Providing a world-class education for all students.





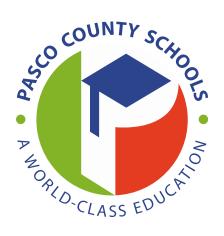


Comprehensive Annual Financial Report

FISCAL YEAR ENDED JUNE 30, 2016



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



Comprehensive Annual Financial Report

of the

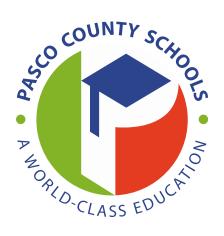
District School Board of Pasco County Land O' Lakes, Florida

for the

Fiscal Year Ended June 30, 2016



Issued by: Finance Services Department



District School Board of Pasco County Comprehensive Annual Financial Report For the Fiscal Year Ended June 30, 2016

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INTRODUCTORY SECTION

December 16, 2016

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, 2016.

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 Florida Auditor General 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, 2016, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded that there was a reasonable basis for rendering an unmodified opinion that the District's basic financial statements for the fiscal year ended June 30, 2016, are fairly presented in conformity with GAAP. The independent auditor's 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 2015-2016 fiscal year, the District operated 79 schools, including 47 elementary schools, 15 middle schools, 13 high schools, Pasco eSchool and 3 specialized schools; and sponsored 9 charter schools. The District reported serving 69,611 full-time equivalent students for the 2015-2016 fiscal year and projects it will enroll 71,306 students for the 2016-2017 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 (65 percent). Other ethnicities include: Hispanic (21 percent), black (7 percent), and Asian/American Indian/Pacific Islander/Alaskan Native/Other (7 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"), nine (9) 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 2007, the population of Pasco County increased 14.61 percent to an estimated 497,909 in calendar year 2016. For the calendar year 2015, 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 21st of 67 counties in the State with a value of 98.27.

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 98.27 implies that it cost the District less than the average school district to attract and retain equally qualified personnel. Surrounding counties such as, Hillsborough (100.97) and Pinellas (100.81), 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 10,344 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-object 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, 2016, in the general fund is \$51,477,815 or 9.91 percent of total general fund expenditures. The District has appropriated \$5,399,767 of this amount for spending in the 2016-2017 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 of 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.

Accomplishments

The District School Board of Pasco County is committed to fulfilling its vision to prepare students for success in college, career, and life. To that end, the District has been expanding educational options such as magnet programs and career academies so students can get the most out of education, life, and future work.

We currently offer the International Baccalaureate Program at Gulf and Land O' Lakes High schools, and are in the candidacy process for a middle years program at Pine View Middle School. We continue to expand our career and technical programs, and students can take honors, Advanced Placement, and Dual Enrollment classes at the middle and high school levels. We also offer the nationally-recognized college

readiness program, AVID, at four high schools, five middle schools, and four elementary schools. Our Educational Choice program allows parents to choose a school other than the one for which they are zoned through our open choice program. In 2015, we re-opened Sanders Memorial Elementary School as the District's first magnet school with a focus on STEAM (Science, Technology, Engineering, Arts, and Math) education, and in the 2016-2017 year we will add STEM magnet programs at Bayonet Point and Centennial middle schools. Finally, we continue to expand charter school options.

Expanded choices include a regional Embry-Riddle Aeronautics Academy at Sunlake High School, and aeronautical programs at Hudson and Zephyrhills High schools. The rigorous Cambridge Education program is offered at Pasco Middle and Pasco High schools, and a gaming technology academy is available at Gulf High School.

The Infinity Program that started in 2013-2014 at Paul R. Smith Middle School also is offered at Raymond B. Stewart Middle School and Zephyrhills High School. Infinity Academy uses a blended learning environment that allows tech-savvy students to own their learning and education. Each student is given a computer to use at school and at home while they are enrolled in the academy.

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 second highest enrollment of any Florida school district virtual education program.

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 and tactics to achieve success. We review our success on quarterly, mid-year, and annually toward meeting identified goals. This is a bona fide, actionable plan that the District and 12 pilot schools followed in 2015-2016, and which will be expanded to all District schools 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 a 78.6 percent graduation rate, compared to the state average 77.9 percent. This achievement is a reflection of Pasco's vision to provide a world class education for all students.

Studies clearly indicate that student success is linked to teacher quality. The District School Board of Pasco County has demonstrated a commitment to recruiting and retaining the brightest individuals to work with our children. In 2015-2016, 36.5 percent of teachers in Pasco had earned a Master's Degree or higher and we expect that trend to continue in 2016-2017. Additionally, during the 2014-15 year, the District embarked upon a new comprehensive teacher evaluation system that is based upon an evaluation of a teacher's use of research-based best professional practices (65 percent) and student achievement data (35 percent). This will provide a more thorough evaluation of how a teacher performs and will allow the District to provide targeted staff development in areas of need. The District's goal is to help each teacher and student reach their highest potential.

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, 2015. This was the fifteenth 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,

Mr. Kurt S. Browning Superintendent of Schools

Ms. Joanne Millovitsch Director of Finance Services

neMilloutsch

Ms. Olga Swinson, CPA, CGFM Chief Finance Officer



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, 2015

Executive Director/CEO



The Certificate of Excellence in Financial Reporting Award is presented to

District School Board of Pasco County

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

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



Brendo Burkett

Brenda R. Burkett, CPA, CSBA, SFO
President

John D. Musso, CAE, RSBA

Executive Director

List of Principal Officials As of June 30, 2016

Principal Officials - Elected

Mr. Kurt S. Browning, Superintendent of Schools Present Term Expires	November 2016
Ms. Joanne Hurley , Chairman, Member from District 2 Present Term Expires	November 2016
Mr. Allen Altman, Vice-Chairman, Member from District 1 Present Term Expires	November 2018
Ms. Cynthia Armstrong, Member from District 3 Present Term Expires	November 2018
Ms. Alison Crumbley, Member from District 4 Present Term Expires	November 2016
Mr. Steve Luikart, Member from District 5 Present Term Expires	November 2018

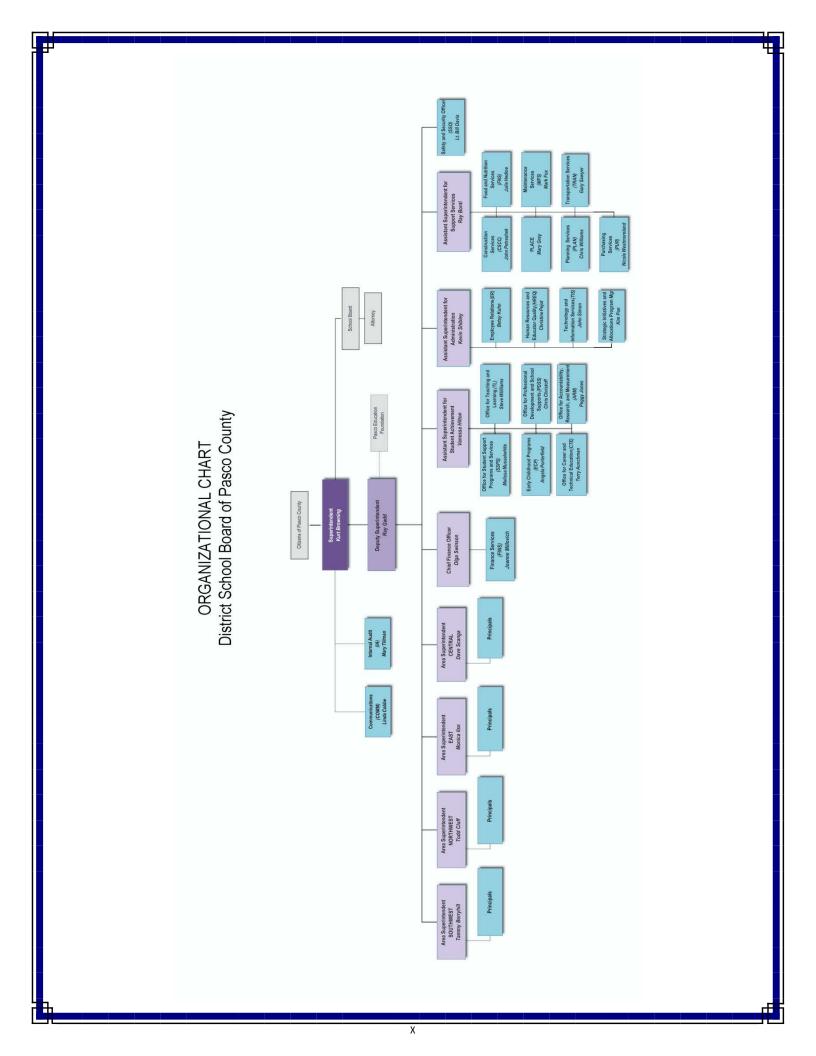
Principal Officials - Appointed

ADMINISTRATORS

Ray Gadd, Deputy Superintendent

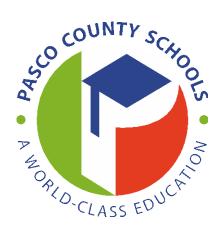
Olga Swinson, CPA, CGFM, Chief Finance Officer

Vanessa Hilton, Assistant Superintendent for Student Achievement Kevin Shibley, Esq., Assistant Superintendent for Administration Ray Bonti, Assistant Superintendent for Support Services Tammy Berryhill, Area Superintendent-Southwest Dr. Dave Scanga, Area Superintendent-Central Todd Cluff, Area Superintendent-Northwest Dr. Monica Ilse, Area Superintendent-East



FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT ON FINANCIAL STATEMENTS





AUDITOR GENERAL STATE OF FLORIDA

TIMITOR GENERAL

Phone: (850) 412-2722 Fax: (850) 488-6975

Claude Denson Pepper Building, Suite G74 111 West Madison Street Tallahassee, Florida 32399-1450

The President of the Senate, the Speaker of the House of Representatives, and the Legislative Auditing Committee

INDEPENDENT AUDITOR'S REPORT

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 Pasco County District School Board, as of and for the fiscal year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the aggregate discretely presented component units, which represent 100 percent of the transactions and account balances of the aggregate discretely presented component units' columns. Those statements were audited by other auditors whose reports have been furnished to us, and our opinion, insofar as it relates to the amounts included for the aggregate discretely presented component units, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free 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 reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Pasco County District School Board, as of June 30, 2016, and the respective changes in financial position and, where applicable, cash flows thereof and the budgetary comparison for the general fund for the fiscal 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 MANAGEMENT'S DISCUSSION AND ANALYSIS, Schedule of Changes in the District School Board's Net Pension Liability and Related Ratios - Early Retirement Plan, Schedule of Contributions - Early Retirement Plan, Schedule of Investment Returns - Early Retirement Plan, Schedule of Funding Progress -Other Post-Employment Benefits, Schedule of the District's Proportionate Share of the Net Pension Liability – Florida Retirement System (FRS) Defined Benefit Pension Plan, Schedule of the District's Contributions - Florida Retirement System (FRS) Defined Benefit Pension Plan, Schedule of the District's Proportionate Share of the Net Pension Liability – Health Insurance Subsidy (HIS) Defined Benefit Pension Plan, and Schedule of the District's Contributions – Health Insurance Subsidy (HIS) Defined Benefit Pension Plan, 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.

Supplementary and 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 combining and individual fund financial statements

and schedules and the introductory and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Also, the accompanying **SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**, as required by Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules and the accompanying **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 the other auditors, the combining and individual fund financial statements and schedules, and the accompanying **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 a report dated December 16, 2016, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, rules, regulations, contracts, and grant agreements and other matters included under the heading INDEPENDENT AUDITOR'S 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*. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on 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.

Respectfully submitted,

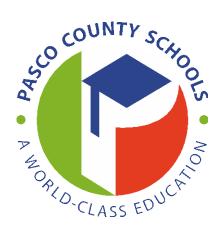
Sherrill F. Norman, CPA Tallahassee. Florida

December 16, 2016

Audit Report No. 2017-082

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MANAGEMENT'S DISCUSSION AND ANALYSIS



District School Board of Pasco County Management's Discussion and Analysis June 30, 2016

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.

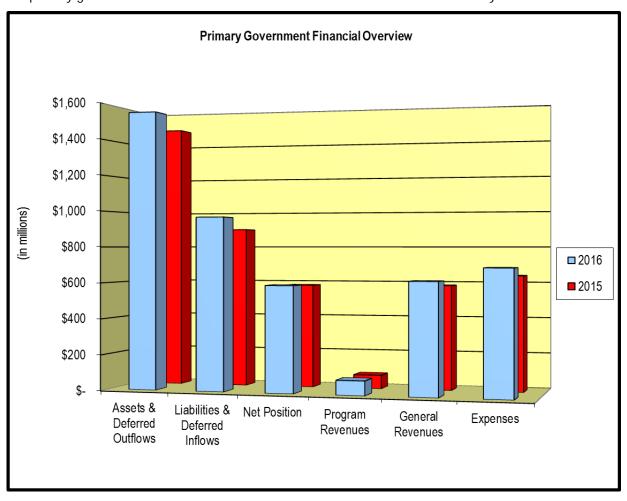
Because the information contained in the Management's Discussion and Analysis (MD&A) is intended to highlight significant transactions, events and conditions, it should be considered in conjunction with the District's basic financial statements and notes to financial statements.

Financial Highlights

Key financial highlights for the 2015-2016 fiscal year is as follows:

- The assets and deferred outflows of the District exceeded its liabilities and deferred inflows at June 30, 2016, by \$588,840,432. Of this amount, \$9,061,936 may be used to meet the District's ongoing obligations to citizens and creditors and represents unrestricted net position exclusive of the impact of FRS Pension Amounts.
- ➤ The District's total net position increased by \$7,985,835.
- Total revenues of \$698,490,975 were comprised of general revenues in the amount of \$617,490,581 or 88.4 percent, and program specific revenues from charges for services, grants and contributions in the amount of \$81,000,394 or 11.6 percent.
- For the year ended June 30, 2016, the District had \$690,505,140 in expenses related to governmental and business-type activities; \$81,000,394 of which were offset by program specific charges or services, grants and other sources. General revenues (primarily taxes and state funding programs) of \$617,490,581 were sufficient to provide the District's programs.
- ➤ The Business-type activities had total revenues of \$10,992,537 which exceeded total expenses and transfers out by \$579,195.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$271,127,459 a decrease of \$18,258,255 in comparison with the prior fiscal year. Approximately 18.99 percent of this total amount, or \$51,477,815, 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 2015-2016 fiscal year, unassigned fund balance for the General Fund was \$26,132,916 or 5.03 percent of total General Fund expenditures.
- ➤ The District's total long-term debt for bonds, COP's and capital leases increased by \$47,139,351 or 9.96 percent, during the current fiscal year.

The primary government financial overview for the 2014-2015 and 2015-2016 fiscal years is shown below:

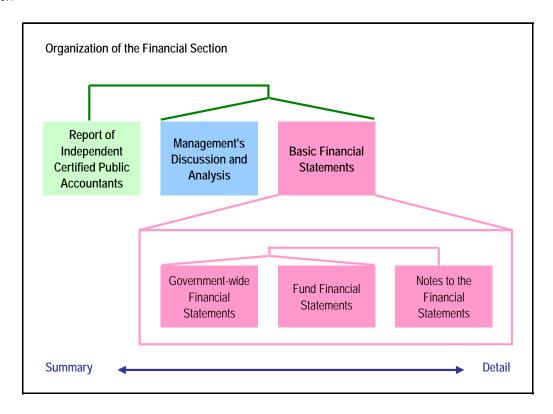


Overview of the Financial Statements

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 Activity The District charges fees to cover the cost of certain services it provides. The Pasco Learning and Activity Centers of Enrichment (the "PLACE"), a before and after-school child care program, is reported as a business-type activity. 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 nine charter schools (Academy at the Farm, Inc.; Athenian Academy of Pasco County, Inc.; Classical Preparatory School; Countryside Montessori Charter School, Inc.; Dayspring Academy for Education and the Arts; Florida Virtual Academy at Pasco; Imagine School at Land O'Lakes; Learning Lodge Academy, Inc.; and Pepin Academies of Pasco County, Inc.) 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 and Capital Projects-Other Funds. 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 child care and vending programs. The District's major enterprise fund is the PLACE 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 progress in funding its obligation to provide Other Post-Employment Benefits (OPEB) to its employees.

