENT PLAN**

	2019-2020 fiscal year *	2018-2019 fiscal year *	2017-2018 fiscal year *	2016-2017 fiscal year *	2015-2016 fiscal year *	2014-2015 fiscal year *	2013-2014 fiscal year *
Total Pension Liability							
Service Cost	\$ -	\$ -	\$ 32,343	\$ 39,458	\$ 39,458	\$ 610,538	\$ 610,538
Interest	1,060,385	1,039,752	1,047,288	1,084,026	1,058,153	1,468,046	1,413,259
Demographic Experience	105,919	(250,127)	1,242,829	64,395	1,584,308	-	-
Benefit payments, including refunds of member contributions	(1,430,328)	(1,463,760)	(1,393,381)	(1,300,770)	(1,189,185)	(1,058,026)	(998,103)
Changes in benefit terms	-	-	-	-	-	(8,758,650)	-
Assumption changes	-	975,932	600,308	-	(1,115,213)	(4,541,925)	-
Net change in total pension liability	(264,024)	301,797	1,529,387	(112,891)	377,521	(12,280,017)	1,025,694
Total Pension Liability - Beginning	16,344,755	16,042,958	14,587,748	14,700,639	14,323,118	26,603,135	25,577,441
Total Pension Liability - Ending	\$ 16,080,731	\$ 16,344,755	\$ 16,117,135	\$ 14,587,748	\$ 14,700,639	\$ 14,323,118	\$ 26,603,135
Plan Fiduciary Net Position							
Contributions- employer	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,662,560	\$ 1,591,288
Net investment income	937,157	1,136,618	969,135	756,397	1,000,647	428,679	929,052
Benefit payments, including refunds of member contributions	(1,430,328)	(1,463,760)	(1,393,381)	(1,300,770)	(1,189,185)	(1,074,335)	(960,021)
Administrative Expenses	(30,955)	(29,492)	(32,001)	(20,015)	(27,263)	(12,549)	-
Net Change in Plan Fiduciary Net Position	(524,126)	(356,634)	(456,247)	(564,388)	(215,801)	1,004,355	1,560,319
Plan Fiduciary Net Position - Beginning	16,824,966	17,181,600	17,637,847	18,202,235	18,418,036	17,413,681	15,853,362
Plan Fiduciary Net Position - Ending	\$ 16,300,840	\$ 16,824,966	\$ 17,181,600	\$ 17,637,847	\$ 18,202,235	\$ 18,418,036	\$ 17,413,681
Net Pension (Asset) Liability - Ending	\$ (220,109)	\$ (480,211)	\$ (1,064,465)	\$ (3,050,099)	\$ (3,501,596)	\$ (4,094,918)	\$ 9,189,454
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	101.37%	102.94%	106.60%	120.91%	123.82%	128.59%	65.46%
Covered Payroll	N/A	N/A	\$ 16,096,946	\$ 24,925,025	\$ 24,925,025	\$ 167,496,619	\$ 167,496,619
District's Net Pension Liability as a Percentage of Covered-employee Payroll	N/A	N/A	N/A	N/A	N/A	N/A	5.49%

* Rolled forward based on financial data as of the measurement dates of June 30 of each fiscal year.

Note: The District implemented GASB Statement No. 68 for the fiscal year ended June 30, 2014.

Information for prior years is not available.

**DISTRICT SCHOOL BOARD OF PASCO COUNTY
REQUIRED SUPPLEMENTARY INFORMATION**

SCHEDULE OF CONTRIBUTIONS – EARLY RETIREMENT PLAN

	Fiscal Year									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Actuarially determined contribution	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,662,560	\$ 1,591,288	\$ 1,578,667	\$ 1,509,443	\$ 1,380,553
Contributions in relation to the actuarially determined contribution	-	-	-	-	-	1,662,560	1,591,288	1,578,667	1,509,443	1,380,553
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered Payroll	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 167,496,619	\$ -	\$ 173,775,663	\$ -
Contributions as a percentage of covered payroll*	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.95%	0.95%	0.87%	0.87%

*No future contributions will be made as the plan is closed and fully funded.

Notes to Schedule:

Valuation date:

Actuarially determined contribution rates are calculated as of July 1, two years prior to the end of the fiscal year in which contributions are reported.

Methods and assumptions used to determine contribution rates:

Discount rate	6.78% per annum (2.50% per annum is attributable to long-term inflation); this rate was used to discount all future benefit payments.
Salary increases	3% per annum
Retirement age	Eligible employees are assumed to retire at the rate of 2% at each of ages 50 through 52, 3% at each of ages 53 and 54, and 10% at each of ages 55 through 61.
Mortality	Sex-distinct rates set forth in the RP-2000 Combined Mortality Table with generational projections using Scale BB.
Other decrements	Assumed employment termination is based on age, ranging from 12% at age 30 to 7% at age 60; assumed disability is based on age and gender, ranging from 0.0600% for males at age 20 or 0.0240% for females at age 20 to 1.3620% for males at age 60 or 0.7504% for females at age 60.
Non-investment expenses	None assumed.
Future contributions	Contributions from the employer are assumed to be made as legally required.
Changes	Since the prior measurement date, the discount rate was changed from 7.50% per annum to 6.78% per annum.

SCHEDULE OF INVESTMENT RETURNS – EARLY RETIREMENT PLAN

	Fiscal Year									
	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
Annual money - weighted rate of return, net of investment expense	5.57%	6.62%	1.22%	7.45%	5.43%	2.46%	5.75%	1.82%	4.33%	5.66%

**DISTRICT SCHOOL BOARD OF PASCO COUNTY
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL OPEB LIABILITY
AND RELATED RATIOS - OTHER POST-EMPLOYMENT BENEFITS**

	Fiscal Year 2020	Fiscal Year 2019
Service Cost	\$ 4,520,831	\$ 4,446,110
Interest on Total OPEB Obligation	3,993,017	3,887,837
Changes of benefit terms	-	(2,041,071)
Difference between expected and actual	(225,204)	-
Changes in assumptions and other inputs	(13,093,669)	(618,388)
Benefit payments	(4,733,009)	(4,574,568)
Net change in Total OPEB Liability	<u>(9,538,034)</u>	<u>1,099,920</u>
 Total OPEB Liability, Beginning	 <u>108,150,008</u>	 <u>107,050,088</u>
 Total OPEB Liability, Ending	 <u><u>\$ 98,611,974</u></u>	 <u><u>\$ 108,150,008</u></u>
 Covered Payroll	 364,937,180	 374,216,416
 Total OPEB liability as a percentage of Covered-employee payroll	 27.02%	 28.90%
 OPEB Liability Valuation Date	 June 30, 2019	 June 30, 2017

Notes to Schedule:

Changes in assumptions and other inputs include the change in the discount rate from 3.56% as of the beginning of the measurement period to 3.62% as of June 30, 2019.

Changes in benefit terms include: Effective January 1, 2018, only retirees receiving the Employer's health insurance contribution will be eligible for additional Board contributions for the group life policy; all other retirees are required to pay the total premium in order to participate in the Employer-sponsored group life policy.

Note: The District implemented GASB Statement No. 75 for the fiscal year ended June 30, 2019. Information for prior years is not available.

**DISTRICT SCHOOL BOARD OF PASCO COUNTY
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY -
FLORIDA RETIREMENT SYSTEM (FRS) DEFINED BENEFIT PENSION PLAN**

	2020	2019	2018	2017	2016	2015
District's proportion of the net pension liability	0.0792%	0.8076%	0.8409%	0.8303%	0.8708%	0.8829%
District's proportionate share of the net pension liability	\$ 272,713,359	\$ 243,252,367	\$ 248,722,397	\$ 209,652,102	\$ 112,469,821	\$ 53,867,811
District's covered payroll	307,696,412	305,150,289	311,685,147	301,546,181	291,200,791	294,102,035
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	88.63%	79.72%	79.80%	69.53%	38.62%	18.32%
Plan fiduciary net position as a percentage of the total pension liability	82.61%	84.26%	83.89%	84.88%	92.00%	96.09%
Plan Sponsor Measurement Date	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014

Note: The District implemented GASB Statement No. 68 for the fiscal year ended June 30, 2015, including a restatement as of June 30, 2014. Information for prior years is not available.

Notes to Schedule:

Changes of Assumptions: The long-term expected rate of return used to determine total pension liability decreased from 3.87 percent to 3.50 percent.

**SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS -
FLORIDA RETIREMENT SYSTEM (FRS) DEFINED BENEFIT PENSION PLAN**

	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 25,981,256	\$ 24,554,076	\$ 23,015,862	\$ 21,889,801	\$ 20,248,257	\$ 21,229,772
Contributions in relation to the contractually required contribution	25,981,256	24,554,076	23,015,862	21,889,801	20,248,257	21,229,772
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 307,731,559	\$ 307,696,412	\$ 305,150,289	\$ 311,685,147	\$ 301,546,181	\$ 291,200,791
Contributions as a percentage of covered-employee payroll	8.44%	7.98%	7.54%	7.02%	6.71%	7.29%

* The amounts presented for each fiscal year were determined as of June 30.

Note: The District implemented GASB Statement No. 68 for the fiscal year ended June 30, 2015, including a restatement as of June 30, 2014. Information for prior years is not available.

**DISTRICT SCHOOL BOARD OF PASCO COUNTY
REQUIRED SUPPLEMENTARY INFORMATION**

**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY -
HEALTH INSURANCE SUBSIDY (HIS) DEFINED BENEFIT PENSION PLAN**

	2020	2019	2018	2017	2016	2015
District's proportion of the net pension liability	1.1172%	1.1241%	1.1632%	1.1556%	1.1336%	1.1613%
District's proportionate share of the net pension liability	\$ 124,998,326	\$ 118,975,685	\$ 124,379,961	\$ 134,683,455	\$ 115,611,582	\$ 108,582,475
District's covered payroll	374,216,416	367,437,906	371,320,922	357,548,640	343,998,370	346,174,340
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	33.40%	32.38%	33.50%	37.67%	33.61%	31.37%
Plan fiduciary net position as a percentage of the total pension liability	2.63%	2.15%	1.64%	0.97%	0.50%	0.99%
Plan Sponsor Measurement Date	June 30, 2019	June 30, 2018	June 30, 2017	June 30, 2016	June 30, 2015	June 30, 2014

Note: The District implemented GASB Statement No. 68 for the fiscal year ended June 30, 2015, including a restatement as of June 30, 2014. Information for prior years is not available.

Notes to Schedule:

Changes of Assumptions: The municipal rate used to determine total pension liability was decreased from 3.87 percent to 3.50 percent.

**SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS -
HEALTH INSURANCE SUBSIDY (HIS) DEFINED BENEFIT PENSION PLAN**

	2020	2019	2018	2017	2016	2015
Contractually required contribution	\$ 6,454,415	\$ 6,203,446	\$ 6,096,006	\$ 6,156,250	\$ 5,923,321	\$ 4,333,408
Contributions in relation to the contractually required contribution	6,454,415	6,203,446	6,096,006	6,156,250	5,923,321	4,333,408
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll	\$ 389,289,307	\$ 374,216,416	\$ 367,437,906	\$ 371,320,922	\$ 357,548,640	\$ 343,998,370
Contributions as a percentage of covered-employee payroll	1.66%	1.66%	1.66%	1.66%	1.66%	1.26%

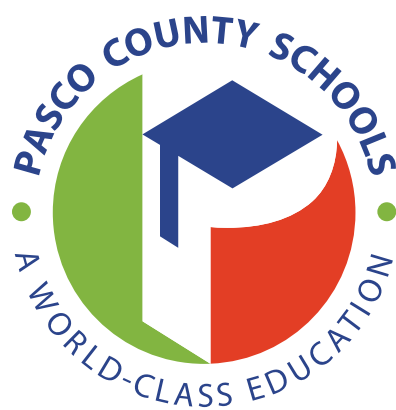
* The amounts presented for each fiscal year were determined as of June 30.

Note: The District implemented GASB Statement No. 68 for the fiscal year ended June 30, 2015, including a restatement as of June 30, 2014. Information for prior years is not available.

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COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES



Combining Schedules of Nonmajor Governmental Funds

Nonmajor Special Revenue Funds

Nonmajor Special Revenue Funds are used to account for proceeds of specific revenue sources that are legally restricted to pay for specified activities.

Food and Nutrition Services Fund – To account for food and nutrition services activities, including the serving of breakfast and lunch at the schools.

Nonmajor Debt Service Funds

Nonmajor Debt Service Funds are used to account for resources accumulated, primarily from tax proceeds and earnings on temporary investments, for the payment of principal and interest of long-term liabilities.

State Board of Education Bonds Fund – To account for payment of principal and interest on various bond issues serviced by the State of Florida on the District's behalf.

District Revenue Bonds Fund – To account for payment of principal and interest on Motor Vehicle License Tax Revenue Bonds, which are secured by racetrack funds and jai alai fronton funds received annually by Pasco County pursuant to Chapter 79-548, Special Acts of 1979, Laws of Florida.

Debt Service Other Fund – To account for the accumulation of resources that are restricted, committed, or assigned for the payment of principal and interest on long-term obligations of the governmental funds.

Nonmajor Capital Projects Funds

Nonmajor Capital Projects Funds are used to account for resources to be used for the acquisition and construction of major capital assets; such as: land, new school buildings, additions to existing buildings, major renovation projects, school buses, and equipment and furniture.

Public Education Capital Outlay Fund – To account for Gross Receipts Tax to be used for construction, remodeling, renovation, and site improvement of educational facilities.

Capital Outlay and Debt Service Fund – To account for the excess dollars from the debt service funds used for construction and maintenance of schools.

Local Optional Millage Levy Fund – To account for funds received from the assessment of property taxes for construction and maintenance of schools.

District School Board of Pasco County
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2020

Schedule A

	Special Revenue		Debt Service			
	Food and Nutrition Services Fund	Total Nonmajor Special Revenue Funds	State Board of Education Bonds Fund	District Revenue Bonds Fund	Debt Service Other Fund	Total Nonmajor Debt Service Funds
Assets:						
Cash	\$ 4,767,926	\$ 4,767,926	\$ -	\$ 42,640	\$ 1,827,748	\$ 1,870,388
Cash with Fiscal Agent	-	-	-	-	3,433,542	3,433,542
Investments	-	-	118,596	-	8,555,782	8,674,378
Accounts Receivable	7,317	7,317	-	-	171	171
Accrued Interest Receivable	-	-	-	-	9	9
Due From Other Funds	-	-	-	-	-	-
Due from Other Agencies	2,266,902	2,266,902	-	-	-	-
Inventories	1,590,488	1,590,488	-	-	-	-
Total Assets	<u>\$ 8,632,633</u>	<u>\$ 8,632,633</u>	<u>\$ 118,596</u>	<u>\$ 42,640</u>	<u>\$ 13,817,252</u>	<u>\$ 13,978,488</u>
Liabilities and Fund Balances:						
Liabilities:						
Accounts Payable	\$ 139,928	\$ 139,928	\$ -	\$ -	\$ 10,400	\$ 10,400
Accrued Salaries and Benefits	20,849	20,849	-	-	-	-
Construction Contracts Payable	-	-	-	-	-	-
Construction Contracts Payable - Retainage	-	-	-	-	-	-
Accrued Interest Payable	-	-	971	-	-	971
Due to Other Funds	-	-	-	-	-	-
Advanced Revenue	1,434,268	1,434,268	-	-	-	-
Total Liabilities	<u>1,595,045</u>	<u>1,595,045</u>	<u>971</u>	<u>-</u>	<u>10,400</u>	<u>11,371</u>
Fund Balances:						
Nonspendable:						
Inventory	1,590,488	1,590,488	-	-	-	-
Restricted:						
Special Revenue-Food Service	5,447,100	5,447,100	-	-	-	-
Debt Service	-	-	117,625	42,640	13,806,852	13,967,117
Capital Projects	-	-	-	-	-	-
Total Fund Balance	<u>7,037,588</u>	<u>7,037,588</u>	<u>117,625</u>	<u>42,640</u>	<u>13,806,852</u>	<u>13,967,117</u>
Total Liabilities and Fund Balances	<u>\$ 8,632,633</u>	<u>\$ 8,632,633</u>	<u>\$ 118,596</u>	<u>\$ 42,640</u>	<u>\$ 13,817,252</u>	<u>\$ 13,978,488</u>

Capital Projects				
Public Education Capital Outlay Fund	Capital Outlay and Debt Service Fund	Local Optional Millage Levy Fund	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
\$ -	\$ 2,568,068	\$ 4,849,523	\$ 7,417,591	\$ 14,055,905
-	-	-	-	3,433,542
-	8,351,588	16,094,560	24,446,148	33,120,526
-	-	-	-	7,488
-	-	-	-	9
-	-	524,222	524,222	524,222
1,169,936	5,916	9,275	1,185,127	3,452,029
-	-	-	-	1,590,488
<u>\$ 1,169,936</u>	<u>\$ 10,925,572</u>	<u>\$ 21,477,580</u>	<u>\$ 33,573,088</u>	<u>\$ 56,184,209</u>
\$ 150,100	\$ 124,104	\$ 691,342	\$ 965,546	\$ 1,115,874
-	-	-	-	20,849
-	-	65,951	65,951	65,951
-	-	134,575	134,575	134,575
-	-	-	-	971
524,222	-	-	524,222	524,222
-	-	-	-	1,434,268
<u>674,322</u>	<u>124,104</u>	<u>891,868</u>	<u>1,690,294</u>	<u>3,296,710</u>
-	-	-	-	1,590,488
-	-	-	-	5,447,100
-	-	-	-	13,967,117
<u>495,614</u>	<u>10,801,468</u>	<u>20,585,712</u>	<u>31,882,794</u>	<u>31,882,794</u>
<u>495,614</u>	<u>10,801,468</u>	<u>20,585,712</u>	<u>31,882,794</u>	<u>52,887,499</u>
<u>\$ 1,169,936</u>	<u>\$ 10,925,572</u>	<u>\$ 21,477,580</u>	<u>\$ 33,573,088</u>	<u>\$ 56,184,209</u>

District School Board of Pasco County
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2020

Schedule B

	Special Revenue		Debt Service			
	Food and Nutrition Services Fund	Total Nonmajor Special Revenue Funds	State Board of Education Bonds Fund	District Revenue Bonds Fund	Debt Service Other Fund	Total Nonmajor Debt Service Funds
Revenues:						
Federal Sources:						
Federal Direct	\$	- \$	\$	- \$	- \$	282,686 \$
Food Services	28,056,082	28,056,082	-	-	-	-
State Sources:						
Public Education Capital Outlay	-	-	-	-	-	-
Food Services	388,916	388,916	-	-	-	-
SBE/COBI Bond Interest	-	-	1,264	-	-	1,264
CO & DS Withheld for State Education Bonds	-	-	906,442	-	-	906,442
CO & DS Interest	-	-	-	-	-	-
CO & DS Distributed	-	-	-	-	-	-
Sales Tax Distribution	-	-	-	223,250	-	223,250
Local Sources:						
Property Taxes	-	-	-	-	-	-
Food Services	8,624,652	8,624,652	-	-	-	-
Investment Earnings	-	-	-	-	733,665	733,665
Local Grants and Other	809,015	809,015	-	-	-	-
Total Revenues	37,878,665	37,878,665	907,706	223,250	1,016,351	2,147,307