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 \$588,840,432 at June 30, 2016. The following is a summary of the District's net position as of June 30, 2016, compared to net position as of June 30, 2015:

		Net Position	on, End of Year				
	Governmental Activities		Business-Type Activities		Total		Percentage
-	6/30/2016	6/30/2015	6/30/2016	6/30/2015	6/30/2016	6/30/2015	Change
Current and Other Assets	\$ 373,197,196	\$ 392,394,012	\$ 4,428,838	\$ 3,611,201	\$ 377,626,034	\$ 396,005,213	
Capital Assets	1,081,233,518	1,004,300,051	166,042	206,739	1,081,399,560	1,004,506,790	
Total Assets	1,454,430,714	1,396,694,063	4,594,880	3,817,940	1,459,025,594	1,400,512,003	4.18%
Deferred Outflows of Resources	99,763,324	79,623,879	1,112,496	891,860	100,875,820	80,515,739	
Long-Term Liabilities	875,098,080	720,189,883	5,115,210	3,732,088	880,213,290	723,921,971	
Other Liabilities	52,548,625	78,638,515	101,666	150,522	52,650,291	78,789,037	
Total Liabilities	927,646,705	798,828,398	5,216,876	3,882,610	932,863,581	802,711,008	16.21%
Deferred Inflows of Resources	37,741,537	96,090,388	455,864	1,371,749	38,197,401	97,462,137	
Net Position:							
Net Investment in							
Capital Assets	631,191,690	623,953,695	166,042	206,739	631,357,732	624,160,434	
Restricted	140,732,338	141,051,030	-	-	140,732,338	141,051,030	
Unrestricted - FRS/HIS Pensions	(189,446,442)	(196,510,342)	(2,865,132)	(2,871,041)	(192,311,574)	(199,381,383)	
Unrestricted - Other	6,328,210	12,904,773	2,733,726	2,119,743	9,061,936	15,024,516	
Total Net Position	\$ 588,805,796	\$ 581,399,156	\$ 34,636	\$ (544,559)	\$ 588,840,432	\$ 580,854,597	1.37%

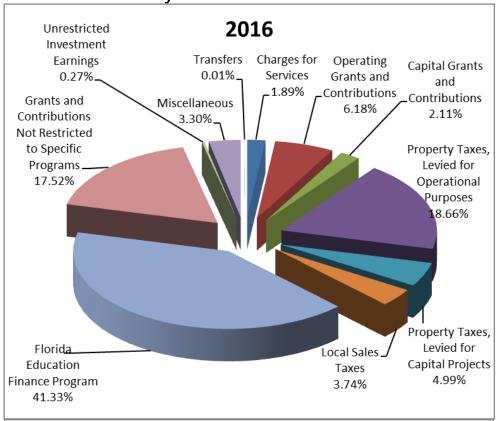
The largest portion of the District's net position (80.82 percent), exclusive of Florida Retirement System (FRS) and Health Insurance Subsidy (HIS) pension amounts, reflects its net investment in capital assets (e.g. land, buildings, furniture and equipment, motor vehicles, software). The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending.

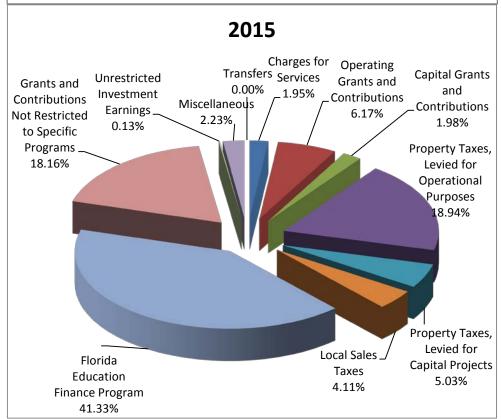
The restricted portion of the District's net position (18.02 percent), exclusive of FRS and HIS pension amounts, represents resources which are subject to external restrictions on how they may be used. The portion of unrestricted net position (1.16 percent), exclusive of FRS and HIS pension amounts, may be used to meet the government's ongoing obligations to students, employees and creditors.

The key elements of the changes in the District's net position for the fiscal year ended June 30, 2016, and June 30, 2015 are as follows:

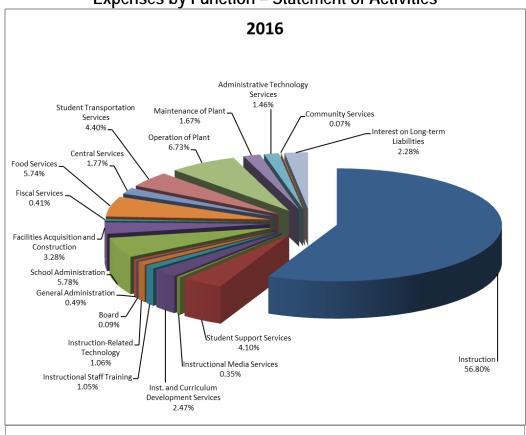
	<u>O</u>	perating Results	for the Year				
		nmental vities	Busines Acti			otal District	%
	<u>2016</u>	<u>2015</u>	<u>2016</u>	2015	<u>2016</u>	<u>2015</u>	Chang
Revenues:							
Program Revenues:							
Charges for Services	\$ 12,979,579	\$ 12,651,314	\$ 10,981,588	\$ 9,990,177	\$ 23,961,167	\$ 22,641,491	5.83%
Operating Grants							
and Contributions	42,499,928	40,056,713	-	-	42,499,928	40,056,713	6.10%
Capital Grants							
and Contributions	14,539,299	12,852,412	-	-	14,539,299	12,852,412	13.139
General Revenues:							
Property Taxes, Levied for Operational Purposes	128,319,631	123,010,141	-	-	128,319,631	123,010,141	4.32%
Property Taxes, Levied for Capital Projects	34,313,082	32,660,786			34,313,082	32,660,786	5.06%
Local Sales Taxes	25,738,211	26,680,307	-	-	25,738,211	26,680,307	-3.539
Florida Education							
Finance Program	284,094,218	268,469,393	-	-	284,094,218	268,469,393	5.82%
Grants and Contributions							
not Restricted to Specific							
Programs	120,489,916	117,956,450	-	-	120,489,916	117,956,450	2.15%
Unrestricted Investment Earnings	1,824,994	816,253	10,665	20,578	1,835,659	836,831	119.36
Miscellaneous	22,699,580	14,454,399	284	309	22,699,864	14,454,708	57.049
Transfers	56,634	-	(56,634)	-	-	-	0.00%
Total Revenues and Transfers	687,555,072	649,608,168	10,935,903	10,011,064	698,490,975	659,619,232	5.89%
Program Expenses:							
Instruction	386,321,690	362,962,619			386.321.690	362,962,619	6.44%
Student Support Services	27,878,254	26,801,838			27,878,254	26,801,838	4.02%
Instructional Media Services	2,395,795	2,343,060	_	_	2,395,795	2,343,060	2.25%
Inst. and Curriculum	2,373,773	2,343,000			2,373,173	2,343,000	2.237
Development Services	16,807,274	15,800,130			16,807,274	15,800,130	6.37%
Instructional Staff Training	7,168,371	7,324,613	_	_	7,168,371	7,324,613	-2.139
Instruction-Related Technology	7,181,975	6,888,825			7,181,975	6,888,825	4.26%
Board	593,665	530,109			593,665	530,109	11.999
General Administration	3,366,050	2,407,270	-	-	3,366,050	2,407,270	39.839
School Administration	39,320,749	37,661,405	=	-	39,320,749	37,661,405	4.41%
	39,320,749	37,001,403	-	-	37,320,747	37,001,403	4.417
Facilities Acquisition and Construction	22 212 014	17 201 714			22 212 014	17 201 714	28.379
Fiscal Services	22,312,816	17,381,716	=	-	22,312,816 2,789,717	17,381,716	-0.099
Food Services	2,789,717	2,792,302 35,477,047	-	-	39,016,954	2,792,302	9.98%
	39,016,954		-	-		35,477,047	
Central Services	12,010,763	8,227,505	-	-	12,010,763	8,227,505	45.989
Student Transportation Services	20 027 /0/	20 /05 0/2			20 027 /0/	20 /05 0/2	0.700
	29,927,606	29,695,863	=	=	29,927,606	29,695,863	0.78%
Operation of Plant	45,765,410	42,537,525	-	-	45,765,410	42,537,525	7.59%
Maintenance of Plant	11,374,941	10,565,620	-	-	11,374,941	10,565,620	7.66%
Administrative Technology	0.000.017	/ 017 000			0.000.07	/ 047 000	/ 4 0 0 0
Services	9,929,967	6,047,282	10.05/ 700	0.015.077	9,929,967	6,047,282	64.219
Community Services	475,657	867,512	10,356,708	9,915,866	10,832,365	10,783,378	0.45%
Interest on Long-term	45 540 551	45 050 00-			45 540 551	45 050 00-	0.00-
Liabilities	15,510,778	15,059,988	10.057.700	- 0.015.077	15,510,778	15,059,988	2.99%
Total Expenses	680,148,432	631,372,229	10,356,708	9,915,866	690,505,140	641,288,095	7.67%
Change in Net Position	7,406,640	18,235,939	579,195	95,198	7,985,835	18,331,137	-56.44
Net Position, Beginning	581,399,156	778,593,655	(544,559)	2,385,706	580,854,597	780,979,361	-25.629
Adjustment to Beginning Net Position		(215,430,438)	(0.11,007)	(3,025,463)	333,001,071	(218,455,901)	20.02
rajasancia io beginning Net Fusition	-	(210,430,430)	-	(3,023,403)	-	(Z 10,433,70 l)	

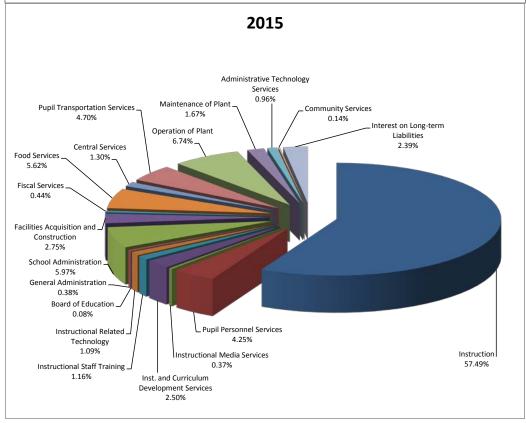
Governmental Activities Revenue by Source – Statement of Activities





Governmental Activities Expenses by Function – Statement of Activities





Total revenues increased by \$38,871,743, primarily due to an increase in Florida Education Finance Program revenues received during the fiscal year. This \$15,624,825 increase was related to an increase in State funding per student and an increase in student FTE. Other increases include: E-Rate funds provided for telecommunication upgrades at 71 schools in the amount of \$7,346,725 and an increase in Property Tax revenues of \$6,961,786.

Total expenses increased by \$49,217,045, primarily due to a rise in instructional costs during the fiscal year. The portion of this overall increase related to salary adjustments and the related benefits was \$22,031,958.

The Business-type activities had total revenues of \$10,992,537 which exceeded total expenses and transfers out by \$579,195.

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 nearterm 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 end of the 2015-2016 fiscal year, the District's governmental funds reported combined ending fund balances of \$271,127,459, a decrease of \$18,258,255, in comparison with the prior fiscal year. Approximately 18.99 percent of this total amount, or \$51,477,815, 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, 2016, and June 30, 2015.

Fund Balance	 2016	 2015	 Increase (Decrease)	Percentage Change
Major Governmental Funds:				
General Fund	\$ 56,742,004	\$ 56,019,672	\$ 722,332	1.29%
Debt Service - Other Funds	-	11,641,906	(11,641,906)	-100.00%
Capital Projects - Other Funds	166,202,915	182,447,759	(16,244,844)	-8.90%
Special Revenue - Economic Stimulus Funds	-	-	-	0.00%
Other Governmental Funds (nonmajor)	 48,182,540	39,276,377	 8,906,163	22.68%
Total Fund Balances	\$ 271,127,459	\$ 289,385,714	\$ (18,258,255)	-6.31%

The General Fund is the chief operating fund of the District. At the end of the 2015-2016 fiscal year, the unassigned fund balance of the General Fund was \$26,132,916, while total fund balance reached \$56,742,004. 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 5.03 percent of total General Fund expenditures, while total fund balance represents 10.92 percent. Fund balance of the District's General Fund increased by \$722,332 during the 2015-2016 fiscal year.

The following schedule shows the changes in General Fund revenues and other financing sources for the fiscal years ended June 30, 2016 and June 30, 2015:

General Fund Revenues and Other Financing Sources		2016		2015		Increase Decrease)	Percentag Change	
Federal Direct Sources:								
Reserve Officers Training Corps (ROTC)	\$	660,110	\$	517,824	\$	142,286	27.48%	
Federal Through State Sources:								
Other Federal Through State Sources		3,489,774		5,339,316		(1,849,542)	-34.64%	
State Sources								
Florida Education Finance Program (FEFP)		284,094,218		268,469,393		15,624,825	5.82%	
Other Restricted State Sources		87,352,266		83,937,686		3,414,580	4.07%	
Local Sources:								
Ad Valorem Taxes		128,319,631		123,010,141		5,309,490	4.32%	
Interest Income		257,281		207,804		49,477	23.81%	
Other Local Sources		15,401,639		14,373,902		1,027,737	7.15%	
Other Financing Sources		722,837		1,081,597		(358,760)	-33.17%	
Total General Fund Revenues and Other Financing Sources	s \$	520,297,756	\$	496,937,663	\$	23,360,093	4.70%	

During the 2015-2016 fiscal year, Revenues and Other Financing Sources increased by \$23,360,093, or 4.70 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 on the fourth calculation.

The following schedule shows the changes in General Fund expenditures by object for the fiscal years ended June 30, 2016 and June 30, 2015:

General Fund - Expenditures by Object	2016		2015		Increase (Decrease)		Percentage Change	
Salaries	\$	323,057,774	\$	308,972,265	\$	14,085,509	4.56%	
Employee Benefits		105,851,880		101,343,894		4,507,986	4.45%	
Purchased Services		54,376,511		47,957,503		6,419,008	13.38%	
Energy Services		12,171,181		13,805,465		(1,634,284)	-11.84%	
Materials and Supplies		15,998,547		14,495,607		1,502,940	10.37%	
Capital Outlay		1,738,381		3,295,406		(1,557,025)	-47.25%	
Other Expenditures		6,381,150		5,831,493		549,657	9.43%	
Total General Fund Expenditures	\$	519,575,424	\$	495,701,633	\$	23.873.791	4.82%	

General Fund expenditures increased by \$23,873,791 or 4.82 percent. The following are some of the highlights:

- Salaries and Employee Benefits expenditures increased by \$14,085,509 and \$4,507,986 respectively which reflects salary increases, additional allocations and the related increase in benefits
- Purchased Services increased by \$6,419,008 primarily due to an increase in Charter School enrollment and an increase in workers' compensation claims
- Energy Services decreased by \$1,634,284 due to a decrease in diesel fuel expenditures during the year
- Materials and Supplies costs increased by \$1,502,940 due primarily to new textbook adoptions

The following schedule shows the changes in General Fund expenditures by function for the fiscal years ended June 30, 2016 and June 30, 2015:

			Increase	Percentag
General Fund Expenditures by Function	2016	2015	(Decrease)	Change
Instruction	\$ 323,188,032	\$ 308,693,209	\$ 14,494,823	4.70%
Student Support Services	24,344,499	23,318,004	1,026,495	4.40%
Instructional Media Services	2,587,708	2,612,249	(24,541)	-0.94%
Inst. and Curriculum Development Services	11,260,532	10,920,557	339,975	3.11%
Instructional Staff Training Services	2,639,403	2,370,033	269,370	11.37%
Instruction-Related Technology	6,901,007	6,387,191	513,816	8.04%
Board	488,912	490,170	(1,258)	-0.26%
General Administration	1,199,612	895,879	303,733	33.90%
School Administration	38,195,861	36,843,694	1,352,167	3.67%
Facilities Acquisition and Construction	2,532,726	2,719,854	(187,128)	-6.88%
Fiscal Services	2,694,374	2,679,848	14,526	0.54%
Food Services	287,694	242,793	44,901	18.49%
Central Services	7,536,836	7,416,799	120,037	1.62%
Student Transportation Services	29,121,095	29,076,167	44,928	0.15%
Operation of Plant	45,418,565	42,337,996	3,080,569	7.28%
Maintenance of Plant	10,953,816	10,475,300	478,516	4.57%
Administrative Technology Services	9,217,589	5,808,009	3,409,580	58.70%
Community Services	434,922	856,821	(421,899)	-49.24%
Capital Outlay	572,241	1,557,060	(984,819)	-63.25%
Total General Fund Expenditures	\$ 519,575,424	\$ 495,701,633	\$ 23,873,791	4.82%

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 and capital leases, has a total fund balance of \$166,202,915, of which \$154,319,916 is restricted for specific capital projects and \$11,882,999 is nonspendable inventory. The net decrease in fund balance in the Capital Projects Other Fund was \$16,244,844 and resulted primarily from expenditures to open the new Elementary School, Wiregrass Elementary, and the completion of major renovations to Anclote Elementary and Bayonet Point Middle, all to open in the 2016-2017 school year. In addition, expenditures were made towards the construction of the new Cypress Creek Middle/High School (High School "GGG") and toward the facility modernization of Marchman Technical College. It should also be noted that \$67,845,079 of the total fund balance has been encumbered under specific engineering and construction contracts in progress at year-end.

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 Budget revenues and actual:

				Final -Original Budget	Actual - Final Budge	
General Fund Revenues and Other Financing Sources	Original Budget	Final Budget	Actual 2016	Inc (Dec)	Inc (Dec)	
Federal Direct Sources:						
Reserve Officers Training Corps (ROTC)	\$ 534,063	\$ 581,689	\$ 660,110	\$ 47,626	\$ 78,421	
Federal Through State Sources:						
Other Federal Through State Sources	3,200,000	3,200,000	3,489,774	-	289,77	
State Sources						
Florida Education Finance Program (FEFP)	288,044,273	289,364,243	284,094,218	1,319,970	(5,270,02	
Other Restricted State Sources	84,533,962	87,672,264	87,352,266	3,138,302	(319,99	
Local Sources:						
Ad Valorem Taxes	127,052,957	127,052,957	128,319,631	-	1,266,67	
Interest Income	500,000	500,000	257,281	-	(242,71	
Other Local Sources	12,536,404	13,105,041	15,401,639	568,637	2,296,59	
Other Financing Sources	698,928	606,099	722,837	(92,829)	116,73	
Total General Fund Revenues and Other Financing Source	es \$ 517,100,587	\$ 522,082,293	\$ 520,297,756	\$ 4,981,706	\$ (1,784,53	

The General Fund actual revenues were less than the final budgeted revenues, excluding Other Financing Sources, by \$1,901,275. This difference primarily was a reduction in funds received for various local projects and a reduction in VPK program revenues due to a reduction in enrollment in the program. The General Fund final budget revenues, excluding Other Financing Sources, increased by \$5,074,535 over the original budget due primarily to state provided funds for Best & Brightest supplements and increased funds for School Recognition.