	Special Revenue		Debt Service			
	Food and Nutrition Services Fund	Total Nonmajor Special Revenue Funds	State Board of Education Bonds Fund	District Revenue Bonds Fund	Debt Service Other Fund	Total Nonmajor Debt Service Funds
Expenditures:						
Facilities Services	-	-	-	-	-	-
Food Services	37,320,238	37,320,238	-	-	-	-
Capital Outlay:						
Facilities Acquisition and Construction	-	-	-	-	-	-
Other Capital Outlay	3,397	3,397	-	-	-	-
Debt Service:						
Principal	-	-	658,000	120,000	41,770,515	42,548,515
Interest	-	-	266,265	102,456	19,303,452	19,672,173
Fiscal Charges	-	-	5,139	345	953,960	959,444
Total Expenditures	37,323,635	37,323,635	929,404	222,801	62,027,927	63,180,132
Excess (Deficiency) of Revenues Over Expenditures	555,030	555,030	(21,698)	449	(61,011,576)	(61,032,825)
Other Financing Sources (Uses):						
Proceeds of Bonds Issued	-	-	980,595	-	55,971,604	56,952,199
Payments to Refunding Escrow Agent	-	-	(976,782)	-	(55,235,281)	(56,212,063)
Transfers In	-	-	-	-	63,650,937	63,650,937
Transfers Out	(518,507)	(518,507)	-	-	(298,621)	(298,621)
Total Other Financing Sources (Uses)	(518,507)	(518,507)	3,813	-	64,088,639	64,092,452
Net Change in Fund Balances	36,523	36,523	(17,885)	449	3,077,063	3,059,627
Fund Balances, July 1, 2019	7,001,065	7,001,065	135,510	42,191	10,729,789	10,907,490
Fund Balances, June 30, 2020	\$ 7,037,588	\$ 7,037,588	\$ 117,625	\$ 42,640	\$ 13,806,852	\$ 13,967,117
						(Continued)

(Continued)

District School Board of Pasco County
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2020

Schedule B

	Capital Projects					Total Nonmajor Governmental Funds
	Public Education Capital Outlay Fund	Capital Outlay and Debt Service Fund	Local Optional Millage Levy Fund	Total Nonmajor Capital Projects Funds		
Revenues:						
Federal Sources:						
Federal Direct	\$ -	\$ -	\$ -	\$ -	\$ -	282,686
Food Services	-	-	-	-	-	28,056,082
State Sources:						
Public Education Capital Outlay	3,945,019	-	-	3,945,019		3,945,019
Food Services	-	-	-	-		388,916
SBE/COBI Bond Interest	-	-	-	-		1,264
CO & DS Withheld for State Education Bonds	-	-	-	-		906,442
CO & DS Interest	-	90,062	-	90,062		90,062
CO & DS Distributed	-	2,117,748	-	2,117,748		2,117,748
Racing Commission Funds	-	-	-	-		223,250
Local Sources:						
Property Taxes	-	-	47,325,942	47,325,942		47,325,942
Food Services	-	-	-	-		8,624,652
Investment Earnings	-	177,104	341,301	518,405		1,252,070
Local Grants and Other	-	-	1,017,610	1,017,610		1,826,625
Total Revenues	3,945,019	2,384,914	48,684,853	55,014,786		95,040,758

	Capital Projects				Total Nonmajor Governmental Funds
	Public Education Capital Outlay Fund	Capital Outlay and Debt Service Fund	Local Optional Millage Levy Fund	Total Nonmajor Capital Projects Funds	
Expenditures:					
Facilities Services	-	-	1,877,169	1,877,169	1,877,169
Food Services	-	-	-	-	37,320,238
Capital Outlay:					
Facilities Acquisition and Construction	631,538	1,202,163	11,587,818	13,421,519	13,421,519
Other Capital Outlay	-	-	-	-	3,397
Debt Service:					
Principal	-	-	-	-	42,548,515
Interest	-	-	-	-	19,672,173
Fiscal Charges	-	3,174	-	3,174	962,618
Total Expenditures	631,538	1,205,337	13,464,987	15,301,862	115,805,629
Excess (Deficiency) of Revenues Over Expenditures	3,313,481	1,179,577	35,219,866	39,712,924	(20,764,871)
Other Financing Sources (Uses):					
Proceeds of Bonds Issued	-	-	-	-	56,952,199
Payments to Refunding Escrow Agent	-	-	-	-	(56,212,063)
Transfers In	-	-	1,082,365	1,082,365	64,733,302
Transfers Out	(2,817,867)	-	(37,182,358)	(40,000,225)	(40,817,353)
Total Other Financing Sources (Uses)	(2,817,867)	-	(36,099,993)	(38,917,860)	24,656,085
Net Change in Fund Balances	495,614	1,179,577	(880,127)	795,064	3,891,214
Fund Balances, July 1, 2019	-	9,621,891	21,465,839	31,087,730	48,996,285
Fund Balances, June 30, 2020	\$ 495,614	\$ 10,801,468	\$ 20,585,712	\$ 31,882,794	\$ 52,887,499

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Schedules
of
Revenues, Expenditures, and Changes in Fund Balances
Budget and Actual
Governmental Funds

District School Board of Pasco County
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Special Revenue - Food and Nutrition Services Fund
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
Federal Sources:				
Food Service	\$ 29,540,000	\$ 29,540,000	\$ 28,056,082	\$ (1,483,918)
State Sources:				
Food Service	500,000	500,000	388,916	(111,084)
Local Sources:				
Food Service Sales	10,360,000	11,240,000	8,624,652	(2,615,348)
Local Grants and Other	550,000	1,070,000	809,015	(260,985)
Total Revenues	<u>40,950,000</u>	<u>42,350,000</u>	<u>37,878,665</u>	<u>(4,471,335)</u>
Expenditures:				
Current-Education:				
Food Services				
Salaries	13,355,000	13,355,000	13,427,970	(72,970)
Employee Benefits	5,573,214	6,073,214	5,992,072	81,142
Purchased Services	972,700	1,056,189	879,304	176,885
Energy Services	1,000,000	1,000,000	833,974	166,026
Materials and Supplies	18,350,500	17,815,500	15,053,538	2,761,962
Capital Outlay	80,000	80,000	37,669	42,331
Other Expenditures	1,532,000	1,532,000	1,095,711	436,289
Capital Outlay:				
Other Capital Outlay	69,000	74,000	3,397	70,603
Total Expenditures	<u>40,932,414</u>	<u>40,985,903</u>	<u>37,323,635</u>	<u>3,662,268</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>17,586</u>	<u>1,364,097</u>	<u>555,030</u>	<u>(809,067)</u>
Other Financing Sources (Uses):				
Transfers Out	(2,269,571)	(2,345,696)	(518,507)	1,827,189
Net Change in Fund Balance	(2,251,985)	(981,599)	36,523	1,018,122
Fund Balance, Beginning	<u>7,001,065</u>	<u>7,001,065</u>	<u>7,001,065</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 4,749,080</u>	<u>\$ 6,019,466</u>	<u>\$ 7,037,588</u>	<u>\$ 1,018,122</u>

District School Board of Pasco County
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Debt Service - State Board of Education Bonds Fund
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
State Sources				
SBE/COBI Bond Interest	\$ -	\$ -	\$ 1,264	\$ 1,264
CO & DS Withheld for State Education Bonds	1,064,000	1,064,000	906,442	(157,558)
Total Revenues	1,064,000	1,064,000	907,706	(156,294)
Expenditures:				
Debt Service:				
Principal	658,000	658,000	658,000	-
Interest	266,265	266,255	266,265	(10)
Fiscal Charges	1,000	1,000	5,139	(4,139)
Total Expenditures	925,265	925,255	929,404	(4,149)
Excess (Deficiency) of Revenues Over Expenditures	138,735	138,745	(21,698)	(160,443)
Other Financing Sources (Uses):				
Issurance of Refunding Bonds	-	-	820,000	820,000
Premium on Refunding Bonds	-	-	160,595	160,595
Payments to Refunding Escrow Agent	-	-	(976,782)	(976,782)
Total Other Financing Sources	-	-	3,813	3,813
Net Change in Fund Balance	138,735	138,745	(17,885)	(156,630)
Fund Balances, Beginning	135,510	135,510	135,510	-
Fund Balances, Ending	\$ 274,245	\$ 274,255	\$ 117,625	\$ (156,630)

District School Board of Pasco County
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Debt Service - District Revenue Bonds Fund
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual Amounts	
Revenues:				
State Sources:				
Racing Commission Funds	\$ 223,250	\$ 223,250	\$ 223,250	\$ -
Local Sources:				
Investment Earnings	839	839	-	(839)
Total Revenues	224,089	224,089	223,250	(839)
Expenditures:				
Debt Service:				
Principal	120,000	120,000	120,000	-
Interest	102,457	102,457	102,456	1
Fiscal Charges	1,000	1,000	345	655
Total Expenditures	223,457	223,457	222,801	656
Excess (Deficiency) of Revenues Over Expenditures	632	632	449	(183)
Net Change in Fund Balance	632	632	449	(183)
Fund Balance, Beginning	42,191	42,191	42,191	-
Fund Balance, Ending	\$ 42,823	\$ 42,823	\$ 42,640	\$ (183)

District School Board of Pasco County
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Debt Service - Other Funds
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual Amounts	
Revenues:				
Federal Sources:				
Federal Direct	\$ 500,000	\$ 500,000	\$ 282,686	\$ (217,314)
Local Sources:				
Investment Earnings	204,911	804,911	733,665	(71,246)
Total Revenues	704,911	1,304,911	1,016,351	(288,560)
Expenditures:				
Debt Service:				
Principal	41,735,170	41,735,170	41,770,515	(35,345)
Interest	20,288,059	20,288,059	19,303,452	984,607
Fiscal Charges	215,171	1,178,651	953,960	224,691
Total Expenditures	62,238,400	63,201,880	62,027,927	1,173,953
Excess (Deficiency) of Revenues Over Expenditures	(61,533,489)	(61,896,969)	(61,011,576)	885,393
Other Financing Sources (Uses):				
Proceeds of Refunding Certificates of Participation	-	-	49,990,000	49,990,000
Premium on Refunding Certificates of Participation	-	-	5,305,206	-
Premiums of Certificates of Participation Issued	-	648,858	648,858	-
Capital Leases	-	27,540	27,540	-
Payments on Certificates of Participation Issued	-	-	(55,235,281)	-
Transfers In	64,065,332	65,300,177	63,650,937	(1,649,240)
Transfer Out	-	(298,621)	(298,621)	-
Total Other Financing Sources	64,065,332	65,677,954	64,088,639	48,340,760
Net Change in Fund Balance	2,531,843	3,780,985	3,077,063	49,226,153
Fund Balances, Beginning	10,729,789	10,729,789	10,729,789	-
Fund Balances, Ending	\$ 13,261,632	\$ 14,510,774	\$ 13,806,852	\$ 49,226,153

District School Board of Pasco County
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Capital Projects - Public Education Capital Outlay Fund
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
State Sources:				
Public Education Capital Outlay	\$ 3,514,987	\$ 3,945,019	\$ 3,945,019	\$ -
Capital Outlay:				
Facilities Acquisition and Construction	1,127,153	1,127,152	631,538	495,614
Total Expenditures	1,127,153	1,127,152	631,538	495,614
Excess (Deficiency) of Revenues Over Expenditures	2,387,834	2,817,867	3,313,481	495,614
Other Financing Uses:				
Transfer Out	(2,387,834)	(2,817,867)	(2,817,867)	-
Net Change in Fund Balance	-	-	495,614	495,614
Fund Balances, Beginning	-	-	-	-
Fund Balances, Ending	\$ -	\$ -	\$ 495,614	\$ 495,614

District School Board of Pasco County
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Capital Projects - Capital Outlay and Debt Service Fund
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual Amounts	
Revenues:				
State Sources:				
CO & DS Distributed	\$ 1,130,902	\$ 1,130,902	\$ 2,117,748	\$ 986,846
Interest on Undistributed CO & DS	26,168	26,168	90,062	63,894
Local Sources:				
Investment Earnings	120,000	120,000	177,104	57,104
Total Revenues	<u>1,277,070</u>	<u>1,277,070</u>	<u>2,384,914</u>	<u>1,107,844</u>
Expenditures:				
Capital Outlay:				
Facilities Acquisition and Construction	4,777,183	5,361,438	1,202,163	4,159,275
Debt Service:				
Dues, Fees and Issuance Costs	<u>-</u>	<u>-</u>	<u>3,174</u>	<u>(3,174)</u>
Total Expenditures	<u>4,777,183</u>	<u>5,361,438</u>	<u>1,205,337</u>	<u>4,156,101</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(3,500,113)</u>	<u>(4,084,368)</u>	<u>1,179,577</u>	<u>(3,048,257)</u>
Net Change in Fund Balance	(3,500,113)	(4,084,368)	1,179,577	(3,048,257)
Fund Balances, Beginning	<u>9,621,891</u>	<u>9,621,891</u>	<u>9,621,891</u>	<u>-</u>
Fund Balances, Ending	<u>\$ 6,121,778</u>	<u>\$ 5,537,523</u>	<u>\$ 10,801,468</u>	<u>\$ (3,048,257)</u>

District School Board of Pasco County
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Capital Projects - Local Optional Millage Levy Fund
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual Amounts	
Revenues:				
Local Sources:				
Property Taxes	\$ 47,164,234	\$ 47,164,234	\$ 47,325,942	\$ 161,708
Investment Earnings	300,000	300,000	341,301	41,301
Other Local	358,069	994,241	1,017,610	23,369
Total Revenues	47,822,303	48,458,475	48,684,853	226,378
Expenditures:				
Current-Education:				
Facilities Services	1,224,136	1,447,824	1,877,169	(429,345)
Capital Outlay:				
Facilities Acquisition and Construction	21,139,969	28,088,990	11,587,818	16,501,172
Total Expenditures	22,364,105	29,536,814	13,464,987	16,071,827
Excess of Revenues Over Expenditures	25,458,198	18,921,661	35,219,866	16,298,205
Proceeds on Refunding Bonds				
Transfers In	2,709,544	2,909,558	1,082,365	(1,827,193)
Transfers Out	(37,872,306)	(38,807,068)	(37,182,358)	1,624,710
Total Other Financing Sources (Uses)	(35,162,762)	(35,897,510)	(36,099,993)	(202,483)
Net Change in Fund Balance	(9,704,564)	(16,975,849)	(880,127)	16,095,722
Fund Balances, Beginning	21,465,839	21,465,839	21,465,839	-
Fund Balances, Ending	\$ 11,761,275	\$ 4,489,990	\$ 20,585,712	\$ 16,095,722

District School Board of Pasco County
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual
Capital Projects - Other Fund
For the Fiscal Year Ended June 30, 2020

	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues:				
State Sources:				
State Grants and Others	\$ 2,022,409	\$ 3,329,486	\$ 2,258,503	\$ (1,070,983)
Local Sources:				
Local Sales Tax	31,075,411	31,075,411	32,123,910	1,048,499
Impact Fees	25,971,703	25,971,703	31,267,511	5,295,808
Other Local	4,069,397	4,163,387	3,940,936	(222,451)
Investment Earnings	1,320,000	1,320,000	3,845,837	2,525,837
Total Revenues	64,458,920	65,859,987	73,436,697	7,576,710
Expenditures:				
Current-Education:				
Facilities Services	-	332,818	964,335	(631,517)
Capital Outlay:				
Facilities Acquisition and Construction	120,367,623	192,287,730	83,002,303	109,285,427
Total Expenditures	120,367,623	192,620,548	83,966,638	108,653,910
Excess (Deficiency) of Revenues Over Expenditures	(55,908,703)	(126,760,561)	(10,529,941)	116,230,620
Other Financing Sources (Uses):				
Proceeds of Certificates of Participation Issued	-	56,165,000	56,165,000	-
Premiums on Certificates of Participation Issued	-	15,835,000	15,835,000	-
Capital Leases	7,115,328	12,416,746	11,860,632	(556,114)
Transfer Out	(26,193,026)	(26,287,400)	(26,262,870)	(24,530)
Total Other Financing Sources (Uses)	(19,077,698)	58,129,346	57,597,762	(580,644)
Net Change in Fund Balance	(74,986,401)	(68,631,215)	47,067,821	115,649,976
Fund Balances, Beginning	183,460,452	183,460,452	183,460,452	-
Fund Balances, Ending	\$ 108,474,051	\$ 114,829,237	\$ 230,528,273	\$ 115,649,976

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Combining Statements of Internal Service Funds

Internal Service Funds are used to account for the financing of goods and services provided by one department to another department within the District, on a cost reimbursement basis. This practice provides a separate and complete accounting for all resources accumulated and used in rendering the services and activities listed below.

Employee Benefits Program – To account for the financing of services provided by the District's Employee Benefits Program.

Property, Casualty, and Liability Self-Insurance Plan – To account for the financing and payment of claims for the District's self-insured liability and workers' compensation program and fully insured property/casualty program.

Self-Insured Benefit Plans – To account for the financing and payment of claims for the District's self-insured medical, behavioral health and prescription plans.

Energy Management Program – To account for the financing of the District's Energy Management Program.

Exclusive Agreement – To account for the receipt and use of funds received from the District's exclusive agreement with National Beverages, Inc.

District School Board of Pasco County
Combining Statement of Fund Net Position
Internal Service Funds
June 30, 2020

	Employee Benefits Program	Property, Casualty, Liability and Workers' Compensation Plans	Self-Insured Benefit Plans
Assets			
Current Assets:			
Cash	\$ 715,182	\$ -	\$ 2,359,480
Investments	741,214	36,055,191	31,619,517
Accounts Receivable	-	78,702	776,780
Total Current Assets	<u>1,456,396</u>	<u>36,133,893</u>	<u>34,755,777</u>
Noncurrent Assets:			
Capital Assets:			
Furniture, Fixtures and Equipment	-	-	-
Accumulated Depreciation	-	-	-
Total Noncurrent Assets	<u>-</u>	<u>-</u>	<u>-</u>
Total Assets	<u>1,456,396</u>	<u>36,133,893</u>	<u>34,755,777</u>
Deferred Outflows of Resources:			
Pension	478,572	261,840	-
Other Postemployment Benefits	8,158	4,032	-
Total Deferred Outflows of Resources	<u>486,730</u>	<u>265,872</u>	<u>-</u>
Total Assets and Deferred Outflows	<u>\$ 1,943,126</u>	<u>\$ 36,399,765</u>	<u>\$ 34,755,777</u>
Liabilities			
Current Liabilities:			
Payroll Deductions and Withholdings Payable	\$ 4,858	\$ -	\$ 104,859
Due to Other Funds	332,023	177,218	-
Estimated Unpaid Claims	-	-	5,140,000
Accounts Payable	3,025	157,292	8,554,680
Advanced Revenue	-	-	228,148
Current portion of long-term liabilities:			
Compensated Absences Payable	59,448	73,481	-
Estimated Insurance Claims Payable	-	2,246,000	-
Total Current Liabilities	<u>399,354</u>	<u>2,653,991</u>	<u>14,027,687</u>
Noncurrent Liabilities:			
Compensated Absences Payable	79,872	48,771	-
Estimated Insurance Claims Payable	-	4,548,000	-
Other Post-Employment Benefits Obligation	190,182	118,466	-
Net Pension Liability - FRS / HIS	520,785	448,545	-
Total Noncurrent Liabilities	<u>790,839</u>	<u>5,163,782</u>	<u>-</u>
Total Liabilities	<u>1,190,193</u>	<u>7,817,773</u>	<u>14,027,687</u>
Deferred Inflows of Resources:			
Pension	1,103,594	126,310	-
Other Post Employment Benefits	33,057	20,564	-
Total Deferred Inflows of Resources	<u>1,136,651</u>	<u>146,874</u>	<u>-</u>
Net Position			
Investment in Capital Assets	-	-	-
Unrestricted	(383,718)	28,435,118	20,728,090
Total Net Position	<u>(383,718)</u>	<u>28,435,118</u>	<u>20,728,090</u>
Total Liabilities, Deferred Inflows and Net Position	<u>\$ 1,943,126</u>	<u>\$ 36,399,765</u>	<u>\$ 34,755,777</u>

Energy Management Programs	Exclusive Agreement	Totals
\$ 1,838,692	\$ 135,743	\$ 5,049,097
793,843	1,484,727	70,694,492
-	-	855,482
<u>2,632,535</u>	<u>1,620,470</u>	<u>76,599,071</u>
-	6,117	6,117
-	(5,505)	(5,505)
-	612	612
<u>2,632,535</u>	<u>1,621,082</u>	<u>76,599,683</u>
98,694	-	839,106
2,389	-	14,579
101,083	-	853,685
<u>\$ 2,733,618</u>	<u>\$ 1,621,082</u>	<u>\$ 77,453,368</u>
\$ 1,333	\$ -	\$ 111,050
-	-	509,241
-	-	5,140,000
1,062,601	72,093	9,849,691
-	-	228,148
14,175	-	147,104
-	-	2,246,000
<u>1,078,109</u>	<u>72,093</u>	<u>18,231,234</u>
12,583	-	141,226
-	-	4,548,000
57,811	-	366,459
226,864	-	1,196,194
<u>297,258</u>	<u>-</u>	<u>6,251,879</u>
<u>1,375,367</u>	<u>72,093</u>	<u>24,483,113</u>
73,320	-	1,303,224
6,216	-	59,837
<u>79,536</u>	<u>-</u>	<u>1,363,061</u>
-	612	612
<u>1,278,715</u>	<u>1,548,377</u>	<u>51,606,582</u>
<u>1,278,715</u>	<u>1,548,989</u>	<u>51,607,194</u>
<u>\$ 2,733,618</u>	<u>\$ 1,621,082</u>	<u>\$ 77,453,368</u>

District School Board of Pasco County
Combining Statement of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Fiscal Year Ended June 30, 2020

	Employee Benefits Program	Property, Casualty, Liability and Workers' Compensation Plans	Self-Insured Benefit Plans
Operating Revenues			
Insurance Premiums:			
Board Contributions	\$ -	\$ 8,653,409	\$ 76,376,610
Employees	-	-	150,936
Retirees	-	-	4,126,770
Charges for Services Provided	-	-	
Other Operating Revenues	-	525,378	3,477,168
Total Operating Revenues	-	9,178,787	84,131,484
Operating Expense			
Salaries	473,291	451,311	2
Employee Benefits	207,866	243,734	119,246
Purchased Services	382,334	1,632,173	14,832,157
Insurance Premiums	-	4,022,573	2,488,813
Energy Services	-	-	-
Materials and Supplies	4,326	491	59,138
Insurance Claims	-	3,100,813	62,459,199
Capital Outlay	-	-	-
Other	4,310	51,197	32,940
Total Operating Expenses	1,072,127	9,502,292	79,991,495
Operating Income (Loss)	(1,072,127)	(323,505)	4,139,989
Nonoperating Revenues (Expenses)			
Investment Earnings	21,641	775,373	664,561
Gifts, Grants and Bequests	3,260	-	100,000
Insurance Loss Recoveries	-	156,877	-
Loss on Disposition of Assets	-	-	-
Total Nonoperating Revenues	24,901	932,250	764,561
Income (Loss) Before Transfers	(1,047,226)	608,745	4,904,550
Transfers In	1,227,217	-	-
Transfers Out	-	(403,400)	(1,227,217)
Change in Net Position	179,991	205,345	3,677,333
Total Net Position, July 1, 2019	(563,709)	28,229,773	17,050,757
Total Net Position, June 30, 2020	\$ (383,718)	\$ 28,435,118	\$ 20,728,090

Energy Management Program	Exclusive Agreement	Totals
\$ -	\$ -	\$ 85,030,019
-	-	150,936
-	-	4,126,770
13,926,200	-	13,926,200
11,683	213,453	4,227,682
13,937,883	213,453	107,461,607
126,291	-	1,050,895
52,952	-	623,798
3,071,579	45,704	19,963,947
-	-	6,511,386
10,487,345	-	10,487,345
1,749	177,681	243,385
-	-	65,560,012
-	36,828	36,828
-	-	88,447
13,739,916	260,213	104,566,043
197,967	(46,760)	2,895,564
16,834	31,485	1,509,894
-	500	103,760
-	-	156,877
-	(632)	(632)
16,834	31,353	1,769,899
214,801	(15,407)	4,665,463
-	-	1,227,217
-	-	(1,630,617)
214,801	(15,407)	4,262,063
1,063,914	1,564,396	47,345,131
\$ 1,278,715	\$ 1,548,989	\$ 51,607,194

District School Board of Pasco County
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2020

	Employee Benefits Program	Property, Casualty and Liability Self-Insurance Plan	Self-Insured Benefit Plans
Cash Flows from Operating Activities:			
Cash Received from Services	\$ -	\$ -	\$ -
Cash Received from Premiums	-	8,680,314	81,126,851
Cash Received from Other Operating Revenues	-	525,378	3,477,168
Cash Payments to Suppliers for Goods and Services	(390,384)	(5,611,686)	(14,619,109)
Cash Payments to Employees for Services	(301,801)	(513,625)	(199,804)
Cash Payments to Insurance Claims	-	(3,342,813)	(66,659,199)
Net Cash Provided (Used) by Operating Activities	(692,185)	(262,432)	3,125,907
Cash Flows from Noncapital Financing Activities:			
Insurance Loss Recoveries	-	156,877	-
Gifts, Grants and Bequests	3,260	-	100,000
Transfers From Other Funds	1,227,217	-	-
Transfers To Other Funds	-	(403,400)	(1,227,217)
Net Cash Provided (Used) by Noncapital Financing Activities	1,230,477	(246,523)	(1,127,217)
Cash Flows from Investing Activities:			
Investment Earnings	21,651	775,631	664,778
Purchase and Sale of Investments	128,359	(273,555)	(816,379)
Net Cash Provided (Used) by Investing Activities	150,010	502,076	(151,601)
Net Change in Cash	688,302	(6,879)	1,847,089
Cash, Beginning	26,880	6,879	512,391
Cash, Ending	\$ 715,182	\$ -	\$ 2,359,480
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:			
Operating Income (Loss)	\$ (1,072,127)	\$ (323,505)	\$ 4,139,989
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities			
Change in Assets and Liabilities:			
Accounts Receivable	-	32,823	473,661
Estimated Unpaid Claims	-	-	(4,200,000)
Accounts Payable	586	94,748	2,793,939
Salaries and Benefits Payable	-	(1,817)	-
Payroll Deductions and Withholdings Payable	4,858	-	(80,556)
Advanced Revenues	-	(5,918)	(1,126)
Due From Other Funds	332,023	177,218	-
Compensated Absences Payable	(11,617)	(48,435)	-
Other Post-Employment Benefits Obligation	4,383	3,036	-
Pension Amounts	49,709	51,418	-
Estimated Insurance Claims Payable	-	(242,000)	-
Total Adjustments	379,942	61,073	(1,014,082)
Net Cash Provided (Used) by Operating Activities	\$ (692,185)	\$ (262,432)	\$ 3,125,907

Energy Management Program	Exclusive Agreement	Totals
\$ 13,926,200	\$ -	\$ 13,926,200
-	-	89,807,165
11,683	213,453	4,227,682
(13,420,489)	(188,120)	(34,229,788)
(168,934)	-	(1,184,164)
-	-	(70,002,012)
<u>348,460</u>	<u>25,333</u>	<u>2,545,083</u>
-	-	156,877
-	500	103,760
-	-	1,227,217
-	-	<u>(1,630,617)</u>
-	500	<u>(142,763)</u>
16,840	31,495	1,510,395
<u>(16,834)</u>	<u>(31,485)</u>	<u>(1,009,894)</u>
<u>6</u>	<u>10</u>	<u>500,501</u>
348,466	25,843	2,902,821
<u>1,490,226</u>	<u>109,900</u>	<u>2,146,276</u>
<u>\$ 1,838,692</u>	<u>\$ 135,743</u>	<u>\$ 5,049,097</u>

\$ 197,967 \$ (46,760) \$ 2,895,564

-	-	506,484
-	-	(4,200,000)
140,184	72,093	3,101,550
-	-	(1,817)
1,333	-	(74,365)
-	-	(7,044)
-	-	509,241
(4,774)	-	(64,826)
630	-	8,049
13,120	-	114,247
-	-	<u>(242,000)</u>
<u>150,493</u>	<u>72,093</u>	<u>(350,481)</u>
<u>\$ 348,460</u>	<u>\$ 25,333</u>	<u>\$ 2,545,083</u>

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Combining Statements of Agency Funds

Agency Funds are used to account for financial resources held by the District as an agent. Assets accounted for in an agency fund belong to the party or parties for which the District acts as an agent. Therefore, agency fund assets are offset by liabilities equal in amount. Agency funds do not report net position.

School Internal Accounts - To account for financial resources collected by the schools and held by the District as an agent, which will be used for school and student athletic activities, class activities and club activities.

ABC Program - To account for employee and public donations, held by the District as an agent, to be used to assist financially disadvantaged students enrolled in Pasco County schools.

District School Board of Pasco County
Combining Statement of Assets and Liabilities
Agency Funds
June 30, 2020

	School Internal Accounts	ABC Program	Total
Assets:			
Cash	\$ 10,477,604	\$ 14,550	\$ 10,492,154
Investments	-	77,718	77,718
Accounts Receivable	4,794	-	4,794
Inventories	14,643	-	14,643
	<u>14,643</u>	<u>-</u>	<u>14,643</u>
Total Assets	<u>\$ 10,497,041</u>	<u>\$ 92,268</u>	<u>\$ 10,589,309</u>
Liabilities:			
Accounts Payable	\$ 654,432	\$ -	\$ 654,432
Due to Other Funds	271,397	-	271,397
Internal Accounts Payable	9,571,212	-	9,571,212
ABC Program Payable	-	92,268	92,268
	<u>-</u>	<u>92,268</u>	<u>92,268</u>
Total Liabilities	<u>\$ 10,497,041</u>	<u>\$ 92,268</u>	<u>\$ 10,589,309</u>

District School Board of Pasco County
Combining Statement of Changes in Assets and Liabilities
Agency Funds
For the Fiscal Year Ended June 30, 2020

	School Internal Accounts			
	Beginning Balance	Additions	Deductions	Ending Balance
Assets:				
Cash	\$ 9,767,736	\$ 18,936,569	\$ 18,226,701	\$ 10,477,604
Accounts Receivable	6,795	17,390	19,391	4,794
Inventories	14,158	42,232	41,747	14,643
Total Assets	<u>\$ 9,788,689</u>	<u>\$ 18,996,191</u>	<u>\$ 18,287,839</u>	<u>\$ 10,497,041</u>
Liabilities:				
Accounts Payable	\$ 1,067,023	\$ 14,993,831	\$ 15,406,422	\$ 654,432
Due to Other Fund	-	271,397	-	271,397
Internal Accounts Payable	8,721,666	32,272,263	31,422,717	9,571,212
Total Liabilities	<u>\$ 9,788,689</u>	<u>\$ 47,537,491</u>	<u>\$ 46,829,139</u>	<u>\$ 10,497,041</u>
	ABC Program			
	Beginning Balance	Additions	Deductions	Ending Balance
Assets:				
Cash	\$ 12,780	\$ 1,770	\$ -	\$ 14,550
Investments	76,070	1,870	222	77,718
Interest Receivable on Investments	1	-	1	-
Total Assets	<u>\$ 88,851</u>	<u>\$ 3,640</u>	<u>\$ 223</u>	<u>\$ 92,268</u>
Liabilities:				
ABC Program Payable	<u>\$ 88,851</u>	<u>\$ 96,618</u>	<u>\$ 93,201</u>	<u>\$ 92,268</u>
	Total Agency Funds			
	Beginning Balance	Additions	Deductions	Ending Balance
Assets:				
Cash	\$ 9,780,516	\$ 18,938,339	\$ 18,226,701	\$ 10,492,154
Investments	76,070	1,870	222	77,718
Accounts Receivable	6,795	17,390	19,391	4,794
Interest Receivable on Investments	1	-	1	-
Inventories	14,158	42,232	41,747	14,643
Total Assets	<u>\$ 9,877,540</u>	<u>\$ 18,999,831</u>	<u>\$ 18,288,062</u>	<u>\$ 10,589,309</u>
Liabilities:				
Accounts Payable	\$ 1,067,023	\$ 14,722,434	\$ 15,406,422	\$ 654,432
Due to Other Funds	-	271,397	-	271,397
Internal Accounts Payable	8,721,666	32,272,263	31,422,717	9,571,212
ABC Program Payable	88,851	96,618	93,201	92,268
Total Liabilities	<u>\$ 9,877,540</u>	<u>\$ 47,362,712</u>	<u>\$ 46,922,340</u>	<u>\$ 10,589,309</u>

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Combining Statements of Component Units

Component units are entities and/or organizations for which the School Board is financially accountable. Due to the nature and significance of their relationship with the School Board, exclusion of these entities and/or organizations would cause the District's basic financial statements to be misleading. The component units columns in the government-wide financial statements, Exhibits A and B, include consolidated financial data for the following component units:

Academy at the Farm – A Kindergarten through 8th grade school focused on creatively integrating equestrian, horticultural & farm animal components into an interactive, inclusive learning environment.

Athenian Academy of Pasco County, Inc. – A Kindergarten through 8th grade school offering students a program that incorporates Technology and the Arts including the Greek language and culture.

Classical Preparatory School – A Kindergarten through 12th grade school providing a classical style education.

Countryside Montessori Charter School, Inc. – A 1st through 8th grade school offering students the opportunity to obtain a lifelong love of learning through an enriched, hands-on Montessori curriculum.

Dayspring Academy – A Kindergarten through 12th grade school offering students an atmosphere of learning which focuses on the basics of education: reading, writing, math, science, history, and literature by using and emphasizing the fine arts.

Imagine School at Land O' Lakes – A Kindergarten through 8th grade school offering students a challenging program of study and strong character development within a nurturing and orderly learning environment.

Learning Lodge Academy – A Kindergarten through 6th grade school offering an environment that encourages children to build social skills and refine their problem solving and critical thinking abilities.

Pepin Academies of Pasco County – A 3rd through 12th grade school providing an alternative education program for special needs students.

Plato Academy Trinity Charter School – A Kindergarten through 3rd grade school offering an enriched, disruption-free environment through optimum instruction, support and encouragement.

Union Park Charter School – A Kindergarten through 7th grade school offering a learning environment that integrates research-based curriculum, a culture of safety and success, and concentration on academic rigor, while focusing on citizenship and experiential learning through student engagement.

Pasco Education Foundation, Inc – A separate not-for-profit corporation organized and operated as a direct-support organization under Section 1001.453, Florida Statutes, to receive, hold, invest and administer property and to make expenditures to or for the benefit of the District.

District School Board of Pasco County
Combining Statement of Net Position
Component Units
June 30, 2020

	Academy at the Farm, Inc.	Athenian Academy of Pasco County, Inc.	Classical Preparatory School	Countryside Montessori Charter School, Inc.	Creation Foundation, Inc.	Imagine School at Land O' Lakes
Assets:						
Cash	\$ 474,469	\$ 1,182,328	\$ 3,455,739	\$ 991,046	\$ 579,229	\$ 3,011,276
Investments	-	-	-	-	-	-
Accounts Receivable	10,986	3,260	-	10,882	-	-
Deposits Receivable	29,612	-	71,127	10,000	-	-
Due From Other Agencies	29,493	6,345	55,142	7,769	26,928	69,287
Prepaid Items	-	60,107	3,413	2,688	34,627	13,285
Long Term Investments	-	-	-	-	-	-
Capital Assets (net of accumulated depreciation)						
Land	1,325,978	900,750	550,000	105,872	979,683	3,032,033
Construction in Process	-	-	2,131,809	-	270,730	91,955
Improvements Other Than Buildings	-	-	-	31,836	370,765	316,117
Leasehold Property and Improvements	-	-	-	7,590	-	-
Buildings and Fixed Equipment	3,185,435	1,350,892	12,572,645	323,507	4,288,781	13,382,879
Furniture, Fixtures, and Equipment	106,856	40,735	39,105	15,870	29,323	242,226
Motor Vehicles	-	-	10,714	-	1,766	363,487
Computer Software	-	-	-	-	-	-
Total Assets	5,162,829	3,544,417	18,889,694	1,507,060	6,581,832	20,522,545
Deferred Outflows of Resources:						
Pension	-	-	-	-	-	-
Total Deferred Outflows of Resources	-	-	-	-	-	-
Total Assets and Deferred Outflows	\$ 5,162,829	\$ 3,544,417	\$ 18,889,694	\$ 1,507,060	\$ 6,581,832	\$ 20,522,545
Liabilities:						
Salaries and Benefits Payable	\$ 967	\$ 223,511	\$ 206,006	-	\$ 208,839	\$ 310,179
Accounts Payable	28,789	10,141	20,497	3,954	76,336	67,002
Due To Other Agencies	-	-	-	-	-	318,014
Accrued Interest Payable	-	-	-	-	-	-
Other Post-Employment Benefits	-	-	-	-	-	-
Net Pension Liability - FRS/HIS	-	-	-	-	-	-
Advanced Revenue	-	44,740	-	-	-	-
Construction Contracts Payable- Retainage	-	-	260,136	-	-	-
Total Current Liabilities	29,756	278,392	486,639	3,954	285,175	695,195
Non-Current Liabilities Due Within One Year:						
Notes Payable	231,717	408,763	-	422,073	923,184	-
Obligations Under Capital Leases	-	-	-	5,393	-	-
Bonds Payable	-	-	310,000	-	-	19,161,583
Lease Purchase Agreements Payable	-	1,362	-	-	-	-
Total Due within one year	231,717	410,125	310,000	427,466	923,184	19,161,583
Long-Term Debt and Liabilities:						
Notes Payable	4,083,185	2,082,186	-	235,466	2,906,238	-
Obligations Under Capital Leases	-	-	-	941	-	-
Bonds Payable	-	-	18,818,208	-	-	-
Net Other Postemployment Benefits Obligation	-	-	-	-	181,327	-
Total Due in more than one year	4,083,185	2,082,186	18,818,208	236,407	3,087,565	-
Total Liabilities	4,344,658	2,770,703	19,614,847	667,827	4,295,924	19,856,778
Deferred Inflows of Resources:						
Pension	-	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-	-
Net Position:						
Net Investment in Capital Assets	392,297	162,416	(3,823,935)	199,729	2,511,626	(1,732,886)
Restricted for Other Purposes	-	-	2,204,103	-	-	2,088,823
Restricted Pasco Education Fund	-	-	-	-	-	-
Unrestricted	425,874	611,298	894,679	639,504	(225,718)	309,830
Total Net Position	\$ 818,171	\$ 773,714	\$ (725,153)	\$ 839,233	\$ 2,285,908	\$ 665,767

Learning Lodge Academy, Inc.	Pepin Academies of Pasco County, Inc.	Plato Academy Trinity Charter School	Union Park Charter School	Pasco Education Foundation, Inc.	Total Component Units
\$ 631,669	\$ 7,868,697	\$ 343,476	\$ 383,155	\$ 389,713	\$ 19,310,797
-	-	-	44,559	623,326	667,885
-	59,062	-	3,576	143,637	231,403
-	-	4,668	25,851	-	141,258
3,452	-	21,663	14,513	-	234,592
-	31,724	-	9,174	1,301,948	1,456,966
-	-	-	900,474	2,035,871	2,936,345
-	870,250	-	-	-	7,764,566
-	2,828,744	-	-	-	5,323,238
-	1	15,548	1,495	-	735,762
-	-	-	-	-	7,590
31,128	2,030,582	-	9,704,571	-	46,870,420
-	23,965	58,881	731,102	-	1,288,063
-	-	-	-	-	375,967
-	-	-	-	9,021	9,021
666,249	13,713,025	444,236	11,818,470	4,503,516	87,353,873
681,536	-	-	-	-	681,536
681,536	-	-	-	-	681,536
<u>\$ 1,347,785</u>	<u>\$ 13,713,025</u>	<u>\$ 444,236</u>	<u>\$ 11,818,470</u>	<u>\$ 4,503,516</u>	<u>\$ 88,035,409</u>
\$ -	\$ 243,901	\$ -	\$ 160,859	\$ -	\$ 1,354,262
17,444	15,606	369,246	27,150	7,868	644,033
-	-	-	130,264	-	448,278
-	262,705	-	28,530	-	291,235
-	-	-	13,208	-	13,208
1,087,032	-	-	-	-	1,087,032
-	-	-	21,479	-	66,219
-	847,456	-	-	-	1,107,592
1,104,476	1,369,668	369,246	381,490	7,868	5,011,859
267,101	329,689	604,043	-	92,400	3,278,970
-	-	-	-	-	5,393
-	-	-	200,292	-	19,671,875
-	-	-	-	-	1,362
267,101	329,689	604,043	200,292	92,400	22,957,600
-	331,011	-	-	-	9,638,086
-	-	-	-	-	941
-	12,003,256	-	12,845,926	-	43,667,390
-	-	-	4,403	-	185,730
-	12,334,267	-	12,850,329	-	53,492,147
1,371,577	14,033,624	973,289	13,432,111	100,268	81,461,606
70,491	-	-	-	-	70,491
70,491	-	-	-	-	70,491
31,128	(908,038)	74,429	(1,856,908)	9,021	(4,941,121)
-	1,294,552	-	16,029	-	5,603,507
-	-	-	-	4,580,432	4,580,432
(125,411)	(707,113)	(603,482)	227,238	(186,205)	1,260,494
<u>\$ (94,283)</u>	<u>\$ (320,599)</u>	<u>\$ (529,053)</u>	<u>\$ (1,613,641)</u>	<u>\$ 4,403,248</u>	<u>\$ 6,503,312</u>