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

				Final -Original	Actual -
				Budget	Final Budge
eneral Fund Expenditures by Function	Original Budget	Final Budget	Actual 2016	Inc (Dec)	Inc (Dec)
Instruction	\$ 327,893,718	\$ 334,743,936	\$ 323,188,032	\$ 6,850,218	\$ (11,555,90
Student Support Services	24,984,755	25,152,390	24,344,499	167,635	(807,89
Instructional Media Services	2,955,706	3,192,013	2,587,708	236,307	(604,30
Inst. and Curriculum Development Services	12,606,918	12,395,754	11,260,532	(211,164)	(1,135,2
Instructional Staff Training Services	3,575,011	2,963,787	2,639,403	(611,224)	(324,3
Instruction-Related Technology	7,145,438	7,278,521	6,901,007	133,083	(377,5
Board	2,847,655	610,303	488,912	(2,237,352)	(121,3
General Administration	970,566	1,105,998	1,199,612	135,432	93,6
School Administration	36,327,594	39,022,356	38,195,861	2,694,762	(826,4
Facilities Acquisition and Construction	2,643,245	2,692,482	2,532,726	49,237	(159,7
Fiscal Services	3,717,337	3,861,688	2,694,374	144,351	(1,167,3
Food Services	-	287,931	287,694	287,931	(2
Central Services	8,674,570	8,949,646	7,536,836	275,076	(1,412,8
Student Transportation Services	28,834,271	33,575,316	29,121,095	4,741,045	(4,454,2
Operation of Plant	44,120,954	44,756,459	45,418,565	635,505	662,1
Maintenance of Plant	10,804,781	11,663,111	10,953,816	858,330	(709,2
Administrative Technology Services	7,836,334	9,039,001	9,217,589	1,202,667	178,5
Community Services	627,263	669,823	434,922	42,560	(234,9
Capital Outlay	-	869,632	572,241	869,632	(297,3
otal General Fund Expenditures	\$ 526,566,116	\$ 542,830,147	\$ 519,575,424	\$ 16,264,031	\$ (23,254,7

The General Fund actual expenditures were less than the final budgeted appropriations by \$23,254,723. There were many approved but unfilled teaching and transportation positions. Diesel fuel was \$3.6 million below budget. The General Fund final budget appropriations increased by \$16,264,031 over the original budget due primarily to salary and benefit increases and textbook adoptions.

Capital Asset and Debt Administration

Capital Assets

The District's investment in capital assets as of June 30, 2016, amounts to \$1,081,233,518. 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, 2016, including construction of Wiregrass Elementary, opening for the 2016-2017 school year, as well as continuing progress on the following items that were included in Construction in Progress at fiscal year-end: the renovations of Anclote Elementary, Bayonet Point Middle, and Marchman Technical College as well as construction of Cypress Creek Middle/High School (High School "GGG").

The following is a summary of the District's capital assets as of June 30, 2016:

	Capital Assets (net of depreciation)													
		Govern Activ			Busine Act	ess-typ ivity	е		To School	Percentage				
		<u>2016</u>		<u>2015</u>	<u>2016</u>	2	<u>2015</u>		<u>2016</u>		<u>2015</u>	<u>Change</u>		
Land	\$	81,505,202	\$	81,617,607	\$ -	\$	-	\$	81,505,202	\$	81,617,607	-0.14%		
Construction in Progress Improvements Other		95,388,252		62,807,408	-		-		95,388,252		62,807,408	51.87%		
Than Buildings Buildings and		22,199,480		21,421,852	19,061		18,763		22,218,541		21,440,615	3.63%		
Fix ed Equipment Furniture, Fix tures		826,820,471		788,925,845	14,825		16,381		826,835,296		788,942,226	4.80%		
and Equipment		33,297,833		30,158,260	124,861	1	65,973		33,422,694		30,324,233	10.22%		
Motor Vehicles		14,243,670		11,430,753	-		-		14,243,670		11,430,753	24.61%		
Audio Visual Materials		17,004		32,051	-		-		17,004		32,051	-46.95%		
Computer Software		7,761,606		7,906,275	7,295		5,622		7,768,901		7,911,897	-1.81%		
Total	\$	1,081,233,518	\$	1,004,300,051	\$ 166,042	\$ 2	06,739	\$	1,081,399,560	\$	1,004,506,790	7.65%		

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 58 and 59.

Long-term Debt

As of June 30, 2016, the District has total long-term debt outstanding of \$520,329,687. This amount is comprised of \$139,794,130 of bonds payable, \$369,048,086 of certificates of participation and \$11,487,471 of obligations under capital leases.

The following is a summary of the District's long-term debt as of June 30, 2016:

	Outstanding Long-Term Debt													
		Total Scho	ool Dis	trict 2015	ý	Increase (Decrease)	Percentage <u>Change</u>							
Obligations Under Capital Leases	\$	11,487,471	\$	-	\$	11,487,471								
SBE Bonds		9,887,266		12,068,756	\$	(2,181,490)	-18.08%							
District Revenue Bonds		2,545,807		2,643,796		(97,989)	-3.71%							
Sales Tax Revenue Bonds		127,361,057		106,873,977		20,487,080	19.17%							
Certificates of Participation		369,048,086		351,603,807		17,444,279	4.96%							
Total	\$	520,329,687	\$	473,190,336	\$	47,139,351	9.96%							

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 70.

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.

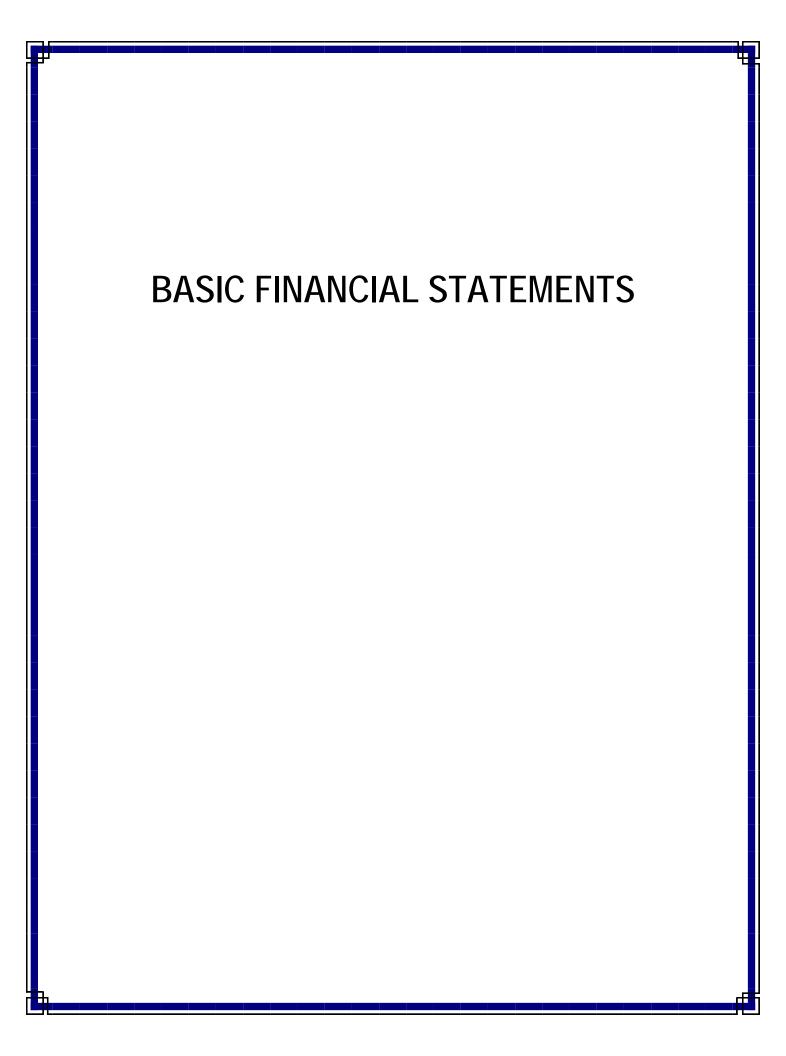
A second challenge facing the District is the local economy. It is important to note that if the growth patterns in student population change so a greater or lesser number of students enter the District than currently anticipated, adjustments will be made to the financial models upon which assumptions 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.

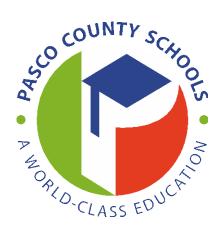
Requests for Information

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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District School Board of Pasco County Statement of Net Position June 30, 2016

	Pr	imary	Government			
	Governmental	Bu	siness-type		(Component
	 Activities		Activity	 Total		Units
ASSETS:						
Cash	\$ 49,093,547	\$	1,243,714	\$ 50,337,261	\$	3,063,205
Cash with Fiscal Agent	4,662,399		-	4,662,399		=
Investments	272,753,021		3,088,155	275,841,176		2,068,308
Accounts Receivable	5,221,615		95,317	5,316,932		261,210
Accrued Interest Receivable	239,462		1,652	241,114		-
Deposits Receivable	-		-	-		20,000
Due From Other Agencies	15,962,515		-	15,962,515		443,119
Inventories	16,795,099		-	16,795,099		-
Prepaid Items	126,456		-	126,456		1,946,661
Capital Credits Receivable	4,841,486		-	4,841,486		-
Net Pension Asset - SERP	3,501,596		-	3,501,596		-
Capital Assets (net of accumulated depreciation):						
Land	81,505,202		-	81,505,202		1,439,534
Construction in Progress	95,388,252		-	95,388,252		2,142,652
Improvements Other Than Buildings	22,199,480		19,061	22,218,541		221,700
Leasehold Property and Improvements	-		-	-		763,753
Buildings and Fixed Equipment	826,820,471		14,825	826,835,296		5,245,260
Furniture, Fixtures, and Equipment	33,297,833		124,861	33,422,694		818,196
Motor Vehicles	14,243,670		-	14,243,670		361,751
Audio Visual Materials	17,004		-	17,004		-
Computer Software	7,761,606		7,295	7,768,901		41,812
Total Assets	1,454,430,714		4,594,880	1,459,025,594		18,837,161
DEFERRED OUTFLOWS OF RESOURCES						
Accumulated Decrease in Fair Value of						
Hedging Derivatives	23,013,707		-	23,013,707		-
Deferred Amount - Bond Refunding	6,852,789		-	6,852,789		-
Deferred Amount - Pension SERP	1,231,412		_	1,231,412		-
Deferred Amount - Pension FRS / HIS	68,665,416		1,112,496	69,777,912		-
Total Deferred Outflows of Resources	 99,763,324		1,112,496	100,875,820		-
TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 1,554,194,038	\$	5,707,376	\$ 1,559,901,414	\$	18,837,161

(continued)

		Pr	rimary	Government				
		Governmental		siness-type				Component
		Activities		Activity		Total		Units
LIABILITIES:								
Salaries and Benefits Payable	\$	8,287,902	\$	-	\$	8,287,902	\$	833,066
Payroll Deductions and Withholdings Payable		3,573,561		-		3,573,561		-
Accounts Payable		27,676,069		21,791		27,697,860		1,146,415
Construction Contracts Payable		2,445,712		-		2,445,712		-
Construction Contracts Payable-Retainage		4,218,159		-		4,218,159		-
Due to Other Agencies		1,031		-		1,031		-
Sales Tax Payable		3,010		1,791		4,801		-
Deposits Payable		52,498		-		52,498		-
Accrued Interest Payable		4,758,941		-		4,758,941		34,414
Advanced Revenue		1,531,742		78,084		1,609,826		48,002
Non-Current Liabilities Due Within One Year:								
Notes Payable		-		-		-		1,729,533
Bonds Payable		13,537,399		-		13,537,399		-
Certificates of Participation Payable		14,111,534		-		14,111,534		-
Obligations Under Capital Leases		3,060,127		-		3,060,127		158,922
Estimated Insurance Claims Payable		2,791,000		-		2,791,000		-
Compensated Absences Payable		2,009,145		-		2,009,145		90,236
Net Pension Liability - FRS / HIS		4,243,279		-		4,243,279		-
Long-Term Debt and Liabilities:								
Notes Payable		-		-		-		6,525,051
Bonds Payable		126,256,731		-		126,256,731		-
Certificates of Participation Payable		354,936,552		-		354,936,552		-
Obligations Under Capital Leases		8,427,344		-		8,427,344		102,989
Estimated Insurance Claims Payable		4,891,000		-		4,891,000		-
Compensated Absences Payable		36,399,487		539,382		36,938,869		-
Other Post-Employment Benefits Obligation		61,104,415		1,054,064		62,158,479		-
Net Pension Liability - FRS / HIS		220,316,360		3,521,764		223,838,124		-
Derivatives Swap Liability		23,013,707		-		23,013,707		-
Total Liabilities		927,646,705		5,216,876		932,863,581		10,668,628
DEFERRED INFLOWS OF RESOURCES								
Deferred Amount - Pension SERP		4,169,318		-		4,169,318		-
Deferred Amount - Pension FRS / HIS		33,572,219		455,864		34,028,083		
Total Deferred Inflows of Resources		37,741,537		455,864		38,197,401		
TOTAL LIABILITIES AND DEFERRED INFLOWS	-	965,388,242		5,672,740		971,060,982		10,668,628
NET POSITION:								
NETT OSITION.								
Net Investment in Capital Assets		631,191,690		166,042		631,357,732		2,476,351
Restricted for:								
State Categorical Programs		1,393,683		-		1,393,683		-
Debt Service		8,493,920		-		8,493,920		-
Capital Projects		121,784,322		-		121,784,322		-
Special Revenue-Food Service		9,060,413		-		9,060,413		-
Other Purposes		=		-		· · ·		1,946,977
Non-expendable-Permanent Endowment		-		-		-		2,002,076
Unrestricted		(183,118,232)		(131,406)		(183,249,638)		1,743,129
Total Net Position		588,805,796		34,636		588,840,432		8,168,533
		_		_		_		_
TOTAL LIABILITIES, DEFERRED INFLOWS,	ф	1 FF / 10 / 020	.	F 707 07/	φ.	1 550 001 414	Φ.	10 007 4/4
AND NET POSITION	\$	1,554,194,038	\$	5,707,376	\$	1,559,901,414	\$	18,837,161

District School Board of Pasco County Statement of Activities For the Fiscal Year Ended June 30, 2016

				Progr	ram Revenues	
Functions/Programs:	 Expenses	(Charges for Services	(Operating Grants and ontributions	Capital Grants and ontributions
Primary Government						
Governmental Activities:						
Instruction	\$ 386,321,690	\$	524,903	\$	-	\$ _
Student Support Services	27,878,254		-		-	-
Instructional Media Services	2,395,795		-		-	-
Instruction and Curriculum Development Services	16,807,274		-		-	-
Instructional Staff Training Services	7,168,371		-		-	-
Instruction-Related Technology	7,181,975		-		-	-
Board	593,665		-		-	-
General Administration	3,366,050		-		-	-
School Administration	39,320,749		-		-	-
Facilities Acquisition and Construction	22,312,816		-		-	11,653,492
Fiscal Services	2,789,717		-		-	-
Food Services	39,016,954		11,312,259		26,714,565	-
Central Services	12,010,763		-		-	-
Student Transportation Services	29,927,606		1,142,417		15,785,363	-
Operation of Plant	45,765,410		-		-	-
Maintenance of Plant	11,374,941		-		-	-
Administrative Technology Services	9,929,967		-		-	-
Community Services	475,657		-		-	-
Interest on Long-term Liabilities	 15,510,778		-		<u>-</u>	 2,885,807
Total Governmental Activities	680,148,432		12,979,579		42,499,928	14,539,299
Business-Type Activities:						
PLACE Program	9,850,333		10,454,332		-	_
Vending Program	506,375		527,256		-	_
Total Business-Type Activities	10,356,708		10,981,588		-	-
Total Primary Government	\$ 690,505,140	\$	23,961,167	\$	42,499,928	\$ 14,539,299
Component Units:						
Educational Foundation/Charter Schools	\$ 30,478,160	\$	641,586	\$	1,131,849	\$ 571,178

General Revenues:

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, 2015

Net Position, June 30, 2016

Net (Expense) Revenue and Changes in Net Assets

0			t	Primary Governmen			
Component	(T		Business-type	Governmental		
Units	-	Total		Activities	Activities		
\$	\$	(385,796,787)	\$	\$ -	(385,796,787)	\$	
		(27,878,254)		-	(27,878,254)		
		(2,395,795)		-	(2,395,795)		
		(16,807,274)		-	(16,807,274)		
		(7,168,371)		-	(7,168,371)		
		(7,181,975)		-	(7,181,975)		
		(593,665)		-	(593,665)		
		(3,366,050)		-	(3,366,050)		
		(39,320,749)		-	(39,320,749)		
		(10,659,324)		-	(10,659,324)		
		(2,789,717)		-	(2,789,717)		
		(990,130)		-	(990,130)		
		(12,010,763)		-	(12,010,763)		
		(12,999,826)		-	(12,999,826)		
		(45,765,410)		-	(45,765,410) (11,374,941)		
		(11,374,941) (9,929,967)		-	(9,929,967)		
		(9,929,907) (475,657)		-	(475,657)		
		(12,624,971)		-	(12,624,971)		
-		(610,129,626)			(610,129,626)		
		(010,127,020)			(010,127,020)		
		603,999		603,999	-		
		20,881		20,881	-		
		624,880		624,880	-		
		(609,504,746)		624,880	(610,129,626)		
(28,133,54		<u>-</u>		<u> </u>	-		
		128,319,631		<u>-</u>	128,319,631		
		34,313,082		- -	34,313,082		
		25,738,211		-	25,738,211		
28,429,29		404,584,134		-	404,584,134		
(152,79		1,835,659		10,665	1,824,994		
, ,		22,699,864		284	22,699,580		
		<u> </u>		(56,634)	56,634		
28,276,50		617,490,581		(45,685)	617,536,266		
142,95		7,985,835		579,195	7,406,640		
8,025,57		580,854,597		(544,559)	581,399,156		
\$ 8,168,53	\$	588,840,432	\$	\$ 34,636	588,805,796	\$	

District School Board of Pasco County Balance Sheet Governmental Funds June 30, 2016

		Major	Funds	S				
		General		pital Projects				
		Primary			Nonmajor			Total
		Operating	Other		Governmental		G	overnmental
	Fund			Funds	Funds			Funds
ASSETS:								
Cash	\$	10,361,830	\$	16,380,086	\$	13,588,464	\$	40,330,380
Cash with Fiscal Agent		-		4,715		4,657,684		4,662,399
Investments		49,058,878		143,327,848		30,022,944		222,409,670
Accounts Receivable		4,972,302		-		63,238		5,035,540
Accrued Interest Receivable		11,575		187,693		13,256		212,524
Due from Other Funds		6,796,032		1,217,245		-		8,013,277
Due from Other Agencies		768,011		5,969,849		9,224,655		15,962,515
Inventories		3,744,050		11,882,999		1,168,050		16,795,099
Prepaid Items		126,456		-		-		126,456
TOTAL ASSETS	\$	75,839,134	\$	178,970,435	\$	58,738,291	\$	313,547,860
LIABILITIES AND FUND BALANCES:								
Liabilities:								
Salaries and Benefits Payable	\$	8,284,934	\$	-	\$	2,954	\$	8,287,888
Payroll Deductions and Withholdings Payable		3,569,392		-		-		3,569,392
Accounts Payable		7,132,099		6,304,112		1,103,983		14,540,194
Construction Contracts Payable		-		2,292,876		152,836		2,445,712
Construction Contracts Payable-Retainage		-		4,170,532		47,627		4,218,159
Due to Other Funds		-		-		8,013,277		8,013,277
Due to Other Agencies		-		-		1,031		1,031
Sales Tax Payable		3,010		-		-		3,010
Deposits Payable		52,498		-		-		52,498
Advanced Revenue		55,197		-		1,234,043		1,289,240
Total Liabilities		19,097,130		12,767,520		10,555,751		42,420,401
Fund Balances:								
Nonspendable:								
Inventories:								
General Fund		3,744,050		-		-		3,744,050
Capital Projects Other		-		11,882,999		-		11,882,999
Special Revenue-Food Service		-		-		1,168,050		1,168,050
Prepaid Items:								
General Fund		126,456		-		-		126,456
Restricted:								
Categorical Programs		1,393,683		-		-		1,393,683
Special Revenue-Food Service		-		-		7,892,363		7,892,363
Debt Service		-		-		13,252,861		13,252,861
Capital Projects		-		154,319,916		25,869,266		180,189,182
Assigned:								
School Operations:								
School and Local Programs		19,945,132		-		-		19,945,132
Next Year Budget		5,399,767		-		-		5,399,767
Unassigned Fund Balance		26,132,916		-		-		26,132,916
Total Fund Balances		56,742,004		166,202,915	_	48,182,540		271,127,459
TOTAL LIABILITIES AND FUND BALANCES	\$	75,839,134	\$	178,970,435	\$	58,738,291	\$	313,547,860

District School Board of Pasco County Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position June 30, 2016

Total fund balances for total governmental funds (page 26).		\$ 271,127,459
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	\$ 4,841,486	
Net Pension Asset - SERP	3,501,596	
Capital Assets (net of accumulated depreciation)	 1,081,233,518	1,089,576,600
Deferred outflows of resources are reported as a result of:		
Changes in fair value of Hedging Derivatives	23,013,707	
Deferred Amounts on Bond Refundings	6,852,789	
Deferred Amounts for Pension - SERP	1,231,412	
Deferred Amounts for Pension - FRS / HIS	 68,665,416	99,763,324
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.		(4,758,941)
Long-tern 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	(139,794,130)	
Certificates of Participation Payable	(369,048,086)	
Obligations Under Capital Leases	(11,487,471)	
Compensated Absences Payable	(38,408,632)	
Other Post-employment Benefits Obligation	(61,104,415)	
Net Pension Liability FRS / HIS	(224,559,639)	
Derivative Swap Liability	 (23,013,707)	(867,416,080)
Deferred inflows of resources are reported as a result of :		
Deferred Amounts for Pension - SERP	(4,169,318)	
Deferred Amounts for Pension - FRS / HIS	 (33,572,219)	(37,741,537.00)
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.		 38,254,971
Total Net Position - Governmental Activities		\$ 588,805,796

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District School Board of Pasco County Statement of Revenues, Expenditures, and Changes in Fund Balances Governmental Funds

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		General	Ca	pital Projects	_			
		Primary		_		Nonmajor		Total
		Operating		Other	G	overnmental	G	overnmental
		Fund		Funds	Funds			Funds
Revenues:								
Federal Sources:								
Federal Direct	\$	660,110	\$	-	\$	7,953,462	\$	8,613,572
Federal Through State		3,489,774		-		62,958,246		66,448,020
State Sources:								
Florida Education Finance Program		284,094,218		-		-		284,094,218
Public Education Capital Outlay		-		-		2,445,259		2,445,259
Food Services		-		-		395,520		395,520
SBE/COBI Bond Interest		-		-		485		485
CO & DS Withheld for State Education Bonds		-		-		2,545,912		2,545,912
CO & DS Interest		-		-		8,407		8,407
CO & DS Distributed		-		-		288,219		288,219
Racing Commission Funds	-			-	223,250			223,250
State Grants and Other	87,352,266			-	-			87,352,266
Local Sources:								
Property Taxes		128,319,631		-		34,313,082		162,632,713
Local Sales Taxes		-		25,738,211		-		25,738,211
Impact Fees		-		9,208,233		-		9,208,233
Food Services		-		-		10,571,030		10,571,030
Investment Earnings		257,281		821,459		746,254		1,824,994
Local Grants and Other		15,401,639		7,531,625		1,375,884		24,309,148
Total Revenues		519,574,919		43,299,528		123,825,010		686,699,457
Expenditures:								
Current-Education:								
Instruction		323,188,032		-		25,634,609		348,822,641
Student Support Services		24,344,499		-		3,718,611		28,063,110
Instructional Media Services		2,587,708		-		79,036		2,666,744
Inst. and Curriculum Development Services		11,260,532		-		5,044,186		16,304,718
Instructional Staff Training Services		2,639,403		-		5,250,897		7,890,300
Instruction-Related Technology		6,901,007		-		301,048		7,202,055
Board		488,912		-		13,061		501,973
General Administration		1,199,612		-		1,974,343		3,173,955

Major Funds

		General	Oup	ital Projects				
	F	Primary			No	onmajor		Total
	0	perating		Other	Gov	ernmental	G	overnmental
		Fund		Funds		Funds		Funds
Expenditures (continued):								
School Administration		38,195,861		-		139,635		38,335,496
Facilities Acquisition and Construction		2,532,726		3,868,899		1,377,397		7,779,022
Fiscal Services		2,694,374		-		88,173		2,782,547
Food Services		287,694		-		38,315,048		38,602,742
Central Services		7,536,836		-		173,400		7,710,236
Student Transportation Services		29,121,095		-		331,516		29,452,611
Operation of Plant		45,418,565		-		100,993		45,519,558
Maintenance of Plant		10,953,816		-		50,753		11,004,569
Administrative Technology Services		9,217,589		-		112,860		9,330,449
Community Services		434,922		-		-		434,922
Capital Outlay:								
Facilities Acquisition and Construction		32,266		115,941,813		15,119,958		131,094,037
Other Capital Outlay		539,975		-		848,729		1,388,704
Debt Service:								
Principal		-		-		24,451,976		24,451,976
Interest		-		-		16,400,738		16,400,738
Fiscal Charges		<u>-</u>		-		643,131		643,131
Total Expenditures		519,575,424		119,810,712		140,170,098		779,556,234
Excess (Deficiency) of Revenues Over Expenditures		(505)		(76,511,184)		(16,345,088)		(92,856,777)
Other Financing Sources (Uses):								
Proceeds of Bonds Issued		-		30,000,000		75,000		30,075,000
Premiums on Certificates of Participation Issued		-		4,398,965		-		4,398,965
Proceeds Of Certificates of Participation Issued		-		25,995,000		-		25,995,000
Capital Leases		-		13,739,423		32,500		13,771,923
Proceeds from the Sale of Capital Assets		116,000		-		-		116,000
Transfers In		1,851,440		-		39,988,513		41,839,953
Transfers Out		(1,244,603)		(13,867,048)		(26,486,668)		(41,598,319)
Total Other Financing Sources (Uses)		722,837		60,266,340		13,609,345		74,598,522
Net Change in Fund Balances		722,332		(16,244,844)		(2,735,743)		(18,258,255)
Fund Balances, July 1, 2015		56,019,672		182,447,759		50,918,283		289,385,714
Fund Balances, June 30, 2016	\$	56,742,004	\$	166,202,915	\$	48,182,540	\$	271,127,459

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 For the Fiscal Year Ended June 30, 2016

Net Change in Fund Balances - Governmental Funds (page 29).		\$	(18,258,255)
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 Less current year depreciation	\$ 132,482,741 (54,482,102)		78,000,639
Capital assets donated to the District increase net assets on the statement of activities. However, they do not provide current financial resources and are not reported as revenues in the governmental funds.			120,549
The undepreciated 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 assets differs from the change in fund balance by the undepreciated cost of the assets disposed of.			(1,185,740)
Governmental funds report district pension contributions as expenditures. However, in the statement of activities, the cost of SERP pension benefits earned is reported as a pension expense.			238,368
Governmental funds report district pension contributions as expenditures. However, in the statement of activities, the cost of FRS/HIS pension benefits earned net of employee contributions is reported as a pension expense.			7,475,656
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 New Sales Tax Bonds Issued New Certificates of Participation Issues Capital Leases Issued Net decrease in deferred charges Net increase in premiums and discounts	24,451,976 (30,075,000) (25,995,000) (13,771,923) (622,007) (1,749,404)		(47,761,358)
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.			241,023
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.			(1,199,481)
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.			(494,463)
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.			(6,319,229)
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.			(3 451 060)
is reported with governmental activities.			(3,451,069)
Change in Net Position - Governmental Activities (pages 24 & 25).		\$	7,406,640

	Budgeted Amounts						Variance with Final Budget -
		Original		Final		ctual Amounts	Positive (Negative)
Revenues:		Original	_	Tillai		otadi 7 ililodi ito	 (rrogativo)
Intergovernmental:							
Federal Sources:							
Federal Direct	\$	534,063	\$	581,689	\$	660,110	\$ 78,421
Federal Through State		3,200,000		3,200,000		3,489,774	289,774
State Sources:							
Florida Education Finance Program		288,044,273		289,364,243		284,094,218	(5,270,025)
State Grants and Other		84,533,962		87,672,264		87,352,266	(319,998)
Local Sources:							
Property Taxes		127,052,957		127,052,957		128,319,631	1,266,674
Investment Earnings		500,000		500,000		257,281	(242,719)
Local Grants and Other		12,536,404		13,105,041		15,401,639	2,296,598
Total Revenues		516,401,659		521,476,194		519,574,919	(1,901,275)
Expenditures:							
Current-Education:							
Instruction							
Salaries	\$	216,346,847	\$	213,974,151	\$	210,987,614	\$ 2,986,537
Employee Benefits		59,346,663		64,977,116		65,130,512	(153,396)
Purchased Services		36,799,692		36,491,570		29,713,663	6,777,907
Materials and Supplies		11,234,651		13,944,507		12,361,391	1,583,116
Capital Outlay		420,685		533,182		336,150	197,032
Other Expenses		3,745,180		4,823,410		4,658,702	164,708
Student Support Services							
Salaries		16,845,205		16,964,023		16,606,798	357,225
Employee Benefits		5,481,107		5,595,328		5,415,699	179,629
Purchased Services		2,338,920		2,368,027		2,160,393	207,634
Materials and Supplies		199,156		173,845		124,109	49,736
Capital Outlay		119,917		8,742		8,740	2
Other Expenses		450		42,425		28,760	13,665
Instructional Media Services							
Salaries		1,018,399		1,027,355		975,802	51,553
Employee Benefits		465,718		475,284		420,919	54,365
Purchased Services		125,000		424,830		302,168	122,662
Materials and Supplies		1,035,916		449,469		346,035	103,434
Capital Outlay		305,673		812,075		540,922	271,153
Other Expenses		5,000		3,000		1,862	1,138
Instruction and Curriculum Development Services							
Salaries		9,269,844		8,999,621		8,290,508	709,113
Employee Benefits		2,698,968		2,837,239		2,621,933	215,306
Purchased Services		134,417		309,398		244,699	64,699
Materials and Supplies		470,627		173,883		39,534	134,349
Capital Outlay		12,500		22,540		22,188	352
Other Expenses		20,562		53,073		41,670	11,403
							(continued)