District School Board of Pasco County
Combining Statements of Activities
Component Units
For the Fiscal Year Ended June 30, 2020

<u>Academy at the Farm, Inc., Activities:</u>	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Instruction	\$ 3,190,490	\$ 117,374	\$ -	\$ -	\$ (3,073,116)
Student Support Services	22,693	-	-	-	(22,693)
Instructional Staff Training Services	318	-	-	-	(318)
Instruction-Related Technology	215,670	-	-	-	(215,670)
Board	7,000	-	-	-	(7,000)
General Administration	32,390	-	-	-	(32,390)
School Administration	406,074	-	-	-	(406,074)
Fiscal Services	70,225	-	-	-	(70,225)
Operation of Plant	266,639	-	-	-	(266,639)
Maintenance of Plant	233,358	-	-	-	(233,358)
Community Service	486,162	485,415	-	-	(747)
Debt Service - Interest	239,827	-	-	296,860	57,033
Depreciation-Unallocated	243,550	-	-	-	(243,550)
Total Academy at the Farm, Inc., Activities	\$ 5,414,396	\$ 602,789	\$ -	\$ 296,860	(4,514,747)
General Revenues:					
Grants and Contributions Not Restricted to Specific Programs					4,123,370
Miscellaneous					522,106
Total General Revenues					<u>4,645,476</u>
Change in Net Position					130,729
Net Position, Beginning					<u>687,442</u>
					<u></u>

<u>Athenian Academy of Pasco County, Inc., Activities:</u>	Expenses	Program Revenues			Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Instruction	\$ 1,598,057	\$ -	\$ 124,772	\$ -	\$ (1,473,285)
Student Support Services	230	-	-	-	(230)
Board	7,500	-	-	-	(7,500)
General Administration	244,866	-	-	-	(244,866)
School Administration	307,856	-	-	-	(307,856)
Facilities Acquisition and Construction	46,350	-	-	-	(46,350)
Fiscal Services	91,665	-	-	-	(91,665)
Food Services	18,319	-	-	-	(18,319)
Central Services	36,379	-	-	-	(36,379)
Student Transportation Services	76,960	-	39,991	-	(36,969)
Operation of Plant	435,340	-	-	229,463	(205,877)
Administrative Technology	1,168	-	-	-	(1,168)
Community Services	19,124	44,115	-	-	24,991
Debt Service-Interest	24,779	-	-	-	(24,779)
Depreciation-Unallocated	79,629	-	-	-	(79,629)
Total Athenian Academy of Pasco County, Inc., Activities	\$ 2,988,222	\$ 44,115	\$ 164,763	\$ 229,463	(2,549,881)
General Revenues:					
Grants and Contributions Not Restricted to Specific Programs					2,585,928
Miscellaneous					83,300
Total General Revenues					<u>2,669,228</u>
Change in Net Position					119,347
Net Position, Beginning					<u>654,367</u>
Net Position, Ending					<u>\$ 773,714</u>

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Classical Preparatory School, Activities:					
Instruction	\$ 3,471,308	\$ -	\$ -	\$ -	\$ (3,471,308)
Instructional Media Services	32,166	-	-	-	(32,166)
Instructional Curriculum Development Services	-	-	-	-	-
Instruction-Related Technology	1,743	-	-	-	(1,743)
Board	74,670	-	-	-	(74,670)
School Administration	1,187,917	-	-	-	(1,187,917)
Facilities Acquisition and Construction	5,386	-	-	-	(5,386)
Fiscal Services	102,781	-	-	-	(102,781)
Food Services	9,357	-	-	-	(9,357)
Student Transportation Services	16,013	-	-	-	(16,013)
Operation of Plant	573,398	-	-	-	(573,398)
Community Service	102,395	-	-	-	(102,395)
Debt Service - Interest	1,467,319	-	-	479,387	(987,932)
Depreciation-Unallocated	381,721	-	-	-	(381,721)
Total Classical Preparatory School, Activities	<u>\$ 7,426,174</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 479,387</u>	<u>(6,946,787)</u>

General Revenues:

Grants and Contributions Not Restricted to Specific Programs	6,602,583
Miscellaneous	409,120
Total General Revenues	<u>7,011,703</u>
Change in Net Position	64,916
Net Position, Beginning	<u>(790,069)</u>
Net Position, Ending	<u>\$ (725,153)</u>

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Countryside Montessori Charter School, Inc., Activities:					
Instruction	\$ 1,657,389	\$ -	\$ -	\$ -	\$ (1,657,389)
Instructional Staff Training	7,400	-	-	-	(7,400)
School Administration	532,233	-	-	-	(532,233)
Facilities Acquisition and Construction	171,300	-	-	168,000	(3,300)
Fiscal Services	31,498	-	-	-	(31,498)
Food Services	3,651	-	-	-	(3,651)
Operation of Plant	113,988	-	-	-	(113,988)
Maintenance of Plant	1,967	-	-	-	(1,967)
Community Service	239,852	60,441	-	-	(179,411)
Debt Service-Interest	17,910	-	-	7,193	(10,717)
Depreciation-Unallocated	57,830	-	-	-	(57,830)
Total Countryside Montessori Charter School, Inc., Activities	<u>\$ 2,835,018</u>	<u>\$ 60,441</u>	<u>\$ -</u>	<u>\$ 175,193</u>	<u>(2,599,384)</u>

General Revenues:

Grants and Contributions Not Restricted to Specific Programs	2,361,590
Miscellaneous	433,158
Total General Revenues	<u>2,794,748</u>
Change in Net Position	195,364
Net Position, Beginning	<u>643,869</u>
Net Position, Ending	<u>\$ 839,233</u>

District School Board of Pasco County
Combining Statements of Activities
Component Units
For the Fiscal Year Ended June 30, 2020

<u>Creation Foundation, Inc., Activities:</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Instruction	\$ 3,678,501	\$ -	\$ 10,093	\$ -	\$ (3,668,408)
Student Support Services	60,299	-	-	-	(60,299)
Instructional Media Services	-	-	-	-	-
Instructional Staff Training Services	1,528	-	-	-	(1,528)
School Administration	1,180,901	-	-	-	(1,180,901)
Facilities Acquisition & Construction	200,226	-	-	-	(200,226)
Fiscal Services	33,288	-	-	-	(33,288)
Student Transportation Services	89,286	-	-	-	(89,286)
Operation of Plant	684,520	-	-	416,646	(267,874)
Maintenance of Plant	53,892	-	-	-	(53,892)
Administrative Technology Services	113,468	-	-	-	(113,468)
Community Service	1,014,247	366,134	-	-	(648,113)
Debt Service-Interest	150,398	-	-	-	(150,398)
Depreciation-Unallocated	177,473	-	-	-	(177,473)
Total Creation Foundation, Inc., Activities	<u>\$ 7,438,027</u>	<u>\$ 366,134</u>	<u>\$ 10,093</u>	<u>\$ 416,646</u>	<u>(6,645,154)</u>
<u>General Revenues:</u>					
Grants and Contributions Not Restricted to Specific Programs					6,005,377
Miscellaneous					1,017,858
Total General Revenues					<u>7,023,235</u>
Change in Net Position					378,081
Net Position, Beginning					<u>1,907,827</u>
Net Position, Ending					<u>\$ 2,285,908</u>

<u>Imagine School at Land O'Lakes, Activities:</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Net (Expense) Revenue and Changes in Net Position</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
Instruction	\$ 3,160,473	\$ -	\$ -	\$ -	\$ (3,160,473)
Student Support Services	3,143	-	-	-	(3,143)
Instructional Media	71,866	-	-	-	(71,866)
Instructional and Curriculum Development	59,187	-	-	-	(59,187)
Instructional Staff Training Services	-	-	-	-	-
Instruction-Related Technology	85,723	-	-	-	(85,723)
Board	8,550	-	-	-	(8,550)
General Administration	762,612	-	-	-	(762,612)
School Administration	599,137	-	-	-	(599,137)
Facilities Acquisition and Construction	-	-	-	-	-
Fiscal Services	112,670	-	-	-	(112,670)
Food Services	27,353	-	-	-	(27,353)
Central Services	1,079	-	-	-	(1,079)
Student Transportation Services	218,466	-	-	-	(218,466)
Operation of Plant	1,068,555	59,011	-	-	(1,009,544)
Maintenance of Plant	47,250	-	-	-	(47,250)
Community Service	66,269	-	-	-	(66,269)
Debt Service - Interest	877,458	-	-	421,272	(456,186)
Depreciation-Unallocated	300,837	-	-	-	(300,837)
Total Imagine School at Land O'Lakes, Activities	<u>\$ 7,470,628</u>	<u>\$ 59,011</u>	<u>\$ -</u>	<u>\$ 421,272</u>	<u>(6,990,345)</u>
<u>General Revenues:</u>					
Grants and Contributions Not Restricted to Specific Programs					5,970,484
Miscellaneous					1,016,865
Total General Revenues					<u>6,987,349</u>
Change in Net Position					(2,996)
Net Position, Beginning					<u>668,763</u>
Net Position, Ending					<u>\$ 665,767</u>

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<u>Learning Lodge Academy, Inc., Activities:</u>					
Instruction	\$ 1,565,133	\$ -	\$ 47,610	\$ -	\$ (1,517,523)
Student Support Services	3,321	-	178	-	(3,143)
Instructional and Curriculum Development	2,643	-	2,106	-	(537)
Instructional Staff Training	2,578	-	864	-	(1,714)
Board	5,756	-	-	-	(5,756)
General Administration	83,314	-	-	-	(83,314)
School Administration	270,920	-	-	-	(270,920)
Facilities Acquisition & Construction	123,641	-	-	123,641	-
Fiscal Services	11,751	-	-	-	(11,751)
Food Services	3,994	-	-	-	(3,994)
Operation of Plant	184,806	-	-	3,212	(181,594)
Community Service	49,558	57,135	-	-	7,577
Debt Service - Interest	74,158	-	-	-	(74,158)
Total Learning Lodge Academy, Inc., Activities	<u>\$ 2,381,573</u>	<u>\$ 57,135</u>	<u>\$ 50,758</u>	<u>\$ 126,853</u>	<u>(2,146,827)</u>

General Revenues:

Grants and Contributions Not Restricted to Specific Programs	1,874,752
Miscellaneous	22,499
Total General Revenues	<u>1,897,251</u>
Change in Net Position	(249,576)
Net Position, Beginning	<u>155,293</u>
Net Position, Ending	<u>\$ (94,283)</u>

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<u>Pepin Academies of Pasco County, Inc., Activities:</u>					
Instruction	\$ 2,371,915	\$ -	\$ -	\$ -	\$ (2,371,915)
Student Support Services	662,027	-	131,290	-	(530,737)
Instructional Staff Training Services	-	-	-	-	-
General Administration	97,551	-	-	-	(97,551)
School Administration	566,599	-	-	-	(566,599)
Facilities Acquisition and Construction	455,492	-	-	-	(455,492)
Fiscal Services	39,404	-	-	-	(39,404)
Food Services	165,503	8,222	73,809	-	(83,472)
Student Transportation Services	89	-	-	-	(89)
Operation of Plant	738,616	-	-	-	(738,616)
Maintenance of Plant	15,461	-	-	-	(15,461)
Community Service	12,004	17,950	-	-	5,946
Debt Service - Interest	251,887	-	-	-	(251,887)
Total Pepin Academies of Pasco County, Inc., Activities	<u>\$ 5,376,548</u>	<u>\$ 26,172</u>	<u>\$ 205,099</u>	<u>\$ -</u>	<u>(5,145,277)</u>

General Revenues:

Grants and Contributions Not Restricted to Specific Programs	4,311,379
Miscellaneous	14,405
Total General Revenues	<u>4,325,784</u>
Change in Net Position	(819,493)
Net Position, Beginning	<u>498,894</u>
Net Position, Ending	<u>\$ (320,599)</u>

District School Board of Pasco County
Combining Statements of Activities
Component Units
For the Fiscal Year Ended June 30, 2020

	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<u>Plato Academy Trinity Charter School, Activities:</u>					
Instruction	\$ 1,671,301	\$ -	\$ -	\$ -	\$ (1,671,301)
Student Support Services	-	-	-	-	-
Instruction Related Technology	26,411	-	-	-	(26,411)
Board	47,665	-	-	-	(47,665)
General Administration	32,279	-	-	-	(32,279)
School Administration	183,598	-	-	-	(183,598)
Fiscal Services	-	-	-	-	-
Central Services	-	-	-	-	-
Operation of Plant	823,964	-	-	164,712	(659,252)
Maintenance of Plant	-	-	-	-	-
Debt Service - Interest	-	-	-	-	-
Depreciation-Unallocated	23,585	-	-	-	(23,585)
Total Plato Academy Trinity Charter School, Activities	<u>\$ 2,808,803</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 164,712</u>	<u>(2,644,091)</u>
<u>General Revenues:</u>					
Grants and Contributions Not Restricted to Specific Programs					2,350,839
Miscellaneous					333,200
Total General Revenues					<u>2,684,039</u>
Change in Net Position					39,948
Net Position, Beginning					<u>(569,001)</u>
Net Position, Ending					<u>\$ (529,053)</u>

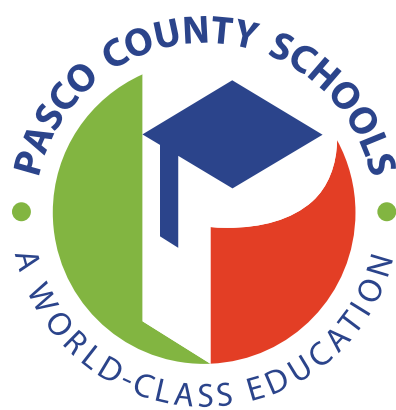
	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<u>Union Park Charter School, Activities:</u>					
Instruction	\$ 2,570,211	\$ -	\$ 341,984	\$ -	\$ (2,228,227)
Student Support Services	246,704	-	-	-	(246,704)
Instructional Media Services	-	-	-	-	-
Instructional and Curriculum Development	215	-	-	-	(215)
Instructional Staff Training Services	11,308	-	-	-	(11,308)
Instruction-Related Technology	106,805	-	-	-	(106,805)
Board	34,192	-	-	-	(34,192)
School Administration	412,322	-	127	-	(412,195)
Facilities Acquisition and Construction	209,120	-	-	-	(209,120)
Food Services	134	303	-	-	169
Central Services	104,331	-	-	-	(104,331)
Operation of Plant	840,775	-	42,909	-	(797,866)
Maintenance of Plant	124,910	-	-	-	(124,910)
Community Service	112,777	157,559	-	-	44,782
Debt Service - Interest	709,360	-	-	306,383	(402,977)
Depreciation-Unallocated	-	-	-	-	-
Total Union Park Charter School, Activities	<u>\$ 5,483,164</u>	<u>\$ 157,862</u>	<u>\$ 385,020</u>	<u>\$ 306,383</u>	<u>\$ (4,633,899)</u>
<u>General Revenues:</u>					
Grants and Contributions Not Restricted to Specific Programs					4,234,786
Miscellaneous					191
Unrestricted Investment Earnings					20,876
Total General Revenues					<u>4,255,853</u>
Change in Net Position					(378,046)
Net Position, Beginning					<u>(1,235,595)</u>
Net Position, Ending					<u>\$ (1,613,641)</u>

<u>Pasco Education Foundation, Inc., Activities:</u>	<u>Program Revenues</u>			<u>Net (Expense)</u>
<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Revenue and Changes in Net Position</u>
Community Service	<u>\$ 1,358,131</u>	<u>\$ -</u>	<u>\$ -</u>	<u>(1,358,131)</u>
 <u>General Revenues:</u>				
Grants and Contributions Not Restricted to Specific Programs				1,358,758
Unrestricted Investment Earnings				<u>(11,075)</u>
Total General Revenues				<u>1,347,683</u>
Change in Net Position				(10,448)
Net Position, Beginning				<u>4,413,696</u>
Net Position, Ending				\$ 4,403,248

District School Board of Pasco County
Combining Statements of Activities
Component Units
For the Fiscal Year Ended June 30, 2020

	Expenses	Charges for Services	Program Revenues Operating Grants and Contributions	Capital Grants and Contributions	Net (Expense) Revenue and Changes in Net Position
Total Component Units Activities:					
Instruction	\$ 24,934,778	\$ 117,374	\$ 524,459	\$ -	\$ (24,292,945)
Student Support Services	998,417	-	131,468	-	(866,949)
Instructional Media Services	104,032	-	-	-	(104,032)
Instructional and Curriculum Development	62,045	-	2,106	-	(59,939)
Instructional Staff Training Services	23,132	-	864	-	(22,268)
Instruction-Related Technology	436,352	-	-	-	(436,352)
Board	185,333	-	-	-	(185,333)
General Administration	1,253,012	-	-	-	(1,253,012)
School Administration	5,647,557	-	127	-	(5,647,430)
Facilities Acquisition and Construction	1,211,515	-	-	291,641	(919,874)
Fiscal Services	493,282	-	-	-	(493,282)
Food Services	228,311	8,525	73,809	-	(145,977)
Central Services	141,789	-	-	-	(141,789)
Student Transportation Services	400,814	-	39,991	-	(360,823)
Operation of Plant	5,730,601	59,011	42,909	814,033	(4,814,648)
Maintenance of Plant	476,838	-	-	-	(476,838)
Administrative Technology Services	114,636	-	-	-	(114,636)
Community Service	3,460,519	1,188,749	-	-	(2,271,770)
Debt Service - Interest	3,813,096	-	-	1,511,095	(2,302,001)
Depreciation-Unallocated	1,264,625	-	-	-	(1,264,625)
	<u>\$ 50,980,684</u>	<u>\$ 1,373,659</u>	<u>\$ 815,733</u>	<u>\$ 2,616,769</u>	<u>(46,174,523)</u>
Total Component Units Activities					
General Revenues:					
Grants and Contributions Not Restricted to Specific Programs					41,779,846
Miscellaneous					3,852,702
Unrestricted Investment Earnings					9,801
Total General Revenues					<u>45,642,349</u>
Change in Net Position					(532,174)
Net Position, Beginning					<u>7,035,486</u>
Adjustment to Beginning Net Position					-
Net Position, Ending					<u>\$ 6,503,312</u>

STATISTICAL SECTION



Statistical Section

Introduction

This section of the District's CAFR presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information say about the District's overall financial health. This information has not been audited by the independent auditor.

Financial Trends

These tables contain trend information to help the reader understand how the District's financial performance and well-being changed over time.

Table 1	Net Position by Component – Government-Wide
Table 2	Changes in Net Position – Primary Government
Table 3	Fund Balances – Governmental Funds
Table 4	Changes in Fund Balances – Governmental Funds and Debt Service Ratios

Revenue Capacity

These tables contain information to help the reader assess the District's significant local revenue sources, the property tax, as well as other revenue sources.