Budgeted Amounts Pinal Actual Amounts	Final Budget - Positive (Negative)
Instructional Staff Training Services	
Instructional Staff Training Services	
Salaries 2,157,616 1,925,023 1,777,159 Employee Benefits 457,331 501,696 431,107 Purchased Services 159,118 389,267 318,242 Materials and Supplies 789,166 86,571 73,891 Capital Outlay 750 4,308 3,568 Other Expenses 11,030 54,922 35,436 Instruction-Related Technology 5,473,869 5,543,263 5,214,294 Employee Benefits 1,671,494 1,717,168 1,669,073 Purchased Services - 18,090 17,640 Materials and Supplies 75 - - Capital Outlay - - - - Salaries 225,313 229,313 228,127 Employee Benefits 2,435,951 139,639 136,645 Purchased Services 158,820 193,780 84,619 Materials and Supplies 3,255 3,255 1,214 Capital Outlay 935 935 -	
Employee Benefits 457,331 501,696 431,107 Purchased Services 159,118 389,267 318,242 Materials and Supplies 789,166 88,571 73,891 Capital Outlay 750 4,308 3,568 Other Expenses 11,030 54,922 35,436 Instruction-Related Technology 5,473,869 5,543,263 5,214,294 Employee Benefits 1,671,494 1,717,168 1,669,073 Purchased Services - 18,090 17,640 Materials and Supplies 75 - - Capital Outlay - - 18,090 17,640 Materials and Supplies 75 - - - Salaries 225,313 229,313 228,127 Employee Benefits 2,435,951 139,639 136,645 Purchased Services 158,820 193,780 84,619 Materials and Supplies 3,255 3,255 1,214 Capital Outlay 3,381 43,381 38,307 <td></td>	
Purchased Services 159,118 389,267 318,242 Materials and Supplies 789,166 88,571 73,891 Capital Outlay 750 4,308 3,568 Other Expenses 11,030 54,922 35,436 Instruction-Related Technology Temployee Benefits 1,671,489 1,717,168 1,669,073 Employee Benefits 1,671,494 1,717,168 1,669,073 Purchased Services - 18,090 17,640 Materials and Supplies 75 - - Capital Outlay - - - Board 225,313 229,313 228,127 Employee Benefits 2,435,951 139,639 136,645 Purchased Services 158,820 193,780 84,619 Materials and Supplies 3,255 3,255 1,214 Capital Outlay 9,35 9,35 - General Administration 23,381 43,381 38,307 General Administration 8,800 8,573 3,791 <td>147,8</td>	147,8
Materials and Supplies 789,166 88,571 73,891 Capital Outlay 750 4,308 3,568 Other Expenses 11,030 54,922 35,436 Instruction-Related Technology 5,473,869 5,543,263 5,214,294 Employee Benefits 1,671,494 1,717,168 1,669,073 Purchased Services - 18,090 17,640 Materials and Supplies 75 - - Capital Outlay - - - - Salaries 225,313 229,313 228,127 Employee Benefits 2,435,951 139,639 136,645 Purchased Services 158,820 193,780 84,619 Materials and Supplies 3,255 3,255 1,214 Capital Outlay 935 935 - Other Expenses 23,381 43,381 38,307 General Administration 32,55 238,544 230,925 Employee Benefits 203,355 238,544 230,925 <	70,5
Capital Outlaty 750 4,308 3,568 Other Expenses 11,030 54,922 35,436 Instruction-Related Technology 11,030 54,922 35,436 Salaries 5,473,869 5,543,263 5,214,294 Employee Benefits 1,671,494 1,717,168 1,669,073 Purchased Services - 18,090 17,640 Materials and Supplies 75 - - Capital Outlay - - - Salaries 225,313 229,313 228,127 Employee Benefits 2,435,951 139,639 136,645 Purchased Services 158,820 193,780 84,619 Materials and Supplies 3,255 3,255 1,214 Capital Outlay 9,35 935 - Other Expenses 23,381 43,381 38,307 General Administration 24,480 704,880 695,225 Employee Benefits 203,355 238,544 230,925 Purchased Services	71,0
Capital Outlaty 750 4,308 3,568 Other Expenses 11,030 54,922 35,436 Instruction-Related Technology 11,030 54,922 35,436 Salaries 5,473,869 5,543,263 5,214,294 Employee Benefits 1,671,494 1,717,168 1,669,073 Purchased Services - 18,090 17,640 Materials and Supplies 75 - - Capital Outlay - - - Salaries 225,313 229,313 228,127 Employee Benefits 2,435,951 139,639 136,645 Purchased Services 158,820 193,780 84,619 Materials and Supplies 3,255 3,255 1,214 Capital Outlay 9,35 935 - Other Expenses 23,381 43,381 38,307 General Administration 24,480 704,880 695,225 Employee Benefits 203,355 238,544 230,925 Purchased Services	14,6
Other Expenses 11,030 54,922 35,436 Instruction-Related Technology 1 35,473,869 5,543,263 5,214,294 Employee Benefits 1,671,494 1,717,168 1,669,073 Purchased Services - 18,090 17,640 Materials and Supplies 75 - - Capital Outlay - - - Board 225,313 229,313 228,127 Employee Benefits 2,435,951 139,639 136,645 Purchased Services 158,820 193,780 84,619 Materials and Supplies 3,255 3,255 1,214 Capital Outlay 935 935 - Other Expenses 624,880 704,880 695,225 Employee Benefits 203,355 238,544 230,925 Purchased Services 106,581 122,616 74,394 Materials and Supplies 8,800 8,573 3,791 Capital Outlay 3,250 3,560 1,060 O	7-
Instruction-Related Technology Salaries 5,473,869 5,543,263 5,214,294 Employee Benefits 1,671,494 1,717,168 1,669,073 Purchased Services - 18,090 17,640 Materials and Supplies 75 - - Capital Outlay - - - Board - - - Salaries 225,313 229,313 228,127 Employee Benefits 2,435,951 139,639 136,645 Purchased Services 158,820 193,780 84,619 Materials and Supplies 3,255 3,255 1,214 Capital Outlay 935 935 - Other Expenses 23,381 43,381 38,307 General Administration 3 26,414,384 230,925 Employee Benefits 203,355 238,544 230,925 Purchased Services 106,581 122,616 74,394 Materials and Supplies 8,800 8,573 3,791 Capital	19,4
Salaries 5,473,869 5,543,263 5,214,294 Employee Benefits 1,671,494 1,717,168 1,669,073 Purchased Services - 18,090 17,640 Materials and Supplies 75 - - Capital Outlay - - - Board - - - Salaries 225,313 229,313 228,127 Employee Benefits 2,435,951 139,639 136,645 Purchased Services 158,820 193,780 84,619 Materials and Supplies 3,255 3,255 1,214 Capital Outlay 935 935 - Other Expenses 23,381 43,381 38,307 General Administration 3 256,352 238,544 230,925 Employee Benefits 203,355 238,544 230,925 Purchased Services 106,581 122,616 74,394 Materials and Supplies 8,800 8,573 3,791 Capital Outlay 3,	
Employee Benefits 1,671,494 1,717,168 1,669,073 Purchased Services - 18,090 17,640 Materials and Supplies 75 - - Capital Outlay - - - Board - - - Salaries 225,313 229,313 228,127 Employee Benefits 2,435,951 139,639 136,645 Purchased Services 158,820 193,780 84,619 Materials and Supplies 3,255 3,255 1,214 Capital Outlay 935 935 - Other Expenses 23,381 43,381 38,307 General Administration 80 704,880 695,225 Employee Benefits 203,355 238,544 230,925 Purchased Services 106,581 122,616 74,394 Materials and Supplies 8,800 8,573 3,791 Capital Outlay 3,250 3,560 1,060 Other Expenses 23,700 27,825 </td <td>328,9</td>	328,9
Purchased Services - 18,090 17,640 Materials and Supplies 75 - - Capital Outlay - - - Board - - - Salaries 225,313 229,313 228,127 Employee Benefits 2,435,951 139,639 136,645 Purchased Services 158,820 193,780 84,619 Materials and Supplies 3,255 3,255 1,214 Capital Outlay 935 935 - Other Expenses 23,381 43,381 38,307 General Administration 8 624,880 704,880 695,225 Employee Benefits 203,355 238,544 230,925 Purchased Services 106,581 122,616 74,394 Materials and Supplies 8,800 8,573 3,791 Capital Outlay 3,250 3,560 1,060 Other Expenses 23,700 27,825 194,217 School Administration 24,971,636 </td <td>48,0</td>	48,0
Materials and Supplies 75 - - Capital Outlay - - - Board - - - Salaries 225,313 229,313 228,127 Employee Benefits 2,435,951 139,639 136,645 Purchased Services 158,820 193,780 84,619 Materials and Supplies 3,255 3,255 1,214 Capital Outlay 935 935 - Other Expenses 23,381 43,381 38,307 General Administration Salaries 624,880 704,880 695,225 Employee Benefits 203,355 238,544 230,925 Purchased Services 106,581 122,616 74,394 Materials and Supplies 8,800 8,573 3,791 Capital Outlay 3,250 3,560 1,060 Other Expenses 23,700 27,825 194,217 School Administration 24,971,636 26,411,334 26,372,004 Employee Benefits	4
Capital Outlay - - - Board Salaries 225,313 229,313 228,127 Employee Benefits 2,435,951 139,639 136,645 Purchased Services 158,820 193,780 84,619 Materials and Supplies 3,255 3,255 1,214 Capital Outlay 935 935 - Other Expenses 23,381 43,381 38,307 General Administration Salaries 624,880 704,880 695,225 Employee Benefits 203,355 238,544 230,925 Purchased Services 106,581 122,616 74,394 Materials and Supplies 8,800 8,573 3,791 Capital Outlay 3,250 3,560 1,060 Other Expenses 23,700 27,825 194,217 School Administration 24,971,636 26,411,334 26,372,004 Employee Benefits 9,212,703 9,724,058 9,406,719 Purchased Services 1,359,398 1,494,517	
Board Salaries 225,313 229,313 228,127 Employee Benefits 2,435,951 139,639 136,645 Purchased Services 158,820 193,780 84,619 Materials and Supplies 3,255 3,255 1,214 Capital Outlay 935 935 - Other Expenses 23,381 43,381 38,307 General Administration 323,385 238,544 230,925 Employee Benefits 203,355 238,544 230,925 Purchased Services 106,581 122,616 74,394 Materials and Supplies 8,800 8,573 3,791 Capital Outlay 3,250 3,560 1,060 Other Expenses 23,700 27,825 194,217 School Administration 24,971,636 26,411,334 26,372,004 Employee Benefits 9,212,703 9,724,058 9,406,719 Purchased Services 1,359,398 1,494,517 1,201,681 Materials and Supplies 547,616 530,235	
Salaries 225,313 229,313 228,127 Employee Benefits 2,435,951 139,639 136,645 Purchased Services 158,820 193,780 84,619 Materials and Supplies 3,255 3,255 1,214 Capital Outlay 935 935 - Other Expenses 23,381 43,381 38,307 General Administration Salaries 624,880 704,880 695,225 Employee Benefits 203,355 238,544 230,925 Purchased Services 106,581 122,616 74,394 Materials and Supplies 8,800 8,573 3,791 Capital Outlay 3,250 3,560 1,060 Other Expenses 23,700 27,825 194,217 School Administration 24,971,636 26,411,334 26,372,004 Employee Benefits 9,212,703 9,724,058 9,406,719 Purchased Services 1,359,398 1,494,517 1,201,681 Materials and Supplies 547,616 530,235	
Employee Benefits 2,435,951 139,639 136,645 Purchased Services 158,820 193,780 84,619 Materials and Supplies 3,255 3,255 1,214 Capital Outlay 935 935 - Other Expenses 23,381 43,381 38,307 General Administration 8 704,880 695,225 Employee Benefits 203,355 238,544 230,925 Purchased Services 106,581 122,616 74,394 Materials and Supplies 8,800 8,573 3,791 Capital Outlay 3,250 3,560 1,060 Other Expenses 23,700 27,825 194,217 School Administration 24,971,636 26,411,334 26,372,004 Employee Benefits 9,212,703 9,724,058 9,406,719 Purchased Services 1,359,398 1,494,517 1,201,681 Materials and Supplies 547,616 530,235 445,514 Capital Outlay 141,386 173,729 138,438	1,18
Purchased Services 158,820 193,780 84,619 Materials and Supplies 3,255 3,255 1,214 Capital Outlay 935 935 - Other Expenses 23,381 43,381 38,307 General Administration Salaries 624,880 704,880 695,225 Employee Benefits 203,355 238,544 230,925 Purchased Services 106,581 122,616 74,394 Materials and Supplies 8,800 8,573 3,791 Capital Outlay 3,250 3,560 1,060 Other Expenses 23,700 27,825 194,217 School Administration 324,971,636 26,411,334 26,372,004 Employee Benefits 9,212,703 9,724,058 9,406,719 Purchased Services 1,359,398 1,494,517 1,201,681 Materials and Supplies 547,616 530,235 445,514 Capital Outlay 141,386 173,729 138,438	2,9
Materials and Supplies 3,255 3,255 1,214 Capital Outlay 935 935 - Other Expenses 23,381 43,381 38,307 General Administration Salaries 624,880 704,880 695,225 Employee Benefits 203,355 238,544 230,925 Purchased Services 106,581 122,616 74,394 Materials and Supplies 8,800 8,573 3,791 Capital Outlay 3,250 3,560 1,060 Other Expenses 23,700 27,825 194,217 School Administration 3 26,411,334 26,372,004 Employee Benefits 9,212,703 9,724,058 9,406,719 Purchased Services 1,359,398 1,494,517 1,201,681 Materials and Supplies 547,616 530,235 445,514 Capital Outlay 141,386 173,729 138,438	109,1
Capital Outlay 935 935 - Other Expenses 23,381 43,381 38,307 General Administration Salaries 624,880 704,880 695,225 Employee Benefits 203,355 238,544 230,925 Purchased Services 106,581 122,616 74,394 Materials and Supplies 8,800 8,573 3,791 Capital Outlay 3,250 3,560 1,060 Other Expenses 23,700 27,825 194,217 School Administration Salaries 24,971,636 26,411,334 26,372,004 Employee Benefits 9,212,703 9,724,058 9,406,719 Purchased Services 1,359,398 1,494,517 1,201,681 Materials and Supplies 547,616 530,235 445,514 Capital Outlay 141,386 173,729 138,438	2,0
Other Expenses 23,381 43,381 38,307 General Administration 624,880 704,880 695,225 Salaries 624,880 704,880 695,225 Employee Benefits 203,355 238,544 230,925 Purchased Services 106,581 122,616 74,394 Materials and Supplies 8,800 8,573 3,791 Capital Outlay 3,250 3,560 1,060 Other Expenses 23,700 27,825 194,217 School Administration 3 24,971,636 26,411,334 26,372,004 Employee Benefits 9,212,703 9,724,058 9,406,719 Purchased Services 1,359,398 1,494,517 1,201,681 Materials and Supplies 547,616 530,235 445,514 Capital Outlay 141,386 173,729 138,438	9:
General Administration Salaries 624,880 704,880 695,225 Employee Benefits 203,355 238,544 230,925 Purchased Services 106,581 122,616 74,394 Materials and Supplies 8,800 8,573 3,791 Capital Outlay 3,250 3,560 1,060 Other Expenses 23,700 27,825 194,217 School Administration Salaries 24,971,636 26,411,334 26,372,004 Employee Benefits 9,212,703 9,724,058 9,406,719 Purchased Services 1,359,398 1,494,517 1,201,681 Materials and Supplies 547,616 530,235 445,514 Capital Outlay 141,386 173,729 138,438	5,0
Salaries 624,880 704,880 695,225 Employee Benefits 203,355 238,544 230,925 Purchased Services 106,581 122,616 74,394 Materials and Supplies 8,800 8,573 3,791 Capital Outlay 3,250 3,560 1,060 Other Expenses 23,700 27,825 194,217 School Administration Salaries 24,971,636 26,411,334 26,372,004 Employee Benefits 9,212,703 9,724,058 9,406,719 Purchased Services 1,359,398 1,494,517 1,201,681 Materials and Supplies 547,616 530,235 445,514 Capital Outlay 141,386 173,729 138,438	3,0
Employee Benefits 203,355 238,544 230,925 Purchased Services 106,581 122,616 74,394 Materials and Supplies 8,800 8,573 3,791 Capital Outlay 3,250 3,560 1,060 Other Expenses 23,700 27,825 194,217 School Administration Salaries 24,971,636 26,411,334 26,372,004 Employee Benefits 9,212,703 9,724,058 9,406,719 Purchased Services 1,359,398 1,494,517 1,201,681 Materials and Supplies 547,616 530,235 445,514 Capital Outlay 141,386 173,729 138,438	9,6
Purchased Services 106,581 122,616 74,394 Materials and Supplies 8,800 8,573 3,791 Capital Outlay 3,250 3,560 1,060 Other Expenses 23,700 27,825 194,217 School Administration Salaries 24,971,636 26,411,334 26,372,004 Employee Benefits 9,212,703 9,724,058 9,406,719 Purchased Services 1,359,398 1,494,517 1,201,681 Materials and Supplies 547,616 530,235 445,514 Capital Outlay 141,386 173,729 138,438	7,6
Materials and Supplies 8,800 8,573 3,791 Capital Outlay 3,250 3,560 1,060 Other Expenses 23,700 27,825 194,217 School Administration Salaries Salaries 24,971,636 26,411,334 26,372,004 Employee Benefits 9,212,703 9,724,058 9,406,719 Purchased Services 1,359,398 1,494,517 1,201,681 Materials and Supplies 547,616 530,235 445,514 Capital Outlay 141,386 173,729 138,438	48,2
Capital Outlay 3,250 3,560 1,060 Other Expenses 23,700 27,825 194,217 School Administration Salaries Salaries 24,971,636 26,411,334 26,372,004 Employee Benefits 9,212,703 9,724,058 9,406,719 Purchased Services 1,359,398 1,494,517 1,201,681 Materials and Supplies 547,616 530,235 445,514 Capital Outlay 141,386 173,729 138,438	40,2.
Other Expenses 23,700 27,825 194,217 School Administration Salaries 24,971,636 26,411,334 26,372,004 Employee Benefits 9,212,703 9,724,058 9,406,719 Purchased Services 1,359,398 1,494,517 1,201,681 Materials and Supplies 547,616 530,235 445,514 Capital Outlay 141,386 173,729 138,438	
School Administration Salaries 24,971,636 26,411,334 26,372,004 Employee Benefits 9,212,703 9,724,058 9,406,719 Purchased Services 1,359,398 1,494,517 1,201,681 Materials and Supplies 547,616 530,235 445,514 Capital Outlay 141,386 173,729 138,438	2,50
Salaries 24,971,636 26,411,334 26,372,004 Employee Benefits 9,212,703 9,724,058 9,406,719 Purchased Services 1,359,398 1,494,517 1,201,681 Materials and Supplies 547,616 530,235 445,514 Capital Outlay 141,386 173,729 138,438	(166,3
Employee Benefits 9,212,703 9,724,058 9,406,719 Purchased Services 1,359,398 1,494,517 1,201,681 Materials and Supplies 547,616 530,235 445,514 Capital Outlay 141,386 173,729 138,438	20.2
Purchased Services 1,359,398 1,494,517 1,201,681 Materials and Supplies 547,616 530,235 445,514 Capital Outlay 141,386 173,729 138,438	39,3
Materials and Supplies 547,616 530,235 445,514 Capital Outlay 141,386 173,729 138,438	317,3
Capital Outlay 141,386 173,729 138,438	292,83
	84,7
	35,2
Other Expenses 94,855 688,483 631,505	56,9
Facilities Services	
Salaries 1,214,511 1,214,511 1,179,724	34,78
Employee Benefits 339,249 422,995 412,909	10,0
Purchased Services 913,460 1,033,551 929,659	103,89
Materials and Supplies 11,625 1,625 7,015	4,6
Capital Outlay 162,400 7,800 1,865	5,9
Other Expenses 2,000 2,000 1,554	4
	(continue

	Budgeted A	Budgeted Amounts		Variance with Final Budget -
	Original	Final	Actual Amounts	Positive (Negative)
penditures (continued):			-	, ,
Fiscal Services				
Salaries	1,861,544	1,861,726	1,703,833	157,893
Employee Benefits	576,547	588,784	570,689	18,095
Purchased Services	578,044	592,912	222,833	370,079
Materials and Supplies	25,982	24,320	7,686	16,634
Capital Outlay	3,190	10,840	8,495	2,345
Other Expenses	672,030	783,106	180,838	602,268
Food Services				
Salaries	-	247,113	247,113	-
Employee Benefits	-	23,064	23,003	61
Materials and Supplies	-	16,848	16,672	176
Capital Outlay	-	906	906	-
Central Services				
Salaries	4,624,853	4,624,347	4,315,503	308,844
Employee Benefits	1,498,830	1,575,934	1,492,540	83,394
Purchased Services	2,028,815	2,208,854	1,332,184	876,670
Materials and Supplies	105,616	113,028	47,985	65,043
Capital Outlay	28,593	40,119	20,093	20,026
Other Expenses	390,863	387,364	328,531	58,833
Student Transportation Services	2.5,225	551,7551	3_3,33	22,222
Salaries	15,296,782	16,801,522	16,784,556	16,966
Employee Benefits	6,986,545	7,363,533	7,340,893	22,640
Purchased Services	986,694	1,013,140	1,090,422	(77,282
Energy Services	4,110,000	6,863,194	2,570,416	4,292,778
Materials and Supplies	1,439,050	1,424,392	1,237,778	186,614
Capital Outlay	4,700	9,035	5,600	3,435
Other Expenses	10,500	100,500	91,430	9,070
Operation of Plant	10,000	100,000	71,100	7,070
Salaries	16,400,650	16,614,951	16,379,947	235,004
Employee Benefits	6,719,360	6,859,437	6,904,161	(44,724
Purchased Services	9,624,884	9,763,293	11,575,016	(1,811,723
Energy Services	10,476,500	10,498,500	9,600,765	897,735
Materials and Supplies	873,493	953,055	898,627	54,428
Capital Outlay	23,042	30,459	27,256	3,203
Other Expenses	3,025	36,764	32,793	3,971
Maintenance of Plant	0,020	00,701	02,170	3,771
Salaries	5,940,902	5,940,902	5,580,672	360,230
Employee Benefits	1,911,594	1,953,393	1,847,278	106,115
Purchased Services	2,577,395	3,382,177	3,167,765	214,412
Materials and Supplies	361,400	372,800	348,020	24,780
Capital Outlay	11,015	11,724	8,366	3,358
Other Expenses	2,475	2,115	1,715	400
Salar Exponsos	2,173	2,110	1,710	100

For the Fiscal Year Ended June 30, 2016

		Budgeted	Amo	ounts				ariance with nal Budget -
	(Original		Final	Act	ual Amounts	(Positive Negative)
Expenditures (continued):								· · · ·
Administrative Technology Services								
Salaries		4,790,701		5,540,701		5,619,540		(78,839)
Employee Benefits		1,475,103		1,715,658		1,768,840		(53,182)
Purchased Services		1,455,770		1,666,976		1,769,800		(102,824)
Materials and Supplies		46,635		40,125		25,161		14,964
Capital Outlay		21,125		28,541		22,742		5,799
Other Expenses		47,000		47,000		11,506		35,494
Community Services								
Salaries		69,280		117,659		99,355		18,304
Employee Benefits		36,244		41,177		28,035		13,142
Purchased Services		241,866		234,863		171,333		63,530
Materials and Supplies		22,795		19,979		14,124		5,855
Capital Outlay		22,672		21,589		19,751		1,838
Other Expenses		234,406		234,556		102,324		132,232
Capital Outlay:								
Facilities Acquisition and Construction		-		187,266		32,266		155,000
Other Capital Outlay		-		682,366		539,975		142,391
Total Expenditures	5	526,569,116		542,830,147		519,575,424		23,254,723
Excess (Deficiency) of Revenues Over Expenditures		(10,167,457)		(21,353,953)		(505)		21,353,448
Other Financing Sources (Uses):								
Proceeds from the Sale of Capital Assets		-		-		116,000		116,000
Transfers In		1,842,462		1,851,440		1,851,440		-
Transfers Out		(1,143,534)		(1,245,341)		(1,244,603)		738
Total Other Financing Sources (Uses)		698,928		606,099		722,837		116,738
Net Change in Fund Balance		(9,468,529)		(20,747,854)		722,332		21,470,186
Fund Balance, Beginning		56,019,672		56,019,672		56,019,672		-
Fund Balance, Ending	\$	46,551,143	\$	35,271,818	\$	56,742,004	\$	21,470,186

District School Board of Pasco County Statement of Fund Net Position Proprietary Funds June 30, 2016

		Business-Type Activity		Governmental Activities
	Major Fund Pasco Learning and Activity Centers of Enrichment (PLACE)	Nonmajor Vending Program	Total Enterprise Funds	Internal Service Funds
ASSETS:				
Current Assets: Cash Investments Accounts Receivable Accrued Interest Receivable	\$ 1,218,679 3,088,155 95,317 1,652	\$ 25,035	\$ 1,243,714 3,088,155 95,317 1,652	\$ 8,763,167 50,343,351 186,075 26,938
Total Current Assets	4,403,803	25,035	4,428,838	59,319,531
Noncurrent Assets: Improvements Other Than Buildings, Net Buildings and Fixed Equipment, Net Furniture, Fixtures, and Equipment, Net Computer Software, Net	19,061 14,825 124,861 7,295	- - - -	19,061 14,825 124,861 7,295	- - 10,836 -
Total Noncurrent Assets	166,042	· -	166,042	10,836
Total Assets	4,569,845	25,035	4,594,880	59,330,367
DEFERRED OUTFLOWS OF RESOURCES: Pension FRS/HIS Total Deferred Outflows of Resources	1,112,496 1,112,496	<u>-</u>	1,112,496 1,112,496	1,170,074 1,170,074
TOTAL ASSETS AND DEFERRED OUTFLOWS	\$ 5,682,341	\$ 25,035	\$ 5,707,376	\$ 60,500,441
LIABILITIES: Current Liabilities: Salaries and Benefits Payable Payroll Deductions and Withholdings Payable Accounts Payable Sales Tax Payable Advanced Revenues Current portion of long-term liabilities: Compensated Absences Payable Estimated Insurance Claims Payable	\$ - 21,791 - 78,084	\$ - - 1,791 - -	\$ - 21,791 1,791 78,084	\$ 14 4,169 13,135,875 - 242,502 27,041 2,791,000
Total Current Liabilities	99,875	1,791	101,666	16,200,601
Noncurrent Liabilities: Compensated Absences Payable Estimated Insurance Claims Payable Other Post-Employment Benefits Obligation Net Pension Liability - FRS / HIS	539,382 - 1,054,064 3,521,764	- - -	539,382 - 1,054,064 <u>3,521,764</u>	303,157 4,891,000 234,837 1,720,694
Total Noncurrent Liabilities	5,115,210		5,115,210	7,149,688
Total Liabilities	5,215,085	1,791	5,216,876	23,350,289
DEFERRED INFLOWS OF RESOURCES: Pension FRS/HIS Total Deferred Inflows of Resources	455,864 455,864	<u> </u>	455,864 455,864	338,012 338,012
NET POSITION: Net Investment in Capital Assets Unrestricted	166,042 (154,650)	23,244	166,042 (131,406)	10,836 36,801,304
Total Net Position	11,392	23,244	34,636	36,812,140
TOTAL LIABILITIES, DEFERRED INFLOWS AND NET POSITION	\$ 5,682,341	\$ 25,035	\$ 5,707,376	\$ 60,500,441

District School Board of Pasco County Statement of Revenues, Expenses, and Changes in Fund Net Position Proprietary Funds

For the Fiscal Year Ended June 30, 2016

		Business-Type Activity		Governmental Activities	
	Major Fund Pasco Learning ar Activity Centers of Enrichment (PLAC	f Vending	Total Enterprise Funds	Internal Service Funds	
Operating Revenues: Charges for Services Provided Charges for Sales Insurance Premiums:	\$ 10,454,3	32 \$ - - 527,256	\$ 10,454,332 527,256	\$ 12,708,000	
Board Contributions Employees Retirees		 	-	69,599,896 4,816,809 4,533,325	
Other Operating Revenues			284	684,020	
Total Operating Revenues	10,454,3	32 527,540	10,981,872	92,342,050	
Operating Expenses: Salaries	5,703,8	-	5,703,877	1,027,122	
Employee Benefits	2,292,1		2,292,171	906,861	
Purchased Services Insurance Premiums	357,8	-	357,842	17,310,528 6,723,794	
Energy Services	407,8	33 -	407,883	10,817,972	
Materials and Supplies	330,4		336,878	61,432	
Capital Outlay	49,7		49,751	4,421	
Insurance Claims		-	-	59,105,124	
Other	655,5		1,155,541	259,011	
Depreciation	45,7	25	45,725		
Total Operating Expenses	9,843,2	93 506,375	10,349,668	96,216,265	
Operating Income (Loss)	611,0	39 21,165	632,204	(3,874,215)	
Nonoperating Revenues (Expenses):					
Investment Earnings	10,6	-	10,665	195,450	
Gifts, Grants, and Bequests		-	-	102,830	
Insurance Loss Recoveries	/7.0	-	- (7.0.10)	311,847	
Loss on Disposition of Assets	(7,0		(7,040)	(1,981)	
Total Nonoperating Revenues (Expenses)	3,6.		3,625	608,146	
Income (Loss) Before Transfers	614,6	54 21,165	635,829	(3,266,069)	
Transfers In Transfers Out	(56,6		- (E4 424)	779,848 (964,848)	
			(56,634)		
Change in Net Position Total Net Position, July 1, 2015	558,0 (546,6		579,195 (544,559)	(3,451,069) 40,263,209	
Total Net Position, June 30, 2016	\$ 11,3		\$ 34,636	\$ 36,812,140	
. 3.3 10() 33(10) 1 34(10) 00 / 20 10	7 11,5	,_ 	÷ 01,000	Ψ 30,012,110	

District School Board of Pasco County Statement of Cash Flows Proprietary Funds For the Fiscal Year Ended June 30, 2016

	Business-Type Activity					Governmental Activities		
OAGUELONG FROM ORFRATING ACTIVITIES	Pasco Activi	ajor Fund Learning and ty Centers of ment (PLACE)		lonmajor /ending Program		Total Enterprise Funds		Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES: Cash Received from Sales and Services Cash Received from Premiums Cash Received from Other Operating Revenues Cash Payments to Suppliers for Goods and Services Cash Payments to Employees for Services Cash Payments for Insurance Claims	\$	10,492,060 - (1,797,045) (7,757,507)	\$	527,256 - 284 (562,082) -	\$	11,019,316 - 284 (2,359,127) (7,757,507)	\$	12,708,000 79,161,860 662,020 (35,772,864) (1,622,607) (58,297,124)
Net Cash Provided (Used) by Operating Activities CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:		937,508		(34,542)		902,966		(3,160,715)
Insurance Loss Recoveries Gifts, Grants and Bequests Transfers In Transfers Out Net Cash Provided (Used) by Noncapital Financing Activities		(56,634)		- - - -		(56,634) (56,634)		311,847 102,830 779,848 (964,848) 229,677
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES: Acquisition and Construction of Capital Assets Net Cash Provided (Used) by Capital and Related Financing Activities		(12,068)	_			(12,068)		-
CASH FLOWS FROM INVESTING ACTIVITIES: Investment Earnings		12,000)				12,000)		218,509
Purchase and Sale of Investments		(10,665)		-		(10,665)		1,107,963
Net Cash Provided (Used) by Investing Activities		1,412		-		1,412		1,326,472
Net Change in Cash Cash, Beginning		870,218 348,461		(34,542) 59,577		835,676 408,038		(1,604,566) 10,367,733
Cash, Ending	\$	1,218,679	\$	25,035	\$	1,243,714	\$	8,763,167
Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:								
Operating Income (Loss)	\$	611,039	\$	21,165	\$	632,204	\$	(3,874,215)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities: Depreciation Change in Assets and Liabilities: Decrease in Accounts Receivable Increase (Decrease) in Accounts Payable Increase in Sales Tax Payable		45,725 27,292 4,475		- (56,602) 895		45,725 - 27,292 (52,127) 895		202,657 (595,706)
(Decrease) in Payroll Deductions and Withholdings Payable Increase (Decrease) in Advanced Revenues Increase (Decrease) in		(3,316) 10,436		-		(3,316) 10,436		(109,845) (12,827)
Compensated Absences Payable Increase in Other Post-Employment Benefits Obligation Increase (Decrease) in Pension Amounts Increase in Estimated Insurance Claims Payable		132,144 115,622 (5,909)		- - -		132,144 115,622 (5,909)		(35,082) 24,547 431,756 808,000
Total Adjustments		326,469		(55,707)		270,762		713,500
Net Cash Provided (Used) by Operating Activities	\$	937,508	\$	(34,542)	\$	902,966	\$	(3,160,715)

District School Board of Pasco County Statement of Fiduciary Net Position Fiduciary Funds June 30, 2016

	Pension Trust	Priva	ite-Purpose Trust	Agency
ASSETS:	_			<u> </u>
Cash and Cash Equivalents	\$ 588,454	\$	4,108	\$ 8,301,381
Collateralized Mortgage Obligations	646,593		-	-
Corporate Bonds	202,518		-	-
Government and Municipal Bonds	9,033,313		-	-
Domestic Equity Mutual Funds	2,422,860		-	-
International Equity Mutual Funds	618,207		-	-
Domestic Fixed Income Mutual Funds	2,461,118		-	-
Alternative Equity Mutual Funds	401,368		-	-
Government Sponsored Enterprise Securities	193,630		34,622	72,745
Money Market Funds	1,481,170		-	-
Accounts Receivable	-		-	8,716
Interest Receivable	157,319		19	39
Inventories	-			17,798
TOTAL ASSETS	\$ 18,206,550	\$	38,749	\$ 8,400,679
LIABILITIES:				
Accounts Payable	\$ 4,315	\$	-	\$ 749,404
Internal Accounts Payable	-		-	7,571,518
ABC Program Payable	-		-	79,757
Total Liabilities	4,315		-	\$ 8,400,679
NET POSITION:				
Restricted for Pension Benefits	18,202,235		_	
Restricted for Medical Benefits	-		25,056	
Restricted for Educational Support	-		13,693	
	 10 202 225	-		
Total Net Position	 18,202,235		38,749	
TOTAL LIABILITIES AND NET POSITION	\$ 18,206,550	\$	38,749	

District School Board of Pasco County Statement of Changes in Fiduciary Net Position Fiduciary Funds For the Fiscal Year Ended June 30, 2016

	Pension Trust	Private-Purpose Trust
ADDITIONS: Contributions:		
Employer	\$	- \$ -
Gifts, Grants and Bequests Total Contributions Investment Earnings:		<u> </u>
Interest, Dividends and Other	1,000,64	7 134
Net Investment Income	1,000,64	7 134
Total Additions	1,000,64	7 134
DEDUCTIONS: Benefit Payments Purchased Services Administrative Expenses	1,189,18 27,26	- 1,230
Total Deductions	1,216,44	8 5,201
Change in Net Position Net Position, July 1, 2015	(215,80 18,418,03	•
Net Position, June 30, 2016	\$ 18,202,23	5 \$ 38,749

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1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

The District School Board of Pasco County (School Board) 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 (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. Pursuant to Section 1002.33(17), Florida Statutes, students enrolled in a charter school shall be funded the same as students enrolled in other public schools in the school district. Accordingly, charter schools' full-time equivalent (FTE) student enrollment is the basis for school districts to provide funding to charter schools. Funding is provided to the charter schools by the District. Furthermore, Article IX, Section 4(b) of the Florida Constitution states that, "The school board shall operate, control and supervise all free public schools within the school district and determine the rate of school district taxes within the limits prescribed herein." Because the District is financially accountable for charter schools, and charter schools create a financial burden on school districts, charter schools are considered component units of the 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.
- <u>Discretely Presented Component Units</u>. 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, nine 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, and are considered to be component units of the District

since they impose a financial burden on the District. The component units are as follows:

- ♦ <u>Academy at the Farm, Inc.</u>, is a K through 8th grade school focusing on creatively integrating equestrian, horticultural, and farm animal components into an interactive, inclusive learning environment.
- ♦ <u>Athenian Academy of Pasco County, Inc.</u>, is a K through 8th grade school offering students a program that incorporates the Greek language and culture.
- ♦ <u>Classical Preparatory School</u> is a K through 10th grade school providing a classical style education.
- ♦ <u>Countryside Montessori Charter School, Inc.</u>, is a 1st through 8th grade school providing an alternative education program.
- ♦ <u>Dayspring Academy for Education and the Arts</u> is a K through 10th grade school emphasizing the fine arts, offering students specialized instruction in dance, music, and art.
- ♦ Florida Virtual Academy at Pasco is a K through 11th grade school providing curriculum in an on-line educational environment.
- ♦ <u>Imagine School at Land O'Lakes</u> is a K through 8th grade school providing an alternative education program.
- ♦ <u>Learning Lodge Academy, Inc.</u>, is a K through 5th grade school providing an alternative elementary education program.
- ♦ <u>Pepin Academies of Pasco County, Inc.</u>, is a 3rd through 10th grade school providing an alternative education program for special needs students.

The School Board is responsible for the prudent use of the public funds received for providing an appropriate educational program for its targeted enrollment. The financial data reported on the accompanying statements was derived from the charter schools' audited financial statements for the fiscal year ended June 30, 2016.

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 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 ended June 30, 2016.

Audits of the charter schools and Foundation for the fiscal year ended June 30, 2016, were conducted by independent certified public accountants and are filed at the District's administrative office at 7227 Land O' Lakes Boulevard, Land O' Lakes, Florida 34638.

Basis of Presentation

The basic financial statements include the government-wide financial statements and fund financial statements.

<u>Government-wide Financial Statements</u> - 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 non-fiduciary financial activity of the primary government and its component units.

The effects of interfund balances and activities have been eliminated from the government-wide financial statements except for interfund services provided and used. 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.

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

The District reports the following major governmental funds:

- <u>General Fund</u> 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.
- <u>Capital Projects Other Fund</u> 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.

Additionally, the District reports the following major proprietary funds:

Enterprise Fund – Pasco Learning and Activity Centers of Enrichment (PLACE)
 Fund – to account for the financial resources of the District's PLACE program, a before and after-school child care program.