Table 5	Assessed and Estimated Actual Value of Taxable Property
Table 6	General Governmental Tax Revenues by Source
Table 7	Property Tax Levies and Collections
Table 8	Direct and Overlapping Property Tax Rates
Table 9	Principal Property Taxpayers

Debt Capacity

These tables contain information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.

Table 10	Ratios of Outstanding Debt by Type
Table 11	Direct and Overlapping Governmental Activities Debt
Table 12	Legal Debt Margin Information
Table 13	Pledged Revenue Coverage

Economic and Demographic Information

These tables offer economic and demographic indicators to help the reader understand the environment within which the District's financial activities take place.

Table 14	Demographic and Economic Statistics
Table 15	Principal Employers in Pasco County

Operating Information

These tables contain service and infrastructure 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.

Table 16	Number of Personnel
Table 17	Teacher Base Salaries
Table 18	Operating Statistics
Table 19	School Building Information

Sources: Unless otherwise noted, the information in this section is derived from the District's comprehensive annual reports for the relevant year.

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District School Board of Pasco County
Net Position by Component - Government-Wide
Last Ten Fiscal Years
(Unaudited)

Table 1

	For the Fiscal Year Ending			
	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014
Governmental Activities				
Net Investment in Capital Assets	\$ 610,511,400	\$ 587,895,355	\$ 590,932,554	\$ 599,058,815
Restricted	156,915,364	177,850,787	172,069,772	164,220,978
Unrestricted	42,414,994	29,533,195	28,365,685	15,313,862
Total Governmental Activities Net Position	<u>809,841,758</u>	<u>795,279,337</u>	<u>791,368,011</u>	<u>778,593,655</u>
Business-Type Activities				
Net Investment in Capital Assets	155,131	137,748	166,337	176,128
Unrestricted	4,609,491	5,387,604	3,013,904	2,209,578
Total Business-Type Activities Net Position	<u>4,764,622</u>	<u>5,525,352</u>	<u>3,180,241</u>	<u>2,385,706</u>
Primary Government				
Net Investment in Capital Assets	610,666,531	588,033,103	591,098,891	599,234,943
Restricted	156,915,364	177,850,787	172,069,772	164,220,978
Unrestricted	47,024,485	34,920,799	31,379,589	17,523,440
Total Primary Government Net Position	<u>\$ 814,606,380</u>	<u>\$ 800,804,689</u>	<u>\$ 794,548,252</u>	<u>\$ 780,979,361</u>

Note (A) The District implemented GASB 68 for fiscal year ended June 30, 2015.

Fiscal years prior to 2015 have not been restated for implementation of GASB 68.

Source: District records
CAFR - Exhibit A

Table 1

For the Fiscal Year Ending					
June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020
\$ 623,953,695	\$ 631,191,690	\$ 680,286,796	\$ 675,505,097	\$ 643,476,509	\$ 716,123,608
141,051,030	140,732,338	102,033,724	126,907,839	187,360,577	164,087,730
(183,605,569)	(183,118,232)	(199,267,302)	(260,385,768)	(280,756,847)	(311,944,762)
<u>581,399,156</u>	<u>588,805,796</u>	<u>583,053,218</u>	<u>542,027,168</u>	<u>550,080,239</u>	<u>568,266,576</u>
206,739	166,042	133,420	112,367	95,726	-
(751,298)	(131,406)	148,528	(602,458)	119,336	31,144
<u>(544,559)</u>	<u>34,636</u>	<u>281,948</u>	<u>(490,091)</u>	<u>215,062</u>	<u>31,144</u>
624,160,434	631,357,732	680,420,216	675,617,464	643,572,235	716,123,608
141,051,030	140,732,338	102,033,724	126,907,839	187,479,913	164,118,874
(184,356,867)	(183,249,638)	(199,118,774)	(260,988,226)	(280,637,511)	(311,913,618)
<u>\$ 580,854,597</u>	<u>\$ 588,840,432</u>	<u>\$ 583,335,166</u>	<u>\$ 541,537,077</u>	<u>\$ 550,295,301</u>	<u>\$ 568,297,720</u>

District School Board of Pasco County
Changes in Net Position - Primary Government
Last Ten Fiscal Years
(Unaudited)

	For the Fiscal Year Ending									
	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020
Expenses										
Governmental Activities										
Instruction	363,757,272	334,933,329	343,554,241	358,768,503	362,962,619	386,321,690	408,448,107	422,570,775	\$ 427,482,164	\$ 450,397,266
Student Support Services	27,818,587	25,200,500	25,331,587	25,618,232	26,801,838	27,878,254	30,820,513	33,010,405	37,041,624	39,897,302
Instructional Media Services	9,838,612	7,354,703	6,917,067	1,906,905	2,343,060	2,395,795	2,271,748	2,018,167	2,352,551	2,256,517
Instruction and Curriculum Development Services	15,384,400	13,400,395	11,764,667	14,558,446	15,800,130	16,807,274	19,238,370	19,647,149	20,216,195	22,753,810
Instructional Staff Training	13,936,346	10,971,329	11,073,276	9,426,682	7,324,613	7,168,371	9,608,442	9,237,951	12,289,500	12,057,016
Instruction-Related Technology	6,147,471	4,847,994	4,892,506	8,425,406	6,888,825	7,181,975	7,983,137	7,900,006	7,842,257	9,207,600
Board	3,121,338	668,918	610,730	620,416	530,109	593,665	932,028	799,596	613,403	636,315
General Administration	3,351,534	1,259,433	1,632,018	2,556,141	2,407,270	3,366,050	3,709,541	4,012,766	4,159,251	3,612,769
School Administration	36,616,082	34,008,721	34,289,049	36,456,573	37,661,405	39,320,749	43,055,596	44,770,488	44,305,575	46,926,692
Facilities Acquisition and Construction	14,981,752	12,736,731	14,195,220	14,491,329	17,381,716	22,312,816	25,737,667	27,557,051	35,004,632	29,669,498
Fiscal Services	2,495,234	2,199,577	2,281,430	2,708,890	2,792,302	2,789,717	3,092,802	3,293,417	3,195,621	3,087,789
Food Services	30,842,650	30,476,104	31,884,356	32,787,091	35,477,047	39,016,954	40,699,866	39,594,503	41,600,111	38,923,162
Central Services	848,370	1,734,199	4,024,807	6,030,792	8,227,505	12,010,763	2,817,157	5,183,668	8,291,206	9,340,854
Student Transportation Services	28,495,921	27,912,093	27,623,111	29,162,574	29,695,863	29,927,606	32,940,721	34,350,249	34,943,605	34,187,902
Operation of Plant	46,454,690	46,432,259	42,208,748	45,192,330	42,537,525	45,765,410	44,284,504	45,156,061	47,571,171	48,522,885
Maintenance of Plant	12,712,872	11,012,852	10,903,885	11,583,005	10,565,620	11,374,941	12,375,243	12,300,170	12,465,228	12,839,023
Administrative Technology Services	3,173,777	3,084,540	3,146,509	3,692,101	6,047,282	9,929,967	9,795,116	10,156,901	10,490,704	10,800,963
Community Services	582,837	618,337	688,852	510,674	867,512	475,657	410,564	2,314,173	595,641	546,304
Interest on Long-term Liabilities	18,650,661	17,827,097	16,680,024	24,315,270	15,059,988	15,510,778	16,115,585	15,572,907	17,408,405	19,720,118
Total Government Activities Expenses	\$ 639,210,406	\$ 586,679,111	\$ 593,702,083	\$ 628,811,360	\$ 631,372,229	\$ 680,148,432	\$ 714,336,707	\$ 739,446,403	\$ 767,868,844	\$ 795,383,185
Business-Type Activities:										
PLACE Program	8,039,992	7,753,564	7,941,510	9,155,859	9,363,111	9,850,333	9,853,988	9,943,439	9,743,079	9,971,006
Vending Program	-	-	-	-	552,755	506,375	591,061	588,319	710,488	526,956
Total Business-Type Activities Expenses	8,039,992	7,753,564	7,941,510	9,155,859	9,915,866	10,356,708	10,445,049	10,531,758	10,453,567	10,497,962
Total Primary Government Expenses	\$ 647,250,398	\$ 594,432,675	\$ 601,643,593	\$ 637,967,219	\$ 641,288,095	\$ 690,505,140	\$ 724,781,756	\$ 749,978,161	\$ 778,322,411	\$ 805,881,147
Program Revenues										
Governmental Activities										
Charges for Services										
Instruction	254,868	1,511,101	522,095	586,263	407,780	524,903	508,294	641,551	647,104	543,901
Food Services	11,824,461	11,697,038	11,441,922	11,086,807	11,033,632	11,312,259	11,419,572	10,385,274	12,124,095	9,433,667
Student Transportation	1,031,745	1,148,279	992,215	1,060,679	1,209,902	1,142,417	1,210,992	1,193,069	604,478	491,037
Operating Grants and Contributions	35,241,557	21,417,728	37,633,087	38,821,862	40,056,713	42,499,928	44,065,787	44,743,319	45,657,187	45,792,654
Capital Grants and Contributions	8,129,586	8,198,949	9,128,908	12,418,525	12,852,412	14,539,299	21,752,287	21,082,658	31,232,910	38,374,100
Total Government Activities Program Revenue	\$ 56,482,217	\$ 43,973,095	\$ 59,718,227	\$ 63,974,136	\$ 65,560,439	\$ 70,018,806	\$ 78,956,932	\$ 78,045,871	\$ 90,265,774	\$ 94,635,359

(continued)

	For the Fiscal Year Ending									
	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020
Business-Type Activities										
Charge for Services Provided	8,975,781	8,495,164	8,562,722	9,360,814	9,435,575	10,454,332	10,510,012	9,699,751	10,392,895	9,700,015
Charge for Sales	-	-	-	-	554,602	527,256	567,712	592,853	713,341	542,867
Total Business-Type Activities Revenues	8,975,781	8,495,164	8,562,722	9,360,814	9,990,177	10,981,588	11,077,724	10,292,604	11,106,236	10,242,882
Total Primary Government Program Revenues	<u>\$ 65,457,998</u>	<u>\$ 52,468,259</u>	<u>\$ 68,280,949</u>	<u>\$ 73,334,950</u>	<u>\$ 75,550,616</u>	<u>\$ 81,000,394</u>	<u>\$ 90,034,656</u>	<u>\$ 88,338,475</u>	<u>\$ 101,372,010</u>	<u>\$ 104,878,241</u>
Net (Expense) Revenues										
Government Activities	(582,728,189)	(542,706,016)	(533,983,856)	(564,837,224)	(565,811,790)	(610,129,626)	(635,379,775)	(661,400,532)	(677,603,070)	(700,747,827)
Business-Type Activities	935,789	741,600	621,212	204,955	74,311	624,880	632,675	(239,154)	652,669	(255,080)
Total Primary Government Net (Expenses) Revenues	<u>\$ (581,792,400)</u>	<u>\$ (541,964,416)</u>	<u>\$ (533,362,644)</u>	<u>\$ (564,632,269)</u>	<u>\$ (565,737,479)</u>	<u>\$ (609,504,746)</u>	<u>\$ (634,747,100)</u>	<u>\$ (661,639,686)</u>	<u>\$ (676,950,401)</u>	<u>\$ (701,002,907)</u>
General Revenues and Other Changes in Net Position										
Governmental Activities										
Property Taxes	137,589,229	133,136,587	120,318,952	121,552,684	123,010,141	128,319,631	129,369,699	133,771,102	139,108,018	145,183,437
Levied for General Purposes	-	-	-	-	-	-	-	-	-	-
Levied for Debt Services	32,903,497	32,505,792	30,896,444	31,131,186	32,660,786	34,313,082	36,291,600	39,599,116	43,655,059	47,325,942
Levied for Capital Purposes	25,406,921	25,321,574	27,490,903	28,784,359	26,680,307	25,738,211	26,942,544	28,398,773	31,013,628	32,123,910
Sales Taxes	390,434,709	326,929,740	338,910,337	369,957,624	386,425,843	404,584,134	420,677,690	434,081,243	447,677,693	465,026,804
Grants and Contributions not Restricted to Specific Programs	-	-	3,000,000	1,000,000	-	56,634	405,273	610	55,093	44,065
Transfers	14,463,706	9,702,528	8,129,246	12,125,787	14,454,399	22,699,580	14,408,081	16,385,561	15,994,974	22,383,103
Miscellaneous	2,385,946	547,374	1,326,648	580,012	816,253	1,824,994	1,532,310	2,486,903	8,151,676	6,846,902
Unrestricted Investment Earnings	603,184,008	528,143,595	530,072,530	565,131,652	584,047,729	617,536,266	629,627,197	654,723,308	685,656,141	718,934,163
Total Governmental Activities	<u>1,375,749,349</u>	<u>1,258,143,595</u>	<u>1,203,072,530</u>	<u>1,255,131,652</u>	<u>1,284,047,729</u>	<u>1,375,536,266</u>	<u>1,375,627,197</u>	<u>1,415,723,308</u>	<u>1,455,656,141</u>	<u>1,518,934,163</u>
Business-Type Activities										
Interest	3,741	13,223	33,677	121	20,578	10,665	19,651	40,525	109,370	114,994
Miscellaneous	-	5,907	-	389	309	284	259	1,298	(1,793)	233
Transfers	-	-	(3,000,000)	(1,000,000)	-	(56,634)	(405,273)	(610)	(55,093)	(44,065)
Total Business-Type Activities	3,741	19,130	(2,966,323)	(999,490)	20,887	(45,685)	(385,363)	41,213	52,484	71,162
Total Primary Government	<u>\$ 603,187,749</u>	<u>\$ 528,162,725</u>	<u>\$ 527,106,207</u>	<u>\$ 564,132,162</u>	<u>\$ 584,068,616</u>	<u>\$ 617,490,581</u>	<u>\$ 629,241,834</u>	<u>\$ 654,764,521</u>	<u>\$ 685,708,625</u>	<u>\$ 719,005,325</u>
Changes in Net Position										
Governmental Activities	20,455,819	(14,562,421)	(3,911,326)	294,428	18,235,939	7,406,640	(5,752,578)	(6,671,224)	8,053,071	18,186,337
Business-Type Activities	939,530	760,730	(2,345,111)	(794,535)	95,198	579,195	247,312	(197,941)	705,153	(183,918)
Total Primary Government	<u>\$ 21,395,349</u>	<u>\$ (13,801,691)</u>	<u>\$ (6,256,437)</u>	<u>\$ (500,107)</u>	<u>\$ 18,331,137</u>	<u>\$ 7,985,835</u>	<u>\$ (5,505,266)</u>	<u>\$ (6,875,165)</u>	<u>\$ 8,758,224</u>	<u>\$ 18,002,419</u>

Source: District records - CAFR Exhibit B

**District School Board of Pasco County
Fund Balances - Governmental Funds
Last Ten Fiscal Years
(Unaudited)**

Table 3

	For the Fiscal Year Ending				
	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015
General Fund					
Fund Balance					
Nonspendable	\$ 3,893,982	\$ 4,568,706	\$ 3,612,982	\$ 3,444,488	\$ 3,706,116
Restricted	7,563,258	5,326,016	3,124,608	6,903,768	4,793,446
Assigned	26,466,857	15,673,843	17,407,505	11,451,799	21,418,729
Unassigned	22,964,288	22,714,296	23,499,528	32,983,587	26,101,381
Reserved	-	-	-	-	-
Unreserved	-	-	-	-	-
Total General Fund	\$ 60,888,385	\$ 48,282,861	\$ 47,644,623	\$ 54,783,642	\$ 56,019,672
All Other Governmental Funds					
Fund Balance					
Nonspendable					
Special Revenue-Food Service	\$ 1,695,810	\$ 1,380,195	\$ 1,223,200	\$ 1,153,542	\$ 1,238,056
Capital Projects Other	-	-	-	-	-
Restricted					
Special Revenue -Food Service	4,383,403	7,183,864	7,100,164	8,774,328	9,000,902
Debt Service	18,525,444	21,389,660	17,001,808	14,026,067	11,958,237
Capital Projects	135,332,919	110,020,160	147,001,633	241,878,569	211,168,847
Assigned					
Capital Projects	27,091,944	31,775,584	-	-	-
Reserved	-	-	-	-	-
Unreserved, Reported In					
Capital Projects Funds	-	-	-	-	-
Debt Service Funds	-	-	-	-	-
Special Revenue Funds	-	-	-	-	-
Total All Other Government Funds	\$ 187,029,520	\$ 171,749,463	\$ 172,326,805	\$ 265,832,506	\$ 233,366,042

Note (A) The District implemented GASB 54 for the fiscal year ended June 30, 2011. Fiscal years prior to 2011 have not been restated for implementation of GASB 54.

Source District records - CAFR Exhibit C

Table 3

June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020
\$ 3,870,506	\$ 3,437,955	\$ 3,628,214	\$ 4,031,240	\$ 4,007,783
1,393,683	4,089,246	5,297,161	5,428,866	6,727,153
25,344,899	25,728,404	26,716,791	28,771,824	39,213,848
26,132,916	26,708,735	27,711,359	28,549,110	29,270,185
-	-	-	-	-
-	-	-	-	-
<u>\$ 56,742,004</u>	<u>\$ 59,964,340</u>	<u>\$ 63,353,525</u>	<u>\$ 66,781,040</u>	<u>\$ 79,218,969</u>
\$ 1,168,050	\$ 1,050,871	\$ 1,323,178	\$ 944,418	\$ 1,590,488
11,882,999	3,831,027	553,306	-	-
7,892,363	6,492,995	6,135,162	6,056,647	5,447,100
13,252,861	18,885,182	14,102,339	10,907,490	13,967,117
180,189,182	114,240,095	143,163,912	214,548,182	262,411,067
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
<u>\$ 214,385,455</u>	<u>\$ 144,500,170</u>	<u>\$ 165,277,897</u>	<u>\$ 232,456,737</u>	<u>\$ 283,415,772</u>

Table 4

District School Board of Pasco County
Changes in Fund Balances - Governmental Funds
And Debt Service Ratios
Last Ten Fiscal Years
(Unaudited)