The District also reports the following fiduciary funds and nonmajor proprietary fund:

- 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.
- <u>Pension Trust Fund</u> to account for resources used to finance the early retirement program.
- <u>Private-Purpose Trust Fund</u> to account for resources legally held by the District in a trustee capacity or as an agent for individuals or private organizations.
- Agency Funds to account for resources held by the District in a trustee capacity, primarily for the benefit of various schools and their activity funds.
- <u>Enterprise Fund Vending Program</u> to account for the operation of food and beverage machines throughout the District.

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.

Government-wide financial statements are prepared using the economic resources measurement focus. The statement of activities presents a comparison between direct expenses and program revenues for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are thereby clearly identifiable to a particular function. Depreciation expenses are allocated to functions/programs of the primary government.

Additionally, the government-wide financial statements are prepared using the accrual basis of accounting, as are the proprietary funds and fiduciary funds financial statements. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized in the year for which they are levied. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been satisfied.

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

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

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.

Recently Issued and Adopted Pronouncements

The District adopted new accounting guidance GASB Statement 72, Fair Value Measurement and Application. The objective of this Statement is to improve financial reporting by clarifying the definition of fair value for financial reporting purposes, establishing general principles for measuring fair value, providing additional fair value application guidance, and enhancing disclosures about fair value measurements. Additionally, the standard establishes a fair value hierarchy that categorizes the inputs to valuation techniques used to measure fair value into three levels. Level 1 inputs are quoted prices for identical assets or liabilities in active markets that a government can access at the measurement date. Level 2 inputs are inputs—other than quoted prices included within Level 1—that are observable for an asset or liability, either directly or indirectly. Level 3 inputs are unobservable inputs for an asset or liability. The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. The District is required to report its investments as well as the investments of its Early Retirement Plan using this hierarchy in Notes 3 and 17, respectively.

Deposits and Investments

Cash deposits are held by banks qualified as public depositories under Florida law. All deposits are insured by the Federal Depository Insurance Corporation and/or 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 money with the SBA for participation in the Florida PRIME investment pool created by Sections 218.405 and 215.47, 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, which the SBA indicates is a Securities and Exchange Commission Rule 2a7-like external investment pool, as of June 30, 2016, are similar to money market funds in which shares are owned in the fund rather than the underlying investments. These amounts are reported at fair value, which is 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 collateralized mortgage obligations and are reported at fair value. Types and amounts of investments held at fiscal year-end are described in a subsequent note on investments.

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, 2016. The United States Department of Agriculture donated foods 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.

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 \$750 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.

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

<u>Description</u>	Estimated Lives
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 probable that the District will compensate the employees for the benefits through paid time off. Sick leave benefits are accrued as a liability using the vesting method.

The liability is based on the sick leave accumulated at June 30 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 Liabilities

Long-term 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.

Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will *not* be recognized as an outflow of resources (expense/expenditure) until that time. The District has three items that qualify for reporting in this category. They are the accumulated decrease in the fair value of hedging derivatives, the deferred amount on refunding reported in the government-wide statement of net position, and the deferred amount for pensions. A deferred amount on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The deferred outflows of resources related to pensions are an aggregate of items related to pension as calculated in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pension*.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will *not* be recognized as an inflow of resources (revenue) until that time. The District has one item that qualifies for reporting in this category, deferred amount for pension. The deferred inflows of resources related to pensions are an aggregate of items related to pension as calculated in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pension*.

Deferred outflows/ inflows for pensions for the current year are further described in Notes 16 and 17.

Net Position Flow Assumption

The District occasionally funds outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. To calculate the amounts to report as restricted-net position and unrestricted-net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. Consequently, it is the District's policy to consider restricted-net position to have been depleted before unrestricted-net position is applied.

> 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 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. 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 Fund of the District.

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 (FLDOE) under the provisions of Section 1011.62, Florida Statutes. In accordance with this law, the District determines and reports the number of full-time equivalent (FTE) students and related data to the FLDOE. The FLDOE performs certain edit checks on the reported number of FTE and related data, and calculates the allocation of funds to the District. The District is permitted to amend its original reporting for a period of five (5) months following the date of the original reporting. Such amendments may impact funding allocations for subsequent fiscal years. The FLDOE 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 FLDOE 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 fund financial statements for the balance of categorical and earmarked educational program resources.

The State allocates gross receipts taxes, generally known as Public Education Capital Outley 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 FLDOE. 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 14.

District Property Taxes

The School Board is authorized by State law to levy property taxes for district school operations, capital improvements, and debt service. Property taxes consist of ad valorem taxes on real and personal property within the District. 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 2015 tax levy on September 15, 2015. Tax bills are mailed in October and taxes are payable between November 1 of the year assessed and March 31 of the following year at discounts of up to 4 percent for early payment.

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 15.

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. On November 6, 2012, voters signaled their approval for the continuation of the tax for another 10 years, beginning in January 2015.

Proprietary Funds Operating and Nonoperating Revenues and Expenses

Proprietary funds distinguish operating revenues and expenses from non-operating 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 enterprise and internal service funds are from services provided for before and after-school child care and charges for employee health insurance premiums. The principal operating expenses for the enterprise and internal service funds include salaries and benefits, administrative expenses, claims, energy services and insurance premiums for excess coverage. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

➤ 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.

2. BUDGETARY COMPLIANCE AND ACCOUNTABILITY

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 approved by the Board.

3. INVESTMENTS

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

Money market funds are held with Fidelity Investments Prime Money Market Fund and maintain a constant NAV \$1.00 at all times, 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 gates.

Intergovernmental investment pool funds are held with Florida Prime and Florida Education Investment Trust Fund (FEITF) and are valued using an NAV of \$1.00 per share based on amortized cost. This fund has no unfunded commitments and allows unlimited daily redemptions and investments with a 1-day minimum holding period.

Investments at June 30, 2016, are shown below:

		Fair Value Measurements Using			
		Quoted Prices	Significant	Significant	
		in Active	Other	Unobservable	
		Markets for	Observable	Inputs	
<u>Maturities</u>	<u>Fair Value</u>	(Level 1)	(Level 2)	(Level 3)	
6 months	\$ 218,828	\$ 218,828	\$ -	\$ -	
2.18 Years Average	82,277,844	82,277,844	-	-	
71 Days Average	30,226,810	30,226,810	-	-	
2.25 Years Average	15,594,437	15,594,437	=	-	
279 Days Average	71,571,611	71,571,611	-	-	
130 Days Average	2,702,330	2,702,330	-	-	
200 Days	13,097,288	13,097,288	_		
	\$ 215,689,148	\$215,689,148	\$ -	\$ -	
alue (NAV)					
39 Days Average	\$ 526,372				
41 Days Average	5,026,945				
16 Days Average	28,236,797				
47 Day Average	26,469,281				
	60,259,395				
	\$ 275,948,543				
	6 months 2.18 Years Average 71 Days Average 2.25 Years Average 2.79 Days Average 130 Days Average 200 Days alue (NAV) 39 Days Average 41 Days Average 16 Days Average	6 months \$ 218,828 2.18 Years Average 71 Days Average 30,226,810 2.25 Years Average 15,594,437 279 Days Average 71,571,611 130 Days Average 2,702,330 200 Days 13,097,288 \$ 215,689,148 alue (NAV) 39 Days Average \$ 526,372 41 Days Average \$ 5,026,945 16 Days Average 28,236,797 47 Day Average 26,469,281 60,259,395	Quoted Prices in Active Markets for (Level 1) Maturities Fair Value (Level 1) 6 months \$ 218,828 \$ 218,828 2.18 Years Average 82,277,844 82,277,844 71 Days Average 30,226,810 30,226,810 2.25 Years Average 15,594,437 15,594,437 279 Days Average 2,702,330 2,702,330 200 Days 13,097,288 13,097,288 \$ 215,689,148 \$ 215,689,148 Allue (NAV) 39 Days Average \$ 526,372 41 Days Average \$ 526,372 41 Days Average 28,236,797 47 Day Average 26,469,281 60,259,395	Quoted Prices in Active Markets for Other Observable Maturities Fair Value (Level 1) (Level 2) 6 months \$ 218,828 \$ 218,828 \$ - 2.18 Years Average 82,277,844 82,277,844 - 71 Days Average 30,226,810 30,226,810 - 2.25 Years Average 15,594,437 15,594,437 - 279 Days Average 71,571,611 71,571,611 - 130 Days Average 2,702,330 2,702,330 - 200 Days 13,097,288 13,097,288 - 200 Days \$ 215,689,148 \$ 215,689,148 \$ - 39 Days Average \$ 526,372 41 Days Average \$ 5,026,945 16 Days Average 28,236,797 47 Day Average 26,469,281 60,259,395 60,259,395 -	

- (1) Pension Trust Fund investments are separately disclosed in Note 17.
- (2) Amount includes \$107,367 held in Fiduciary Funds.

Interest Rate Risk

- Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District's investment policy limits investments of operating 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 and FEITF 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 Statues, 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 Such action must be immediately disclosed to all participants, the responsibility. 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 Exective Director has instituted such measures and review the necessity of those measures. If the Trustees are unable to convene an exmergency 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, 2016, 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.
- FEITF has a 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, Federal Agencies, 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 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.

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.

- ➤ The Florida Fixed Income Trust was rated AAf/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 Aaa by Moody's and/or AA+ by Standard & Poor's.
- ➤ The District's invesments in State and Local Government Bonds had ratings from A+ to AA- 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, 2016, the District's investment in Florida PRIME was rated AAAm by Standard & Poor's.
- ➤ The Florida Education Investment Trust Fund is rated AAAm by Standard & Poor's.
- ➤ The District's investments in money market funds were rated AAAm 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 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 the SBA, 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.
- ➤ More than five (5) percent of the District's investments are in Government Sponsored Enterprise Securities. These securities are made up of investments in Federal Farm Credit Bank, Federal Home Loan Bank, Federal Home Loan Mortgage Corporation, Federal National Mortgage Association, and total 0.36, 10.54, 7.84, and 7.18 percent of total plan investments, respectively.

			Capital	Non-Major			Business
	Total	General	Projects -	Governmental	Internal	Fiduciary	Type
	Investments	Fund	Other Funds	Funds	Service Funds	Funds	Activity
Federal Farm Credit Bank	0.36%	0.00%	0.36%	0.00%	0.00%	0.00%	0.00%
Federal Home Loan Bank	10.54%	0.32%	9.73%	0.14%	0.33%	0.00%	0.02%
Federal Home Loan Mtg. Corp.	7.84%	0.96%	5.39%	0.43%	1.00%	0.00%	0.06%
Federal National Mtg. Assn.	7.18%	0.74%	5.29%	0.33%	0.77%	0.00%	0.05%
Total Investments by Fund	\$ 71,571,611	5,575,932 \$	57,323,976	\$ 2,520,733	\$ 5,783,843 \$	12,335 \$	354,792
Percent of Total Investment		2.02%	20.77%	0.90%	2.10%	0.00%	0.13%

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.

4. RECEIVABLES AND ADVANCED REVENUE

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

Governmental funds report advanced revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities on the current period. Governmental funds also defer revenue recognition in connection with resources that have been received, but not yet earned.

As of June 30, 2016, the various components of advanced revenue reported in the governmental funds were as follows:

General Operating - Advanced Revenue	\$ 55,197
Capital Projects - Advanced Revenue	18,970
Special Revenue Other Federal Programs - Advanced Revenue	17,361
Food & Nutrition - Advanced Revenue	 1,197,712
Total Advanced Revenue for Government Funds	\$ 1,289,240

5. CHANGES IN CAPITAL ASSETS

Changes in capital assets, as of June 30, 2016, are presented in the table below:

		Balance 7/1/2015		Additions		Deletions	Balance 6/30/2016
GOVERNMENTAL ACTIVITIES			-				
Capital Assets Not Being Depreciated: Land Construction in Progress	\$	81,617,607 62,807,408	\$	3,595 111,582,310	\$	116,000 79,001,466	\$ 81,505,202 95,388,252
Total Capital Assets Not Being Depreciated		144,425,015		111,585,905		79,117,466	 176,893,454
Capital Assets Being Depreciated: Improvements Other Than Buildings Buildings and Fixed Equipment Furniture, Fixtures, and Equipment (1) Motor Vehicles Audio Visual Materials Computer Software		53,445,324 1,266,919,295 93,335,967 40,378,067 288,375 20,713,009		2,682,949 76,301,336 12,068,004 5,101,094 - 3,536,172		6,708,008 56,668 128,423 1,139	56,128,273 1,343,220,631 98,695,963 45,422,493 159,952 24,248,042
Total Capital Assets Being Depreciated		1,475,080,037		99,689,555		6,894,238	 1,567,875,354
Less Accumulated Depreciation for: Improvements Other Than Buildings Buildings and Fixed Equipment Furniture, Fixtures, and Equipment (1) Motor Vehicles Audio Visual Materials Computer Software		32,023,472 477,993,450 63,177,707 28,947,314 256,324 12,806,734		1,905,321 38,406,710 8,199,640 2,287,499 2,205 3,680,727		5,979,217 55,990 115,581 1,025	33,928,793 516,400,160 65,398,130 31,178,823 142,948 16,486,436
Total Accumulated Depreciation		615,205,001		54,482,102		6,151,813	663,535,290
Total Capital Assets Being Depreciated, Net		859,875,036		45,207,453		742,425	904,340,064
Governmental Activities Capital Assets, Net	\$	1,004,300,051	\$	156,793,358	\$	79,859,891	\$ 1,081,233,518
Note (1) includes Internal Service Fund assets of BUSINESS-TYPE ACTIVITIES Capital Assets Being Depreciated:	[*] \$108,3	355 and \$97,519 of	accum	ulated depreciation	n.		
Improvements Other Than Buildings Buildings and Fixed Equipment Furniture, Fixtures, and Equipment Computer Software	\$	25,306 34,575 452,755 41,531	\$	1,825 - 8,518 1,725	\$	70,403	\$ 27,131 34,575 390,870 43,256
Total Capital Assets Being Depreciated		554,167		12,068		70,403	495,832
Less Accumulated Depreciation for: Improvements Other Than Buildings Buildings and Fixed Equipment Furniture, Fixtures, and Equipment Computer Software		6,543 18,194 286,782 35,909		1,527 1,556 42,590 52		- - 63,363 -	8,070 19,750 266,009 35,961
Total Accumulated Depreciation		347,428		45,725		63,363	329,790
Business Type Activities Capital Assets, Net	\$	206,739	\$	(33,657)	\$	7,040	\$ 166,042

Depreciation expense was charged to functions as follows:

Function	Amount
GOVERNMENTAL ACTIVITIES	
Instruction	\$ 39,002,520
Student Support Services	41,954
Instructional Media Services	60,645
Instruction and Curriculum Dev Services	36,038
Instructional Staff Training Services	9,021
Instruction-Related Technology	3,954
School Administration	16,018
Facilities Services	14,639,146
Fiscal Services	101
Food Services	18,549
Central Services	3,191
Student Transportation Services	340,838
Operation of Plant	5,837
Maintenance of Plant	297,187
Community Services	7,103
Total Depreciation Expense - Governmental Activities	\$54,482,102
BUSINESS - TYPE ACTIVITIES	
PLACE Program	\$ 45,725

6. CURRENT LIABILITIES

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

Salary and Benefits Payable	\$ 8,287,902
Payroll Deductions and Withholdings Payable	3,573,561
Accounts Payable	27,676,069
Construction Contracts Payable	2,445,712
Construction Contracts Payable-Retainage	4,218,159
Due to Other Agencies	1,031
Sales Tax Payable	3,010
Deposits Payable	52,498
Accrued Interest Payable	4,758,941
Advanced Revenue	1,531,742
Total	\$ 52,548,625

7. CAPITAL LEASES

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

Asset Description		set Balance
Buses	\$	4,341,006
Computer Equipment		7,798,436
Total	\$	12,139,442

The amortization of assets recorded under capital leases is included with depreciation expense in the accompanying financial statements.

Following are the future minimum lease payments and the present value of the minimum lease payments as of June 30, 2016:

	Total		Principal		Interest
Fiscal Year Ending June 30:		_			
2017	\$	3,243,285	\$	3,060,127	\$ 183,158
2018		3,243,284		3,098,659	144,625
2019		2,741,848		2,654,230	87,618
2020		692,265		653,129	39,136
2021		692,265		663,345	28,920
2022-2026		1,384,532		1,357,981	26,551
Total Minimum Lease Payments		11,997,479		11,487,471	510,008
Less Interest		(510,008)		-	-
Present Value of Minimum Payments	\$	11,487,471	\$	11,487,471	\$ 510,008

The stated and imputed interest rates range from 1.56 percent to 1.95 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 September 15, 2004, July 1, 2005, December 23, 2005, July 1, 2007, June 1, 2008, September 23, 2008, December 16, 2009, July 1, 2013, June 1, 2014, June 30, 2014, December 1, 2014, March 1, 2015, January 1, 2016 with the Pasco County School Board Leasing Corporation (Leasing Corporation), whereby the District secured financing of various educational facilities in the total amounts of \$4,546,000, \$66,415,000, \$785,612, \$76,045,000, \$74,115,000, \$1,170,000, \$11,000,000, \$45,385,000, \$30,655,000, \$75,656,458, \$13,655,000, \$44,145,000, and 25,995,000 respectively.