	For the Fiscal Year Ending				
	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015
Revenues					
Federal Sources					
Federal Grants	\$ 96,950,923	\$ 42,340,203	\$ 42,541,633	\$ 46,178,627	\$ 48,913,244
Food Services	20,815,526	20,980,131	22,141,725	23,319,438	24,565,522
Total Federal Sources	117,766,449	63,320,334	64,683,358	69,498,065	73,478,766
State Sources					
Florida Education Finance Program	222,031,695	204,656,075	229,215,516	256,270,767	268,469,393
Public Education Capital Outlay	3,524,056	703,197	666,291	1,002,216	796,597
Food Services	426,031	437,597	419,874	424,778	414,356
State Grants and Other	85,811,367	82,611,163	84,676,064	85,291,068	86,841,606
Total State Sources	311,793,149	288,408,032	314,977,745	342,988,829	356,521,952
Local Sources					
Property Taxes	170,492,726	165,642,379	151,215,396	152,683,870	155,670,927
Local Sales Taxes	25,406,921	25,321,574	27,490,903	28,784,359	26,680,307
Food Services	11,778,792	11,650,985	11,441,922	11,028,315	10,532,753
Investment Earnings	2,388,287	590,385	1,267,749	580,012	816,254
Local grants and other	19,274,584	16,094,030	15,445,937	21,704,165	24,544,524
Total Local Sources	229,341,310	219,299,353	206,861,907	214,780,721	218,244,765
Total Revenues	658,900,908	571,027,719	586,523,010	627,267,615	648,245,483
Expenditures					
Current-Education					
Instruction	325,557,314	296,241,293	299,761,436	314,892,649	333,028,297
Student Support Services	27,470,406	24,952,342	25,031,281	25,231,533	26,612,973
Instructional Media Services	9,468,350	7,142,745	6,763,983	2,314,127	2,621,203
Instruction and Curriculum Development Services	15,299,116	13,293,905	11,701,933	14,274,568	15,640,068
Instructional Staff Training	13,976,906	10,844,460	10,981,833	9,767,487	7,396,496
Instruction-Related Technology	6,126,500	4,799,806	4,864,701	8,298,947	6,742,355
Board	2,980,400	487,161	468,772	469,656	500,228
General Administration	3,317,673	1,226,250	1,512,137	2,535,795	2,357,187
School Administration	36,404,238	33,210,176	33,759,267	35,391,965	36,925,142
Facilities Services	6,424,831	4,028,151	4,833,626	4,550,999	5,708,614
Fiscal Services	2,404,739	2,114,358	2,228,720	2,563,383	2,774,726
Food Services	30,565,745	30,189,633	31,598,711	32,469,486	35,249,881
Central Services	6,675,392	5,903,365	5,643,763	6,490,365	7,760,284
Student Transportation Services	27,697,245	27,217,617	27,052,856	28,396,338	29,405,350
Operation of Plant	46,183,311	46,025,891	41,856,266	44,337,010	42,452,205
Maintenance of Plant	12,518,437	10,877,222	10,586,881	11,342,028	10,536,743
Administrative Technology Services	3,196,306	3,030,764	3,118,929	3,601,933	5,988,463
Community Services	648,347	622,397	667,873	533,017	856,821
Capital Outlay					
Facilities Acquisition and Construction	37,632,689	35,571,766	28,043,055	42,671,034	78,196,590
Other Capital Outlay	1,930,515	907,144	1,334,131	1,692,110	3,611,166
Debt Service					
Principal	21,812,001	22,527,001	23,557,001	24,607,001	21,324,001
Interest	17,440,390	17,133,664	16,110,854	25,426,070	15,980,740
Fiscal Charges	1,361,160	721,224	660,328	2,251,649	706,254
Total Expenditures	657,092,011	599,068,335	592,138,337	644,109,150	692,375,787
Excess (Deficiency) of Revenues Over Expenditures	1,808,897	(28,040,616)	(5,615,327)	(16,841,535)	(44,130,304)
Other Financing Sources (Uses)					
Face Value of Bonds Issued	1,450,000	1,710,000	-	96,715,000	-
Face Value of Certificates of Participation Issued	-	-	-	-	13,655,000
Face Value of Refunding Bonds	-	-	-	1,724,000	2,411,000
Face Value of Refunding Certificates of Participation	-	-	-	151,696,458	44,145,000
Premiums on Bonds Issued	117,416	226,415	-	16,459,978	7,814,270
Premiums on Certificates of Participation Issued	-	-	-	-	-
Premiums on Refunding Bonds	-	-	-	272,637	174,776
Premiums on Refunding Certificates of Participation Iss	-	-	-	-	-
Capital Leases	-	-	-	-	-
Proceeds from the Sale of Capital Assets	45,248	154,466	8,346	6,651	100,000
Discounts on Refunding Bonds	-	-	-	(186,756)	-
Payments to Refunded Bond Escrow Agent	-	(1,931,399)	-	(150,186,713)	(55,585,176)
Transfers In	45,089,857	58,144,210	42,070,126	51,152,626	38,549,554
Transfers Out	(45,289,857)	(58,148,657)	(36,524,041)	(50,167,626)	(38,364,554)
Total Other Financing Sources (Uses)	1,412,664	155,035	5,554,431	117,486,255	12,899,870
Net Change in Fund Balances	\$ 3,221,561	\$ (27,885,581)	\$ (60,896)	\$ 100,644,720	\$ (31,230,434)
Debt Service as a Percentage of Noncapital Expenditures	6.36%	7.05%	7.05%	8.34%	6.11%

Source District records - CAFR Exhibit E

Table 4

For the Fiscal Year Ending				
June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020
\$ 48,742,547	\$ 49,107,569	\$ 47,555,770	\$ 50,737,063	\$ 50,654,838
26,319,045	27,798,916	28,355,077	28,574,656	28,056,082
75,061,592	76,906,485	75,910,847	79,311,719	78,710,920
284,094,218	298,842,427	308,188,941	316,279,681	337,956,712
2,445,259	3,384,042	1,996,243	2,586,879	3,945,019
395,520	377,682	364,856	371,155	-
90,418,539	91,562,941	97,355,243	100,445,949	97,313,396
377,353,536	394,167,092	407,905,283	419,683,664	439,215,127
162,632,713	165,661,299	173,370,218	182,763,077	192,509,271
25,738,211	26,942,544	28,398,773	31,013,628	32,123,910
10,571,030	10,477,201	9,709,510	11,058,659	8,624,652
1,824,994	625,270	2,486,903	8,151,676	6,846,902
33,517,381	32,254,391	33,706,373	41,381,964	52,982,479
234,284,329	235,960,705	247,671,777	274,369,004	293,087,214
686,699,457	707,034,282	731,487,907	773,364,387	811,013,261
348,822,641	355,842,835	366,197,365	376,198,632	386,932,926
28,063,110	29,598,411	31,509,727	35,554,016	37,192,148
2,666,744	2,479,436	2,181,593	2,168,574	2,025,542
16,304,718	18,098,354	18,581,077	19,169,308	20,958,445
7,890,300	9,637,889	9,190,185	11,808,887	11,384,400
7,202,055	7,454,425	7,310,989	7,314,087	8,530,870
501,973	659,516	617,585	536,659	525,782
3,173,955	3,718,363	3,735,356	4,080,292	3,425,445
38,335,496	39,484,674	41,144,285	41,083,357	43,274,939
7,779,022	4,654,495	7,335,045	8,432,053	7,960,933
2,782,547	2,994,927	3,161,218	2,980,579	2,922,805
38,602,742	39,648,115	38,563,695	40,587,539	37,579,557
7,710,236	7,630,842	7,415,607	7,487,977	7,549,362
29,452,611	31,296,318	32,755,198	33,347,462	31,962,480
45,519,558	42,785,163	44,263,036	46,147,036	47,283,566
11,004,569	11,563,187	11,604,479	11,623,793	11,979,617
9,330,449	9,099,520	9,457,166	9,858,674	10,042,108
434,922	416,265	2,320,791	578,852	519,647
131,094,037	124,023,320	62,217,169	65,359,550	96,467,481
1,388,704	1,338,599	1,197,772	1,566,880	1,018,691
24,451,976	29,452,032	34,130,499	46,104,545	42,548,515
16,400,738	18,002,773	17,233,274	18,126,021	19,672,173
643,131	334,264	233,877	887,765	962,618
\$779,556,234	\$790,213,723	\$752,356,988	\$791,002,538	832,720,050
(92,856,777)	(83,179,441)	(20,869,081)	(17,638,151)	(21,706,789)
30,075,000	-	35,000,000	-	-
25,995,000	-	-	68,200,000	56,165,000
-	3,288,000	-	-	820,000
-	-	-	-	49,990,000
-	-	-	-	-
4,398,965	-	-	7,536,232	16,483,858
-	501,636	-	-	160,595
-	-	-	-	5,305,206
13,771,923	10,410,158	12,761,538	6,800,061	11,888,172
116,000	1,726,425	810,301	51,037	55,520
-	-	-	-	-
-	-	(3,830,656)	-	(56,212,063)
41,839,953	50,421,041	52,282,147	65,516,189	68,048,245
(41,598,319)	(49,830,768)	(51,987,337)	(65,160,178)	(67,600,780)
74,598,522	16,516,492	45,035,993	88,244,506	85,103,753
\$ (18,258,255)	\$ (66,662,949)	\$ 24,166,912	\$ 70,606,355	\$ 63,396,964
6.31%	7.14%	7.46%	8.87%	8.46%

Table 5

District School Board of Pasco County
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(in thousands)
(Unaudited)

Fiscal Year	Estimated Actual Value (1)		Exemptions (2)		Taxable Assessed Value				(4) Assessed Value as a Percentage of Estimated Actual Value	(5) Total Direct Tax Rate
	Real Property	Personal Property	Real Property	Personal Property	Real Property	Personal Property	Centrally (3) Assessed Value	Total		
2020	\$ 37,141,649	\$ 3,172,831	\$ 6,488,904	\$ 1,176,838	\$ 30,652,745	\$ 1,995,993	\$ 16,553	\$ 32,665,291	80.99%	6.10
2019	34,261,268	3,139,477	6,086,761	1,204,757	28,174,507	1,934,720	16,946	30,126,173	80.51%	6.28
2018	31,279,822	3,031,909	5,817,434	1,211,526	25,462,388	1,820,383	16,239	27,299,010	79.52%	6.57
2017	29,067,345	3,032,422	5,641,534	1,205,663	23,425,811	1,826,759	16,520	25,269,090	78.68%	6.78
2016	27,320,145	2,914,474	5,409,988	1,206,661	21,910,157	1,707,813	15,499	23,633,469	78.13%	7.11
2015	26,247,234	2,846,669	5,377,106	1,209,922	20,870,128	1,636,747	15,296	22,522,171	77.37%	7.34
2014	25,234,228	2,819,116	5,392,933	1,215,988	19,841,295	1,603,128	14,769	21,459,192	76.45%	7.34
2013	24,978,580	2,876,461	5,389,039	1,203,332	19,589,541	1,673,129	14,013	21,276,683	76.35%	6.86
2012	28,013,760	3,039,322	7,278,503	1,322,493	20,735,257	1,716,829	14,073	22,466,159	72.31%	6.37
2011	29,126,608	3,111,656	7,962,504	1,342,488	21,164,104	1,769,168	12,413	22,945,685	71.15%	6.37

(1) Section 192.00(2), Florida Statutes, defines assessed value of property as "an annual determination of the just or fair market value of an item or property. . .". Consequently, estimated actual value, above, is assessed value before exemptions. Pasco County Property Appraiser's Office.

(2) Chapter 196, Florida Statutes, grants various exemptions for qualifying historic, economic development, governmental, and institutional property, the latter including charitable, religious, scientific, literary and educational property. Exemptions are also granted for residential property for widows/widowers, disabled/blind, homestead exemption (\$25,000), additional homestead exemption (age 65 or older, \$25,000), and homestead differential (just value minus a capped value).

(3) Property, such as railroad property, for which valuation is provided to the Property Appraiser by the Florida Department of Revenue [see Section 193.085(4), Florida Statutes].

(4) Centrally Assessed Property has been added to the total estimated actual value of Real and Personal Property when computing this percentage.

(5) Total Tax Levy (Pasco County CAFR) to Total Taxable Assessed Value (above). Tax rates are per \$1,000 of assessed value.

Source: Pasco County Property Appraiser

**District School Board of Pasco County
General Governmental Tax Revenues by Source
Last Ten Fiscal Years
(Unaudited)**

Fiscal Year	Property Tax			Sales Tax	Total
	General Purposes	Debt Service (1)	Capital Projects		
2020	\$ 145,183,329	\$ -	\$ 47,325,942	\$ 32,123,910	224,633,181
2019	139,108,018	-	43,655,059	31,013,627	213,776,704
2018	133,771,102	-	39,599,116	28,398,773	201,768,991
2017	129,368,717	-	36,199,530	26,942,544	192,510,791
2016	128,319,631	-	34,313,082	25,738,211	188,370,924
2015	123,010,141	-	32,660,786	26,680,307	182,351,234
2014	121,552,684	-	31,131,186	28,784,359	181,468,229
2013	120,318,952	-	30,896,444	27,490,903	178,706,299
2012	133,136,587	-	32,505,792	25,321,574	190,963,953
2011	137,589,229	-	32,903,497	25,406,921	195,899,647

(1) The voter approved property tax for debt service has ended; any debt service revenues collected after the 2007-2008 fiscal year represent delinquent collections. The final debt service payment was made in the 2007-2008 fiscal year.

Source: District records - CAFR Exhibit E

**District School Board of Pasco County
Property Tax Levies and Collections
Last Ten Fiscal Years
(Unaudited)**

Table 7

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount (A)	Percentage of Levy		Amount (A)	Percentage of Levy
2020	\$ 199,290,938	\$ 192,353,424	96.5%	\$ -	192,353,424	96.5%
2019	189,162,255	182,682,918	96.6%	87,788	182,770,706	96.6%
2018	179,218,000	173,280,469	96.7%	80,159	173,360,628	96.7%
2017	171,248,625	165,568,248	96.7%	89,749	165,657,997	96.7%
2016	168,011,731	162,533,528	96.7%	93,052	162,626,580	96.8%
2015	160,986,519	155,605,008	96.7%	159,639	155,764,647	96.8%
2014	157,875,272	152,490,829	96.6%	161,858	152,652,687	96.7%
2013	156,192,206	151,072,442	96.7%	142,954	151,215,396	96.8%
2012	171,750,509	165,642,379	96.4%	554,161	166,196,540	96.8%
2011	178,353,964	170,468,487	95.6%	24,239	170,492,726	95.6%

Note: Property Taxes become due and payable on November 1st of each year. A four percent (4%) discount is allowed if the taxes are paid in November, with the discount declining by one percent (1%) each month thereafter.

Accordingly, taxes collected usually will not 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 no later than June 1st of each year.

(A) Net of allowable discounts

Sources District records

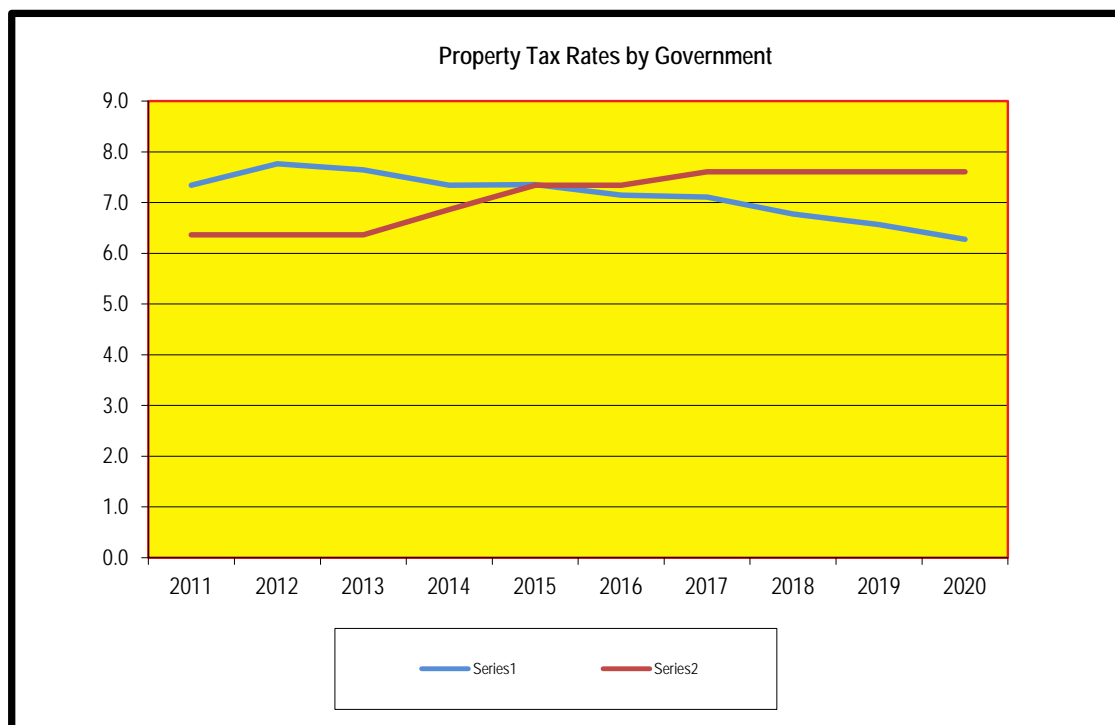
District School Board of Pasco County
Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(per \$1,000 assessed valuation)
(Unaudited)

Fiscal Year	Local Required Effort Millage (2)	Discretionary Local Millage	Supplemental Discretionary Millage (1)	Capital Improvement Millage	Total Pasco Schools	Pasco County
2020	3.853	0.748	0.000	1.500	6.101	7.608
2019	4.031	0.748	0.000	1.500	6.279	7.608
2018	4.317	0.748	0.000	1.500	6.565	7.608
2017	4.529	0.748	0.000	1.500	6.777	7.608
2016	4.861	0.748	0.000	1.500	7.109	7.608
2015	4.901	0.748	0.000	1.500	7.149	7.344
2014	5.109	0.748	0.000	1.500	7.357	7.344
2013	5.093	0.748	0.000	1.500	7.341	6.862
2012	5.396	0.748	0.000	1.500	7.644	6.367
2011	5.519	0.748	0.000	1.500	7.767	6.367

(1) For the 2009-2010 fiscal year and thereafter, the State of Florida combined the Supplemental Discretionary and Discretionary Local Millage in

(2) Local Required Effort Millage for the 2010-2011 fiscal year includes the millage of .250 for Critical Need.

Source: Pasco County website - www.pascocountyfl.net/menu/oindex.htm



District School Board of Pasco County
Principal Property Taxpayers
Current and Nine Years Ago
(Unaudited)

Table 9

Taxpayer	2020			2011		
	Rank	Taxable Assessed Valuation	Percentage of Total Assessed Value	Rank	Taxable Assessed Valuation	Percentage of Total Assessed Value
Duke Energy Center	1	\$ 469,518,351	1.48%			
Withlacoochee River Electric Cooperative	2	288,313,273	0.91%	3	210,823,100	0.80%
Frontier Florida LLC (1)	3	117,608,347	0.37%	2	201,949,259	0.76%
HCA Health services of Florida	4	121,082,135	0.38%	9	76,511,724	0.29%
Tampa Premium Outlets LLC	5	97,245,270	0.31%			
Bright House Networks LLC	6	80,241,175	0.25%	6	93,827,343	0.35%
Tampa Electric Co	7	77,671,004	0.24%			
Florida Gas Transmission Co	8	82,459,229	0.26%			
Pasco Ranch Inc	9	70,081,131	0.22%			
Publix Super Markets Inc	10	65,503,562	0.21%	10	46,953,134	0.17%
Florida Power Corp.				1	349,801,684	1.33%
Shady Hills Power Company LLC				4	117,387,065	0.44%
Goodforest LLC				5	100,620,462	0.38%
Wal-Mart Stores				7	82,413,729	0.31%
Zephyrhills Bottle Water America, Inc.				8	67,413,905	0.05%
Total		<u>\$ 1,469,723,477</u>	<u>4.63%</u>		<u>\$ 1,347,701,405</u>	<u>4.88%</u>

(1) Formerly Verizon Communications Inc.

Source: Pasco County Property Appraiser

District School Board of Pasco County
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(Unaudited)

Fiscal Year	Governmental Activities										Estimated Population	Per Capita	Personal Income (thousands of dollars)	Outstanding Debt to Personal Income Ratio				
	State Board of Education Bonds		District Revenue Bonds	Sales Tax Revenue Bonds		Certificates of Participation	Capital Leases	Total Primary Government										
2020	\$	5,706,095	\$	2,103,853	\$	99,254,379	\$	451,803,826	\$	28,447,871	\$	587,316,024	553,947	1,060	\$	21,754,119	\$	27
2019		6,489,510		2,221,841		118,137,298		396,347,247		24,916,976		548,112,872	539,630	1,016		20,432,004		27
2018		7,409,605		2,334,829		137,035,217		340,183,148		22,406,644		509,369,443	525,643	969		20,453,361		25
2017		8,497,480		2,442,819		115,368,138		354,936,552		17,316,666		498,561,655	512,368	973		19,000,369		26
2016		9,887,266		2,545,807		127,361,057		369,048,086		11,487,471		520,329,687	497,909	1,045		18,017,635		29
2015		12,068,756		2,643,796		106,873,977		351,603,807		-		473,190,336	485,331	975		16,478,279		29
2014		13,770,270		2,736,785		122,299,509		340,136,322		-		478,942,886	475,502	1,007		15,679,803		31
2013		15,498,519		2,829,773		27,254,033		342,845,923		-		388,428,248	470,391	826		15,735,511		25
2012		18,633,288		2,917,763		40,030,452		352,547,848		-		414,129,351	466,457	888		14,974,427		28
2011		18,748,406		3,005,751		52,221,872		361,874,773		-		435,850,802	464,697	938		13,790,695		32

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

N/A = Data not currently available

(1) Ratio per thousand dollars of personal income

Source: District records

Pasco County Government

US Census Bureau: <http://quickfacts.census.gov/qfd/states/12/12101.html>

Table 10

District School Board of Pasco County
Direct and Overlapping Governmental Activities Debt
As of June 30, 2020
(Unaudited)

Table 11

Jurisdiction	Net Debt Outstanding	Percentage Applicable to this Governmental Unit	Amount Applicable to this Governmental Unit
Pasco County Board of County Commissioners Overlapping Debt	\$ 136,169,000	0%	\$ -
District School Board of Pasco County Direct Debt	587,316,024	100%	587,316,024
Totals	<u>\$ 723,485,024</u>		<u>\$ 587,316,024</u>

Note: 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 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 : District records
Pasco County CAFR, September 30, 2019

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District School Board of Pasco County
Legal Debt Margin Information
Last Ten Fiscal Years
(Unaudited)

Table 12

	<u>June 30, 2011</u>	<u>June 30, 2012</u>	<u>June 30, 2013</u>	<u>June 30, 2014</u>
Assessed Valuation	\$ 22,963,002,249	\$ 22,466,159,275	\$ 21,276,683,168	\$ 21,459,191,534
Debt Limit	\$ 2,296,300,225	\$ 2,246,615,928	\$ 2,127,668,317	\$ 2,145,919,153
Less: Net Debt applicable to the limit	435,850,802	414,129,351	388,428,248	478,942,886
Legal debt margin	<u>\$ 1,860,449,423</u>	<u>\$ 1,832,486,577</u>	<u>\$ 1,739,240,069</u>	<u>\$ 1,666,976,267</u>
Total net debt applicable to the limit as a percentage of debt	18.98%	18.43%	18.26%	22.32%

Note:

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

Source: District Records
Pasco Property Appraisers Office

Table 12

For the Fiscal Year Ending						
June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019	June 30, 2020	
\$ 22,522,171,880	\$ 23,633,468,723	\$ 25,269,090,310	\$ 27,299,009,995	\$ 30,126,175,305	\$ 32,665,290,697	
\$ 2,252,217,188	\$ 2,363,346,872	\$ 2,526,909,031	\$ 2,729,901,000	\$ 3,012,617,531	\$ 3,266,529,070	
473,190,336	520,329,687	498,561,655	509,369,443	548,112,872	587,316,024	
<u>\$ 1,779,026,852</u>	<u>\$ 1,843,017,185</u>	<u>\$ 2,028,347,376</u>	<u>\$ 2,220,531,557</u>	<u>\$ 2,464,504,659</u>	<u>\$ 2,679,213,046</u>	
21.01%	22.02%	19.73%	18.66%	18.19%	17.98%	

District School Board of Pasco County
Pledged-Revenue Coverage
Last Ten Fiscal Years
(Unaudited)

Table 13

Fiscal Year	Local Sales Tax Revenue		Debt Service			Coverage Ratio
			Principal	Interest	Total	
2020	\$	32,123,910	\$ 17,320,000	\$ 4,050,575	\$ 21,370,575	1.50
2019		31,013,627	17,335,000	4,513,309	21,848,309	1.42
2018		28,398,773	11,770,000	4,239,590	16,009,590	1.77
2017		26,942,544	10,430,000	4,587,820	15,017,820	1.79
2016		25,738,211	8,025,000	4,358,318	12,383,318	2.08
2015		26,680,307	13,525,000	5,051,869	18,576,869	1.44
2014		28,784,359	12,885,000	2,140,898	15,025,898	1.92
2013		27,490,903	12,270,000	1,627,250	13,897,250	1.98
2012		25,321,574	11,685,000	2,226,125	13,911,125	1.82
2011		25,406,921	11,130,000	6,003,289	17,133,289	1.48

Sources: District records

**District School Board of Pasco County
Demographic and Economic Statistics
Last Ten Fiscal Years
(Unaudited)**

Table 14

Fiscal Year	Estimated Population (1)	Personal Income (thousands of dollars) (5)	Per Capita Personal Income (4)	Unemployment Rate (2)	Student Membership (3)
2020	553,947	\$ 21,754,119	\$ 40,313	10.0%	76,687
2019	539,630	20,432,004	\$ 38,917	3.8%	75,809
2018	525,643	20,453,361	38,911	4.2%	75,054
2017	512,368	19,000,369	37,083	6.5%	73,570
2016	497,909	18,017,635	36,187	5.3%	71,658
2015	485,331	16,478,279	33,953	6.1%	70,134
2014	475,502	15,679,803	32,975	8.1%	68,483
2013	470,391	15,735,511	33,452	9.9%	67,388
2012	466,457	14,974,427	32,102	9.0%	66,497
2011	464,697	13,790,695	29,236	11.7%	66,696

N/A = Data not currently available

Source: US Census Bureau
US Bureau of Labor Statistics
District records
Pasco County Government
FL Office of Economic and Demographic Research

District School Board of Pasco County
Principal Employers in Pasco County
Current and Nine Years Ago
(Unaudited)

Table 15

<u>Employer</u>	2020			2011		
	<u>Rank</u>	<u>Employees</u>	<u>Percentage of Total County Employment</u>	<u>Rank</u>	<u>Employees</u>	<u>Percentage of Total County Employment</u>
Pasco County School District	1	10,075	4.88%	1	9,499	4.76%
HCA Healthcare	2	2,952	1.43%			
Pasco County Government	3	2,644	1.28%	2	2,290	1.15%
State of Florida Government	4	1,916	0.93%	3	1,297	0.65%
AdventHealth Dade City & Zephyrhills (1)	5	1,413	0.68%			
Pasco County Sheriff	6	1,351	0.65%	6	1,000	0.50%
AdventHealth Wesley Chapel (1)	7	1,325	0.64%			
Meical Center of Trinity	8	1,296	0.63%			
Morton Plant North Bay Hosp./Recovery Ctr.	9	1,260	0.61%			
Florida Medical Clinic	10	1,176	0.57%			
Community Hospital of New Port Richey				4	1,291	0.65%
Regional Medical Center Bayonet Point				5	1,100	0.55%
Saddlebrook Resort				7	1,000	0.50%
East Pasco Medical Center				8	850	0.43%
Pasco beverage Company				9	713	0.36%
U.S. Postal Service				10	700	0.35%
Total		<u>25,408</u>	<u>12.30%</u>		<u>19,740</u>	<u>9.89%</u>

(1) Formerly Florida Hospital

Source: Pasco Economic Development Council
District School Board of Pasco County 2009 CAFR

District School Board of Pasco County
Number of Personnel
Last Ten Fiscal Years
(Unaudited)

Table 16

Fiscal Year	Instructional	Administrative	Other Support Personnel	Total	Ratio of Instructional and Administrative Personnel to Students
2020	5,903	375	4,778	11,056	12.38
2019	5,794	417	4,732	10,943	12.21
2018	5,777	391	4,478	10,646	12.17
2017	5,427	332	4,315	10,074	12.77
2016	5,275	318	4,315	9,908	12.81
2015	5,205	307	4,201	9,713	12.72
2014	5,094	297	3,971	9,362	12.70
2013	5,179	294	3,597	9,070	12.31
2012	5,268	287	3,841	9,396	11.97
2011	5,412	314	4,085	9,811	11.65

Source: FL DOE EIAS Publications
District records

District School Board of Pasco County
Teacher Base Salaries
Last Ten Fiscal Years
(Unaudited)

Table 17

Fiscal Year	Minimum Salary (1)	Maximum Salary (1)	County Average Salary (2)	Statewide Average Salary (2)
2020	\$ 39,845	\$ 64,285	\$ 43,459	\$ 49,269
2019	39,215	63,655	43,079	48,486
2018	38,790	63,230	43,288	48,168
2017	38,650	63,090	42,317	47,858
2016	38,120	62,560	43,117	48,179
2015	37,560	62,000	43,555	47,950
2014	37,000	64,440	41,824	46,583
2013	36,420	63,870	42,595	46,479
2012	36,420	63,870	42,710	45,723
2011	36,420	63,870	42,710	46,089

Source: (1) District Records
(2) Florida Department of Education

District School Board of Pasco County
Operating Statistics
Last Ten Fiscal Years
(Unaudited)

Table 18

Fiscal Year	Average Daily Membership	Operating Expenditures (1)	Cost per Student	Percentage Change	Instructional Staff	Student Teacher Ratio	Percentage of Students Receiving Free or Reduced-Price Meals
2020	77,693	\$ 584,883,908	7,528	0.22%	5,903	13.16	55.43%
2019	75,809	569,450,754	7,512	2.02%	5,794	13.08	56.20%
2018	75,054	552,629,099	7,363	1.71%	5,777	12.99	58.04%
2017	73,570	532,588,202	7,239	-0.16%	5,427	13.56	55.22%
2016	71,658	519,575,424	7,251	2.59%	5,275	13.58	56.13%
2015	70,134	495,701,633	7,068	3.01%	5,205	13.47	56.36%
2014	68,483	469,876,446	6,861	2.83%	5,094	13.44	55.53%
2013	67,388	449,649,188	6,673	-1.69%	5,179	13.01	55.00%
2012	66,497	451,316,247	6,787	0.44%	5,268	12.62	57.28%
2011	66,696	450,668,927	6,757	-0.96%	5,412	12.32	52.14%

(1) Operating expenditures include only General Fund expenditures.

Source: District records

District School Board of Pasco County
School Building Information
Last Ten Fiscal Years
(Unaudited)

Table 19

	Placed in Service (a)	Square Footage (b)	Portables	Capacity (Students)	Full-Time Equivalent Data	
					2010-2011	2011-2012
Elementary Schools						
Anclote	1973	64,909	4	481	539.34	512.51
Bexley	2017	102,202	-	906	-	-
Calusa	1979	75,551	4	657	597.29	591.85
Centennial	1986	87,837	4	687	670.28	644.00
Chasco	2000	104,734	7	624	653.15	663.37
Chester W. Taylor	1996	96,454	12	536	532.22	577.48
Connerton	2010	118,741	-	762	809.50	847.35
Cotee River	1993	122,295	1	751	603.90	540.11
Cypress	1973	70,663	12	708	810.75	797.54
Deer Park	1988	78,637	7	615	671.86	642.78
Denham Oaks	1994	130,212	4	870	803.96	744.33
Double Branch	2008	105,122	6	762	808.39	810.32
Fox Hollow	1990	113,120	4	774	560.06	524.90
Gulf Highlands	2006	124,261	-	762	552.29	532.72
Gulf Trace	2008	96,625	-	762	590.27	592.26
Gulfside	1977	75,658	3	649	541.33	542.97
Hudson	1966	77,623	15	561	711.44	717.82
James M. Marlowe	1999	102,826	1	616	498.20	501.41
Lacoochee	1971	82,667	3	579	420.72	384.53
Lake Myrtle	1984	98,634	9	754	782.25	730.81
Longleaf	2005	104,502	15	674	651.78	674.12
Dr. Mary Giella	1989	89,354	3	634	647.39	621.79
Mitty P. Locke	1966	85,466	6	746	555.85	526.58
Moon Lake	1982	74,370	11	602	726.45	656.84
New River	2008	109,787	-	762	582.75	571.90
Northwest	1973	82,160	6	720	642.88	624.11
Oakstead	2006	126,143	24	762	974.99	1,017.56
Odessa	2010	97,687	-	762	637.67	691.79
Pasco	1954	92,802	4	715	638.28	621.12
Pine View	2003	99,191	9	624	733.38	704.31
Quail Hollow	1975	66,565	2	494	399.04	370.77
Richey	1958	77,103	10	558	581.41	580.95
Rodney B. Cox	1925	67,685	8	510	378.46	360.75
San Antonio	1981	89,860	2	776	660.75	682.60
Sand Pine	1998	82,033	16	517	672.20	661.58
Sanders Memorial	1944	33,670	1	280	-	-
Schrader	1972	90,253	1	749	552.92	543.04
Seven Oaks	2005	101,322	22	674	932.35	933.80
Seven Springs	1987	92,004	-	636	549.23	530.81
Shady Hills	1973	74,506	2	437	459.60	424.80
Sunray	2000	98,044	-	629	541.80	539.64
Trinity	2001	101,287	9	621	531.68	497.99
Trinity Oaks	2006	116,975	-	762	721.54	707.72
Veterans	2008	95,730	-	762	815.70	805.46
Watergrass	2009	97,974	-	762	487.05	504.21
Wesley Chapel	2002	99,856	18	618	579.82	591.37
West Zephyrhills	1958	83,003	9	758	767.94	764.74
Wiregrass	2016	79,071	-	882	-	-
Woodland	1977	78,211	25	670	866.69	853.97
Total Elementary Schools					29,446.80	28,963.38

Table 19

Full-Time Equivalent Enrollment Data

2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
531.84	597.97	576.02	415.40	504.35	540.88	531.54	434.83
-	-	-	-	-	699.62	802.72	874.22
552.24	614.90	582.90	611.85	518.60	488.86	513.96	491.86
581.24	641.11	519.58	481.20	460.97	437.77	452.26	488.70
694.27	790.01	674.91	702.24	733.12	717.54	666.26	709.82
541.19	567.85	519.93	504.38	537.68	550.16	568.63	594.20
870.13	1,044.52	963.61	801.13	860.63	892.25	912.82	907.84
586.82	732.95	622.38	669.98	679.39	680.90	658.85	571.57
766.01	826.41	785.44	804.90	801.05	760.92	722.17	724.16
604.63	581.30	581.85	579.13	580.39	534.63	493.68	496.03
699.39	792.01	685.62	623.62	692.54	730.76	758.71	767.31
837.35	965.60	862.23	894.83	781.59	842.67	755.54	828.83
537.03	610.18	514.62	498.41	490.98	479.60	449.57	484.40
541.09	620.71	535.74	590.86	624.29	657.93	677.01	633.97
626.18	677.12	668.68	671.11	586.53	578.63	594.02	615.82
527.87	591.28	516.90	465.27	418.69	414.21	379.89	413.67
674.55	698.64	595.89	572.61	568.67	525.88	548.14	544.98
443.23	453.08	403.20	438.07	482.94	485.34	468.21	539.17
375.27	382.82	364.31	347.78	314.46	287.38	282.93	281.72
669.57	750.06	647.89	611.50	628.28	625.89	588.48	593.37
647.99	721.05	641.33	664.09	685.60	680.49	678.78	668.03
614.45	711.56	643.90	657.65	645.64	676.75	650.34	604.70
523.80	603.91	567.80	543.45	607.61	544.41	560.35	518.84
671.33	726.69	571.53	568.85	604.08	558.75	588.98	578.75
594.40	762.82	653.65	683.97	774.97	759.93	811.31	846.60
625.89	776.65	665.23	630.06	595.93	577.06	596.88	570.64
1,076.36	1,260.66	1,142.92	1,041.70	1,117.95	808.11	824.50	875.29
710.82	812.15	836.06	918.61	1,025.37	806.40	885.00	1,129.60
666.33	716.92	640.24	650.14	620.23	570.55	538.65	526.48
735.28	764.97	623.24	550.51	584.79	583.10	565.81	550.93
345.23	-	-	385.16	430.11	445.94	465.51	476.07
591.52	666.87	605.66	621.79	628.41	616.37	630.61	662.45
369.23	411.66	393.74	378.06	379.24	406.71	414.88	404.85
636.18	709.08	610.35	625.66	645.49	640.80	681.47	684.82
633.56	663.64	573.99	610.31	545.08	561.68	566.49	551.52
-	-	-	708.28	741.92	750.53	805.46	802.57
536.14	587.85	594.09	622.25	640.08	691.03	695.86	635.35
950.81	1,088.11	1,083.04	1,112.34	843.08	807.09	769.74	739.98
529.89	547.25	514.23	479.25	482.95	477.55	461.18	438.26
415.72	-	-	487.26	501.88	542.20	548.01	519.26
524.65	538.71	513.55	549.92	533.20	467.11	455.55	446.71
524.47	623.14	581.61	607.43	614.05	616.07	619.42	611.58
690.95	755.83	713.37	725.04	715.98	664.97	638.21	619.97
802.90	884.72	794.85	802.79	847.98	826.59	764.87	733.08
563.65	804.81	782.34	615.24	651.72	614.09	613.14	618.59
621.56	868.26	812.39	632.85	625.56	627.06	655.51	718.19
789.28	864.26	799.37	825.24	865.56	835.55	816.92	818.31
-	-	-	-	528.62	618.55	644.98	741.50
850.97	958.35	904.12	946.57	907.80	862.66	844.56	799.84
<u>28,903.26</u>	<u>31,768.44</u>	<u>28,884.30</u>	<u>29,928.74</u>	<u>30,656.03</u>	<u>30,569.92</u>	<u>30,618.36</u>	<u>30,889.23</u>

(continued)

District School Board of Pasco County
School Building Information
Last Ten Fiscal Years
(Unaudited)

Table 19

Full-Time Equivalent Data						
	Placed in Service (a)	Square Footage (b)	Portables	Capacity (Students)	2010-2011	2011-2012
Middle Schools						
Bayonet Point	1973	133,360	5	1,000	822.68	781.17
Centennial	2001	115,614	6	686	668.89	675.20
Charles S. Rushe	2007	192,785	11	1,494	1,329.22	1,283.69
Chasco	2001	134,642	4	944	764.44	740.46
Crews Lake	2008	192,206	-	1,493	819.51	792.16
Dr. John Long	2006	187,602	23	1,475	1,778.26	1,538.44
Gulf	1964	167,643	3	1,546	874.74	845.93
Hudson	1984	148,691	5	1,168	869.61	850.69
Pasco	1946	136,864	10	1,124	725.71	866.67
Paul R. Smith	2006	187,602	-	1,430	1,017.48	1,050.05
Pine View	1977	138,136	6	1,280	823.42	847.56
Raymond B. Stewart	1926	186,071	5	1,195	950.57	1,027.45
River Ridge (c)	1990	-	12	1,380	1,060.62	1,064.96
Seven Springs	1995	224,939	5	1,500	1,288.22	1,302.63
Thomas E. Weightman	1990	162,472	10	1,083	1,075.54	1,137.23
Total Middle Schools					14,868.91	14,804.29
Education Centers						
Energy & Marine	1964	13,287	-	75	-	-
F. K. Marchman Tech	1984	177,967	5	749	335.39	275.55
Harry Schwettman	1923	28,351	4	155	106.80	128.08
James Irvin	1995	22,214	20	500	107.02	103.04
Moore Mickens	1952	73,442	4	513	163.51	148.80
Other Programs	N/A	N/A	-	N/A	1,082.05	1,381.08
Total Education Centers					1,794.77	2,036.55
High Schools						
Anclote	2009	222,463	-	1,766	1,155.12	1,140.05
Cypress Creek (d)	2017	232,173	3	1,860	-	-
Fivay	2010	278,342	-	1,922	1,206.52	1,496.63
Gulf	1971	240,232	7	1,617	1,286.34	1,224.47
Hudson	1973	185,238	5	1,694	1,126.44	1,086.02
J. W. Mitchell	2000	220,930	26	1,951	1,660.55	1,657.86
Land O' Lakes	1973	207,212	16	1,596	1,518.99	1,558.24
Pasco	1964	241,858	18	1,554	1,228.31	1,293.52
Ridgewood	1977	195,139	12	1,542	1,188.49	1,037.44
River Ridge (c)	1990	446,228	7	1,970	1,508.65	1,452.96
Sunlake	2007	218,643	-	1,787	1,529.25	1,485.55
Wendell Krinn	2018	195,090	5	1,465	-	-
Wesley Chapel	1999	217,180	3	1,547	1,277.51	1,325.06
Wiregrass Ranch	2006	218,690	18	1,764	2,035.56	1,952.62
Zephyrhills	1973	217,998	15	1,444	1,457.96	1,466.19
Total High Schools					18,179.69	18,176.61

Table 19

Full-Time Equivalent Enrollment Data

2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
769.27	736.24	700.15	515.28	744.46	779.02	802.67	782.48
643.13	629.92	559.65	552.78	583.08	637.93	674.20	702.48
1,302.23	1,284.12	1,306.24	1,365.71	1,400.11	1,210.02	1,199.84	1,302.16
741.89	730.59	683.57	819.86	699.26	718.78	675.73	688.47
755.10	1,226.87	1,191.32	628.80	695.89	753.43	755.56	797.54
1,609.63	1,617.68	1,675.59	1,725.23	1,874.01	1,530.93	1,530.13	1,606.29
823.45	827.18	706.80	780.30	865.77	890.16	935.43	1,030.44
802.90	783.49	733.96	735.64	687.85	733.97	679.92	698.88
851.18	922.49	909.30	901.40	906.23	914.87	851.72	892.22
1,054.24	1,080.12	999.58	979.31	932.09	1,002.05	985.35	1,055.79
903.37	925.71	916.54	895.56	922.75	980.74	1,013.26	1,102.36
1,063.36	992.98	965.99	920.33	908.07	922.92	972.82	1,052.13
1,056.95	1,168.70	1,099.45	1,069.18	1,047.57	1,125.70	1,157.86	1,220.57
1,362.97	1,383.08	1,415.36	1,523.27	1,634.22	1,614.22	1,557.51	1,598.58
1,211.74	1,249.98	1,129.51	1,121.96	1,160.36	991.21	1,042.63	1,117.94
<u>14,951.41</u>	<u>15,559.15</u>	<u>14,993.01</u>	<u>14,534.61</u>	<u>15,061.72</u>	<u>14,805.95</u>	<u>14,834.63</u>	<u>15,648.33</u>
-	-	-	-	-	-	-	-
224.17	258.55	209.59	131.48	77.31	67.42	50.72	36.26
126.03	125.15	129.67	131.42	113.98	67.44	110.91	111.62
99.24	121.85	90.24	137.96	141.33	86.49	60.49	80.25
143.78	150.56	101.94	-	-	-	-	-
1,541.93	2,241.33	2,077.25	2,207.33	2,180.14	2,397.84	2,695.22	2,893.53
<u>2,135.15</u>	<u>2,897.44</u>	<u>2,608.69</u>	<u>2,608.19</u>	<u>2,512.76</u>	<u>2,619.19</u>	<u>2,917.34</u>	<u>3,121.66</u>
1,202.70	1,290.68	1,284.84	1,272.23	1,234.65	1,133.73	1,102.52	1,141.07
-	-	-	-	-	1,615.45	1,915.68	2,032.89
1,479.13	1,454.15	1,186.25	1,230.19	1,230.54	1,199.49	1,640.78	1,653.78
1,188.19	1,226.20	1,108.02	1,154.81	1,208.99	1,219.02	1,425.58	1,344.86
1,088.98	1,278.34	1,165.70	1,110.44	1,092.41	1,112.56	1,051.26	1,128.94
1,631.13	1,677.98	1,698.09	1,798.21	1,891.01	1,920.61	1,817.86	1,881.71
1,551.39	1,604.11	1,597.88	1,640.06	1,660.31	1,739.41	1,727.94	1,811.76
1,348.07	1,349.65	1,486.56	1,636.45	1,647.96	1,690.91	1,595.02	1,606.32
1,038.30	1,079.88	1,023.36	1,011.42	992.89	964.86	-	-
1,422.63	1,415.17	1,386.23	1,464.42	1,483.37	1,552.99	1,490.61	1,521.63
1,507.45	1,708.11	1,617.98	1,682.89	1,790.10	1,787.72	1,814.30	1,771.50
-	-	-	-	-	-	445.47	413.35
1,414.52	1,524.22	1,451.59	1,505.49	1,555.85	1,361.35	1,316.51	1,427.88
1,922.33	2,078.44	2,130.73	2,146.44	2,303.85	2,063.93	2,068.76	2,084.95
1,433.50	1,531.69	1,420.58	1,435.16	1,373.49	1,330.78	1,366.90	1,322.97
<u>18,228.32</u>	<u>19,218.62</u>	<u>18,557.81</u>	<u>19,088.21</u>	<u>19,465.42</u>	<u>20,692.81</u>	<u>20,779.19</u>	<u>21,143.61</u>

(continued)

District School Board of Pasco County
School Building Information
Last Ten Fiscal Years
(Unaudited)

Table 19

Full-Time Equivalent Data						
	Placed in Service (a)	Square Footage (b)	Portables	Capacity (Students)	2010-2011	2011-2012
Charter Schools						
Academy at the Farm	N/A	N/A	N/A	N/A	379.34	381.50
Athenian Academy	N/A	N/A	N/A	N/A	318.00	328.99
Classical Preparatory	N/A	N/A	N/A	N/A	-	-
Countryside Monettsori	N/A	N/A	N/A	N/A	209.00	213.50
Dayspring Academy	N/A	N/A	N/A	N/A	490.00	524.33
Florida Virtual Academy	N/A	N/A	N/A	N/A	-	-
Imagine School	N/A	N/A	N/A	N/A	475.56	546.92
Learning Lodge	N/A	N/A	N/A	N/A	-	-
Pasco MYcroSchool	N/A	N/A	N/A	N/A	-	-
Pepin Academies	N/A	N/A	N/A	N/A	-	-
Plato Academy	N/A	N/A	N/A	N/A	-	-
Union Park Academy	N/A	N/A	N/A	N/A	-	-
Total Charter Schools					1,871.90	1,995.24
East Bus Garage	1966	9,061	-	N/A	-	-
West Bus Garage	1960	21,292	-	N/A	-	-
Central Bus Garage	1980	11,484	1	N/A	-	-
Administration Building	1972	214,881	15	N/A	-	-
District Maintenance	1984	37,354	-	N/A	-	-
Northwest Bus Garage	1989	11,941	1	N/A	-	-
Southeast Bus Garage	1980	8,251	-	N/A	-	-
Total District					66,162.07	65,976.07

(a) Original date that the school was placed in service. This date does not reflect additions, renovations, replacements remodeling.

(b) Square footage is current, but does not include portables.

(c) River Ridge was built as a combination Middle School and High School.

All data was aggregate until 2006-2007 when then Middle School received its own School Identifier.

(d) Cypress Creek was built as a combination Middle School and High School.

Source: District Records

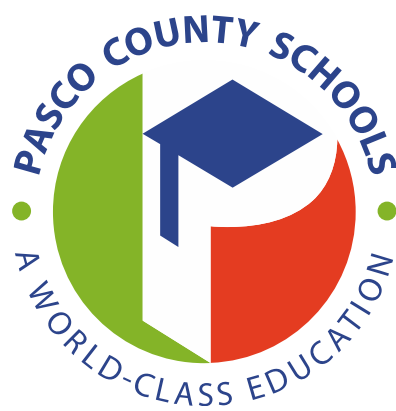
Table 19

Full-Time Equivalent Enrollment Data

2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
389.84	501.16	440.63	550.61	570.81	571.04	588.07	588.11
391.46	439.89	366.75	354.60	324.37	329.51	360.01	363.60
-	-	310.37	410.38	470.95	671.77	829.29	949.74
232.00	286.78	270.58	292.23	313.26	322.57	342.00	346.60
552.28	695.23	606.57	641.73	690.15	733.01	769.24	824.70
-	-	-	-	114.62	308.36	-	-
633.60	772.19	704.69	721.72	763.83	761.87	797.95	834.54
-	-	170.03	210.29	246.76	235.16	217.28	251.63
-	-	-	-	-	50.76	89.21	-
-	-	202.68	269.80	309.18	319.77	319.10	318.92
-	-	-	-	54.00	71.52	259.79	326.56
-	-	-	-	-	-	602.46	607.06
<u>2,199.18</u>	<u>2,695.25</u>	<u>3,072.30</u>	<u>3,451.36</u>	<u>3,857.93</u>	<u>4,375.34</u>	<u>5,174.40</u>	<u>5,411.46</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>66,417.32</u>	<u>72,138.90</u>	<u>68,116.11</u>	<u>69,611.11</u>	<u>71,553.86</u>	<u>73,063.21</u>	<u>74,323.92</u>	<u>76,214.29</u>

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SINGLE AUDIT REPORT



INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY UNIFORM GUIDANCE

Chairman and Members of the
District School Board of Pasco County, Florida

Report on Compliance for Each Major Federal Program

We have audited the District School Board of Pasco County, Florida's ("the District") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have direct and material effect on each of the District's major federal programs for the year ended June 30, 2020. The District's major federal programs are identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditors' 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 the audit requirements of 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 School Board of Pasco County, Florida, 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, 2020.

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 a combination of deficiencies, in internal control over compliance, such that there is a 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.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Tampa, Florida

February 18, 2021

**INDEPENDENT AUDITORS' REPORT 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***

Chairman and Members of the
District School Board of Pasco County, 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, business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District School Board of Pasco County, Florida ("the District") as of and for the fiscal year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated February 18, 2021. Our report includes a reference to other auditors who have audited the financial statements of charter schools included as 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) as a basis for designing 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 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 a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity'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 internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. We did identify certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as items 2020-001 and 2020-002 that we consider to be material weaknesses.

Compliance and Other Matters

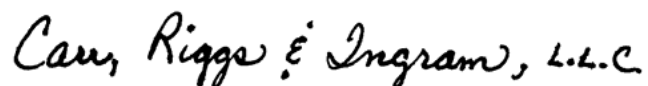
As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. 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*.

The District School Board of Pasco County, Florida's Response to Findings

The District School Board of Pasco County, Florida's response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. The District School Board of Pasco County, Florida's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

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 entity'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 entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in black ink that reads "Carr, Riggs & Ingram, L.L.C." in a cursive script.

CARR, RIGGS, & INGRAM, LLC

Tampa, Florida
February 18, 2021

DISTRICT SCHOOL BOARD OF PASCO COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2020

Federal Grantor/Pass-Through Grantor/Program Title	Catalog of Federal Domestic Assistance Number	Pass - Through Grantor Number	Amount of Expenditures	Amount Provided to Subrecipients
United States Department of Agriculture:				
Indirect:				
Child Nutrition Cluster:				
Florida Department of Agriculture and Consumer Services:				
School Breakfast Program	10.553	17002, 18002 17001, 17003,	\$ 5,341,225	\$ -
National School Lunch Program	10.555	18001, 18003	15,529,956	-
Summer Food Service Program for Children	10.559	17006, 17007, 18006, 18007	5,716,122	-
Total Child Nutrition Cluster			26,587,303	-
Fresh Fruit and Vegetable Program	10.582	17004, 18004	37,797	-
Florida Department of Health				
Child and Adult Care Food Program	10.558	A-4501	1,430,982	-
Total United States Department of Agriculture			28,056,082	-
United States Department of Justice				
Direct:				
STOP School Violence	16.839	N/A	63,885	-
Total United States Department of Justice			63,885	-
United States Department of Education:				
Direct:				
Student Financial Assistance Cluster:				
Federal Pell Grant Program	84.063	N/A	574,500	-
Total Direct			574,500	-
Indirect:				
Special Education Cluster:				
Florida Department of Education				
Special Education - Grants to States	84.027	262, 263	14,550,847	-
University of South Florida				
Special Education - Grants to States	84.027	none	750	-
Total Special Education - Grants to States			14,551,597	-
Florida Department of Education				
Special Education - Preschool Grants	84.027	267	354,098	-
Total Special Education Cluster			14,905,695	-
Florida Department of Education:				
Adult Education - Basic Grants to States Program	84.002	191, 193	561,340	-
Title I Grants to Local Educational Agencies	84.010	212, 223, 226	18,273,927	-
Migrant Education - State Grant Program	84.011	217	109,421	-
Career and Technical Education - Basic Grants to States	84.048	161	693,352	-
Education for Homeless Children and Youth	84.196	127	114,153	-
Charter Schools	84.282	298	408,435	408,435
Twenty-First Century Community Learning Centers	84.287	244	777,827	-
English Language Acquisition State Grants	84.365	102	438,453	-
Supporting Effective Instruction State Grants	84.367	224	2,021,558	-
School Improvement Fund State Grants	84.377	126	415,534	-
Student Support and Academic Enrichment State Grants	84.424	241	1,048,837	-
Hurricane Education Recovery	84.938	105	83,700	-
Total Indirect			39,852,232	408,435
Total United States Department of Education			40,426,732	408,435

(continued)

DISTRICT SCHOOL BOARD OF PASCO COUNTY
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For the Fiscal Year Ended June 30, 2020

Federal Grantor/Pass-Through Grantor/Program Title	Catalog of Federal Domestic Assistance Number	Pass - Through Grantor Number	Amount of Expenditures	Amount Provided to Subrecipients
United States Department of Health and Human Services:				
Direct:				
Head Start Cluster:				
Head Start	93.600	N/A	\$ 7,306,116	-
Total Head Start Cluster			7,306,116	
Cooperative Agreements to Promote Adolescent Health through School-Based HIV/STD Prevention and School-Based Surveillance	93.079	N/A	252,755	-
School-Based Health Center Capital Program	93.501	N/A	15,151	-
Total United States Department of Health and Human Services			7,574,022	-
United States Department of Defense:				
Direct:				
Junior Reserve Officers Training Corps - Air Force	12.U01	N/A	70,319	-
Junior Reserve Officers Training Corps - Army	12.U02	N/A	234,188	-
Junior Reserve Officers Training Corps - Navy	12.U03	N/A	302,815	-
Total United States Department of Defense			607,322	-
Total Expenditures of Federal Awards			\$ 76,728,043	\$ 408,435

The accompanying notes are an integral part of this schedule.

- Notes: (1) Basis of Presentation. The accompanying Schedule of Expenditures of Federal Awards (Schedule) included the Federal award activity of the Pasco County District School Board under programs of the Federal government for the year ended June 30, 2020. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.
- (2) Summary of Significant Account Policies. Expenditures are reported on the modified accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- (3) Indirect Cost Rate. The District's cognizant agency is Florida Department of Education ("FLDOE"). For the fiscal year 2019-2020, FLDOE approved a restricted indirect cost rate of 4.43%. As a result of the approved indirect cost rate, the District does not have the option to elect the 10 percent de minimis rate in accordance with Uniform Guidance.
- (4) Noncash Assistance.
(A) National School Lunch Program. Includes \$2,288,428.34 of donated food received during the fiscal year. Donated foods are valued at fair value as determined at the time of donation.
- (5) Head Start. Expenditures include \$579,656.15 for grant number/program year 04CH01018304 and \$6,726,459.65 for grant number/program year 04CH01018305.

District School Board of Pasco County Schedule of Findings and Questioned Costs

SECTION I – SUMMARY OF AUDITORS’ RESULTS

Financial Statements:

1. Type of auditors’ report issued Unmodified
2. Internal control over financial reporting:
 - a. Material weaknesses identified? Yes
 - b. Significant deficiencies identified not considered to be material weaknesses? None reported
 - c. Noncompliance material to the financial statements noted? None

Federal Awards:

1. Type of auditors’ report issued on compliance for major programs Unmodified
2. Internal control over major programs:
 - a. Material weaknesses identified? None
 - b. Significant deficiencies identified not considered to be material weaknesses? None reported
3. Any audit findings disclosed that are required to be reported in accordance with 2CFR section 200.516(a)? None noted

4. Identification of major programs:

CFDA Number	Federal Program
93.600	Head Start Cluster
84.027, 84.173	Special Education Cluster

5. Dollar threshold used to distinguish between type A and type B programs: \$2,301,841
6. Auditee qualified as low-risk auditee under 2 CFR 200.520? Yes

District School Board of Pasco County Schedule of Findings and Questioned Costs

SECTION II – FINANCIAL STATEMENT FINDINGS

Finding Number: 2020-001 Financial Reporting (Material Weakness)

Condition: As part of the audit we noticed several financial reporting issues in the Annual Financial Report (AFR) that required revisions to be made by management in order to conform with generally accepted accounting policies (GAAP). The following issues were identified:

- Other Federal Programs Fund was not identified as a major fund
- Nonmajor enterprise fund was omitted from the Statement of Fund Net Position – Proprietary Funds
- The bond refunding transaction was incorrectly presented
- Deferred Outflows/Inflows of Resources - Deferred Amount - Pension FRS / HIS was incorrectly presented
- Due to/from funds did not internally reconcile in the AFR
- Estimated insurance claims payable was not allocated between current and noncurrent liabilities
- Pension Trust Fund beginning Net Position did not agree to the June 30, 2019 CAFR
- Local Optional Millage Levy Fund beginning Fund Balance did not agree to the June 30, 2019 CAFR

Criteria: Section 1010.01, Florida Statutes, requires that State Board of Education (SBE) rules incorporate the requirements of law and accounting principles generally accepted in the United States (GAAP). SBE Rule 6A-1.0071, Florida Administrative Code, and related instructions from the Florida Department of Education prescribe the exhibits and schedules that should be prepared as part of the District's annual financial report (AFR). GAAP requires that:

- Preparation of fund financial statements include an analysis to determine the major funds. Other Federal Programs Fund should be reported as major when the fund's assets, liabilities, revenues, or expenditures represent at least 10 percent of the total governmental funds and 5 percent of total governmental and enterprise funds for these respective classifications.
- Preparation of the AFR uses the current financial resources management focus and the modified accrual basis of accounting and the government-wide financial statements are prepared using the accrual basis of accounting.

Cause: The District, due to oversights, misreported amounts on the AFR. The process used by the District during the year under audit did not verify that the AFR was properly prepared and detect any reporting errors before the AFR was submitted.

District School Board of Pasco County Schedule of Findings and Questioned Costs

Effect:	Multiple revisions to the AFR were made by management in order to present the AFR in accordance with generally accepted accounting principles (GAAP).
Recommendation:	The District should improve procedures to ensure that financial statement accounts and transactions are properly reported. Such procedures should include appropriate review and approval of the AFR to detect and correct reporting errors.
District Response:	The District will revise its procedures and controls related to the preparation of the Annual Financial Report (AFR) to ensure that the report is prepared in accordance with GAAP and on a timely basis.
Finding Number:	2020-002 Estimated insurance claims payable (Material Weakness)
Condition:	District personnel used a long-standing policy to estimate the insurance claims payable. The resulting estimated insurance claims payable did not reasonably reflect the ultimate cost of settling the claims based on reviewing recent claims history for the District.
Criteria:	<p>Accounting principles generally accepted in the United States (GAAP) states:</p> <ul style="list-style-type: none">• A liability for unpaid claims costs, including estimates of costs relating to incurred but not reported (IBNR) claims, should be accrued when insured events occur or, for claims-made policies, in the period in which the event that triggers coverage under the policy or participation contract occurs. That liability should be based on the estimated ultimate cost of settling the claims (including the effects of inflation and other societal and economic factors), using past experience adjusted for current trends, and any other factors that would modify past experience. Claim accruals for IBNR claims should be made if it is probable that a loss has been incurred and the amount can be reasonably estimated. Changes in estimates of claims costs resulting from the continuous review process and differences between estimates and payments for claims should be recognized in results of operations of the period in which the estimates are changed or payments are made. Estimated recoveries on unsettled claims, such as salvage or subrogation, should be evaluated in terms of their estimated realizable value and deducted from the liability for unpaid claims. Estimated recoveries on settled claims also should be deducted from the liability for unpaid claims.
Cause:	The District had not established procedures to review the long-standing accounting policy to ensure it reflects ultimate cost of settling the claims.

District School Board of Pasco County Schedule of Findings and Questioned Costs

Effect: Estimated insurance claims payable and insurance claims expense have been reduced by approximately \$4,200,000.

Recommendation: The District should develop an annual process that would allow the District to record the estimated insurance claims payable that is based on recent claims history of the District.

District Response: The District used a long-standing policy to estimate unpaid insurance claims. This method was accepted in the past. The District will revise its current policy to ensure that unpaid insurance claims are based on current actual experience claims to present a more accurate estimate at fiscal year-end.

SECTION III – FEDERAL AWARD FINDINGS

None noted.

SECTION IV – SUMMARY OF PRIOR YEAR AUDIT FINDINGS

The District did not have prior audit findings in the preceding Comprehensive Annual Financial Report (CAFR).