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, 2016, are as follows:

		Amount Issued			Remaining Interest Rates	Annual Maturity
					(Percent)	To
Certificates of Participation						
Series 2004 - QZAB	\$	4,546,000	\$	4,546,000	1.00	2018
Series 2005B (1)		30,500,000		30,500,000	Weekly ARS	2030
Series 2005 - QZAB		785,612		785,612	0.00	2020
Series 2007A		76,045,000		6,770,000	4.00 - 5.00	2018
Series 2008C (2)		74,115,000		72,670,000	Weekly	2033
Series 2008 - QZAB		1,170,010		351,003	0.00	2018
Series 2009 - QSCB		11,000,000		11,000,000	2.44	2025
Series 2013A (3)		45,385,000		43,215,000	3.00 - 5.00	2029
Series 2014A (4)		30,655,000		30,485,000	2.98	2030
Series 2014B-1 (5)		72,246,316		70,231,935	2.60	2026
Series 2014 - QSCB		13,655,000		13,655,000	5.00	2038
Series 2015A (6)		44,145,000		44,145,000	5.00	2027
Series 2016A		25,995,000		25,995,000	2.00 - 5.00	2040
Total Certificates of Participatio	n \$	430,242,938	\$:	354,349,550		

Note: (1) The Series 2005B Certificates of Participation were initially issued as auction rate securities and bear interest at Auction Rates for generally successive 7-day Auction Periods. The principal portion of the Basic Lease Payments represented by the Series 2005B Certificates is payable on August 1, 2030. The interest rate for the 7-day Auction Period, including June 30, 2016, was 0.89 percent.

- (2) 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.
 - On June 9, 2014, the School Board replaced the expiring letter of credit on the Series 2008C with Bank of America as a floating rate note with interest initially calculated as the SIFMA Index plus a 53 basis point spread. The floating rate note has to be renegotiated in three (3) years.
- (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.
- (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.

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 District has the following ground leases as of June 30, 2016:

Ground Lease Commencement

	Date	Run Through
Certificates of Participation		
Series 2004 - QZAB	September 15, 2004	September 15, 2018
Series 2005A	July 1, 2005	August 1, 2015
Series 2005B	July 1, 2005	August 1, 2030
Series 2005 - QZAB	December 23, 2005	December 23, 2020
Series 2007A	July 1, 2007	August 1, 2017
Series 2008C	July 1, 2007	August 1, 2032
Series 2008 - QZAB	September 23, 2008	September 23, 2018
Series 2009 - QSCB	December 16, 2009	December 15, 2025
Series 2013A	July 1, 2013	August 1, 2029
Series 2014A	June 1, 2014	August 1, 2030
Series 2014B-1	June 30, 2014	August 1, 2026
Seres 2014B-2	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

The District properties included in the ground lease agreements are as follows:

Certificates of Participation, Series 1992-A

Cotee River Elementary School Seven Springs Middle School Hudson Elementary School Media Center Addition

Mittye 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

Mittye 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-A and B

Gulf Highlands Elementary School Trinity Oaks Elementary School Dr. John Long Middle School Odessa Elementary 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 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 2016A

New High School "GGG"

The lease payments for the Series 2005-A, Series 2007-A, Series 2013-A, Series 2014-A, 2014-B(1) and 2014-B(2) and Series 2015A 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 2004-QZAB Certificates are payable by the District, semiannually, on September 15th and March 15th. The lease payments for the Series 2005-QZAB and the Series 2008-QZAB are payable by the District, annually, on December 23rd and September 23rd respectively. 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 lease payments for the Series 2016A are payable by the District, semiannually, on December 30th and June 30th. 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 2016:

	Total	 Principal		Interest
Fiscal Year Ending June 30:	_			
2017	\$ 26,802,196	\$ 13,015,069	\$	13,787,127
2018	27,742,785	14,442,551		13,300,234
2019	31,080,639	18,299,822		12,780,817
2020	26,838,752	14,618,128		12,220,624
2021	26,852,717	15,199,171		11,653,546
2022-2026	145,202,530	96,412,892		48,789,638
2027-2031	134,334,839	105,986,917		28,347,922
2032-2036	62,365,023	54,665,000		7,700,023
2037-2041	 23,781,000	 21,710,000		2,071,000
	 	_		_
Sub-Total	505,000,481	354,349,550		150,650,931
Add: Unamortized Premium on Debt	14,698,536	14,698,536		
Total Minimum Lease Payments	\$ 519,699,017	\$ 369,048,086	\$	150,650,931

9. DERIVATIVE INSTRUMENTS

<u>Objectives</u> – 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 June 9, 2014, the School Board replaced the expiring letter of credit on the Series 2008C with Bank of America as a floating rate note with interest initially calculated as the SIFMA Index plus a 53 basis point spread. The floating rate note must be renegotiated in three (3) years from the issuance of the floating rate note.

The interest rate swap is reported as an investment derivative instrument because it does not 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 ended June 30, 2016.

The fair value balances and notional amounts of derivative instruments outstanding at June 30, 2016 and the changes in fair values of such derivative instruments for the year ended are as follows:

	Changes In Fair Value		Fair Value at J		
	Classification	Amount	Classification	Amount	Notional
Governmental activities	i e				
Fair value hedges:					
Pay-fixed interest rate					
swaps	Deferred outflow	\$6,734,208	Debt	\$ (23,013,707)	\$72,670,000

<u>Terms</u> – The Certificates of Participation, Series 2008C and related swap agreement mature on August 1, 2032. The swap's notional amount of \$72,670,000 matches the \$72,670,000 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 4.44 percent and Bank of America, N.A. pays the trustee the variable interest payment for the certificates of participation, which is based on USD-SIFMA Municipal Swap Index.

<u>Fair Value</u> – Because interest rates have declined since inception of the swap, it has resulted in a fair value of negative \$23,013,707 for the Certificates of Participation, Series 2008C. Bank of America, N.A. 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.

<u>Credit Risk</u> – 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.

<u>Termination Risk</u> – 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.

10. BONDS PAYABLE

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

Bond Type		Amount Outstanding		Original Amount	Interest Rates (Percent)	Range of Final Maturity Dates	
State School Bonds:							
Series 2008-A	\$	4,050,000	\$	5,295,000	4.25 - 5.00	2016-2028	
Series 2009-A, Refunding		455,000		1,300,000	5.00	2016-2019	
Series 2010A		1,225,000		1,450,000	3.50 - 5.00	2016-2030	
Series 2011A		1,030,000		1,710,000	3.00 - 5.00	2016-2023	
Series 2014A, Refunding		1,514,000		1,724,000	2.00 - 3.00	2016-2025	
Series 2014B, Refunding		953,000		2,411,000	2.00 - 5.00	2016-2020	
District Revenue Bonds:							
Series 2003, Refunding		2,580,000		3,660,000	4.00 - 4.625	2016-2033	
Series 2013, Sales Tax		88,690,000		96,715,000	3.00 - 5.00	2016-2024	
Series 2016, Sales Tax		30,075,000		30,075,000	1.99	2016-2024	
Subtotal		130,572,000					
Unamortized Premium on Debt		9,256,323					
Unamortized Discount on Debt		(34,193)					
Total Bonds Payable	\$	139,794,130					

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

<u>District Revenue Bonds, Refunding Series 2003</u> - 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 (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 \$3,761,175, which represents the total amount of principal and interest still due, and the remaining period of the pledge is 18 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 The Series 2003 bonds were issued to provide funds, 2003 bond issue until repaid. 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 2015-2016 fiscal year, the District recognized \$223,250 in pledged revenue and paid \$220,106 of principal and interest.

Sales Tax Revenue Bonds – Series 2013 and Series 2016 - These bonds are authorized by the Constitution and Laws of the State of Florida, particularly Chapter 1001, Florida Statutes, Chapter 212, Part I, Florida Statutes, Chapter 2006-340, Laws of Florida, and other applicable provisions of law. The bonds are secured by a pledge of the proceeds received from the levy by the County and collection by the Florida Department of Revenue of a one cent local infrastructure sales surtax. The approximate amount of local infrastructure sales surtax pledged is \$142,496,490, which represents the total amount of principal and interest still due, and the remaining period of the pledge is nine years. The District pledged approximately 65 percent of the total sales tax revenue until the bonds were repaid. These bonds were issued for the purpose of providing funds, together with other available funds of the District, to finance the major remodeling and infrastructure upgrades of elementary, middle, and high schools within the District. For the 2015-2016 fiscal year, the District recognized pledged revenue of \$25,738,211 and paid \$12,280,244 in principal and interest for Series 2013 and \$103,074 in interest for Series 2016.

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

	Total	Principal	Interest
State School Bonds:			
2017	\$ 1,756,500	\$ 1,321,000	\$ 435,500
2018	1,292,830	922,000	370,830
2019	1,108,730	784,000	324,730
2020	968,180	682,000	286,180
2021	957,920	705,000	252,920
2022-2026	4,148,030	3,393,000	755,030
2027-2031	1,534,175	1,420,000	114,175
Total State School Bonds	11,766,365	9,227,000	2,539,365
District Revenue Bonds:			
2017	15,239,051	10,535,000	4,704,051
2018	16,231,621	11,880,000	4,351,621
2019	16,180,125	12,290,000	3,890,125
2020	16,187,401	12,805,000	3,382,401
2021	16,156,283	13,305,000	2,851,283
2022-2026	64,718,596	59,235,000	5,483,596
2027-2031	1,105,913	885,000	220,913
2032-2036	438,675	410,000	28,675
2032 2030	430,073	410,000	20,073
Total District Revenue Bonds	146,257,665	121,345,000	24,912,665
Subtotal	158,024,030	130,572,000	27,452,030
Unamortized Discount on Debt	(34,193)	(34,193)	-
Unamortized Premium on Debt	9,256,323	9,256,323	
Total	\$167,246,160	\$139,794,130	\$27,452,030
			,

11. CHANGES IN LONG-TERM LIABILITIES

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

Description	Balance 7/1/2015	Additions	Deductions	Balance 6/30/2016	Due in One Year
GOVERNMENT AL ACTIVITIES					
Bonds Payable	\$ 110,683,000	\$ 30,075,000	\$ 10,186,000	\$ 130,572,000	\$ 11,856,000
Add: Unamortized Premium (Discount) on Debt	10,903,529		1,681,399	9,222,130	1,681,399
Total Bonds Payable	121,586,529	30,075,000	11,867,399	139,794,130	13,537,399
Certificates of Participation Payable	340,336,074	25,995,000	11,981,524	354,349,550	13,015,069
Add: Unamortized Premium on Debt	11,267,733	4,398,965	968,162	14,698,536	1,096,465
Total Certificates of Participation Payable	351,603,807	30,393,965	12,949,686	369,048,086	14,111,534
Obligations Under Capital Leases	_	13,771,923	2,284,452	11,487,471	3,060,127
Estimated Insurance Claims Payable	6,874,000	5,808,240	5,000,240	7,682,000	2,791,000
Compensated Absences Payable (1)	37,285,813	15,636,551	14,513,732	38,408,632	2,009,145
Other Post-Employment Benefits Obligation (2)	54,760,639	11,674,548	5,330,772	61,104,415	-
Net Pension Liability - FRS / HIS (3)	160,059,134	89,668,969	25,168,464	224,559,639	4,243,279
Derivatives Swap Liability	16,279,499	6,734,208		23,013,707	
Total Governmental Activities	\$ 748,449,421	\$ 203,763,404	\$ 77,114,745	\$ 875,098,080	\$ 39,752,484
BUSINESS - TYPE ACTIMTIES					
Compensated Absences Payable	\$ 407,238	\$ 523,958	\$ 391,814	\$ 539,382	\$ -
Other Post-Employment Benefits Obligation	938,442	212,783	97,161	1,054,064	-
Net Pension Liability - FRS / HIS	2,391,152	1,525,328	394,716	3,521,764	
Total Business - Type Activities	\$ 3,736,832	\$ 2,262,069	\$ 883,691	\$ 5,115,210	\$ -

Note (1) includes balances at June 30 2016, of the Internal Service Funds of \$330,198 with \$27,041 due in one year, and additions and deductions of \$122,184 and \$198,846, respectively.

For the governmental activities, compensated absences, other post-employment benefits and net pension liabilities 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.

Note (2) includes balances at June 30 2016, of the Internal Service Funds of \$234,837, and additions and deductions of \$45,172 and \$20,625, respectively.

Note (3) includes balances at June 30 2016, of the Internal Service Funds of \$1,720,694, and additions and deductions of \$1,449,654 and \$192,855, respectively.

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 \$16,795,099 and prepaid items totaling \$126,456 that are considered nonspendable. The District does not have nonspendable funds related to endowments.

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 \$202,728,089 and represents \$1,393,683 in State Categorical programs primarily for Instructional Materials, \$7,892,363 in Food Service, \$13,252,861 in Debt Service, and \$180,189,182 in Capital Projects.
- <u>Committed:</u> 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.,
 the Board). Amounts are committed upon 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. The Board has adopted Policy 6220, which authorizes the Superintendent to assign amounts in fund balance to a specific purpose. At fiscal year-end, based on the Board policy, the assigned fund balances were \$19,945,132 for local instructional programs and \$5,399,767 was assigned to eliminate a deficit in next year's budget.

• <u>Unassigned</u>: 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 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 \$26,132,916 or 5.03 percent of General Fund total expenditures. This indicates a positive financial condition for the District.

The following table represents fund balances at June 30, 2016:

		Major Funds						
Description Fund Balances:		General Funds C		apital Projects Other Funds	Other Governmental Funds		Total Governmenta Funds	
Nonspendable:								
Inventories:								
General Fund	\$	3,744,050	\$	_	\$	_	\$	3,744,050
Capital Projects Other	,	-	,	11,882,999	,	_	,	11,882,999
Special Revenues - Food Service		-		-	1,168	3,050		1,168,050
Prepaid Items:								
General Fund		126,456		-		-		126,456
Restricted:								
Categorical Programs		1,393,683		-		-		1,393,683
Special Revenues -Food Service		-		-	7,892	2,363		7,892,363
Debt Service		-		-	13,252	2,861		13,252,861
Capital Projects		-		154,319,916	25,869	9,266		180,189,182
Assigned:								
School Operations								
State and Local Programs		19,945,132		-		-		19,945,132
Next Year Budget		5,399,767		-		-		5,399,767
Unassigned:		26,132,916		-		-		26,132,916
	\$	56,742,004	\$	166,202,915	\$ 48,182	2,540	\$ 2	271,127,459

13. 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	\$	6,796,032	\$	-	
Capital Funds - Other		1,217,245		-	
Nonmajor Governmental Funds		-		8,013,277	
Total	\$	8,013,277	\$	8,013,277	

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 2016-2017 fiscal year.

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

Funds	Interfund				
	Transfers In	T	ransfers Out		
Major Funds:					
General	\$ 1,851,440	\$	1,244,603		
Capital Projects - Other	-		13,867,048		
Nonmajor Governmental Funds	39,988,513		26,486,668		
Internal Service Funds	-		185,000		
Enterprise Funds	<u>-</u>		56,634		
Total	\$ 41,839,953	\$	41,839,953		

Interfund transfers represent permanent transfers of monies between funds. In general, funds are transferred from Capital Projects to the Debt Service Funds to make debt service payments for outstanding bond issues and capital leases. The transfers from the Capital Projects Other Fund to the General Fund are for Charter Schools Capital Outlay funds. The transfer from the Internal Service Fund to the General Fund is to cover expenses related to athletic participation. Transfers between Internal Service Funds have been eliminated in this summary.

14. SCHEDULE OF STATE REVENUE SOURCES

The following is a schedule of the District's State revenue for the 2015-2016 fiscal year:

Total	\$ 377,353,536
Miscellaneous	443,463
School Health Supplement	113,412
Full Service Schools	137,325
Fuel Tax Refund	196,734
Mobile Home License Tax	385,818
Food Service Supplement	395,520
Charter School Capital Outlay Funding	566,440
Regional STEM - Tampa Bay Region Aeronautics	734,961
Voluntary Pre K	1,295,907
Public Education Capital Outlay (PECO)	1,878,819
Best and Brightest	1,973,249
Workforce Development Program	2,737,534
Motor Vehicle License Tax (Capital Outlay and Debt Service)	2,885,806
School Recognition	3,853,720
Class Size Reduction	75,660,610
Florida Education Finance Program	\$ 284,094,218

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

15. PROPERTY TAXES

The following is a summary of millages and taxes levied on the 2015 tax roll for the 2015-2016 fiscal year:

	Millages	7	axes Levied
GENERAL FUND			
Nonvoted School Tax:			
Required Local Effort	4.861	\$	114,652,302
Basic Discretionary Local Effort	0.748		17,642,443
CAPIT AL PROJECTS FUNDS			
Nonvoted Tax:			
Local Capital Improvements	1.500		35,379,233
Total	7.109	\$	167,673,978

16. FLORIDA RETIREMENT SYSTEM PENSION PLANS

Florida Retirement System (FRS) – Defined Benefit Pension Plans – The Florida Retirement System (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 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. Additionally, Chapter 112, Florida Statutes established the Retiree Health Insurance Subsidy (HIS) Program, 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 their health insurance costs.

Essentially, all regular employees of the District are eligible to enroll as members of the State-administrered FRS. The FRS is a single retirement system administered by the Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs. Plan provisions 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. 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' website (www.dms.myflorida.com).

The District's FRS And HIS pension expense totaled \$19,121,763 for the fiscal year ended June 30, 2016.

Florida Retirement System (FRS) Defined Benefit Pension Plan

<u>Plan Description</u> – The FRS Pension Plan is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (DROP) for eligible employees. Employees in the Plan vest at six years of service if enrolled before July 1, 2011. All employees enrolled in the Plan on or after July 1, 2011, vest at eight years of 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, which may include up to four (4) years of credit for military service. Members who enrolled in the Plan on or after July 1, 2011, and become vested are eligible for normal retirement benefits at age 65 or at any age after 33 years of service, which may include up to four (4) years of credit for military service. The Plan also includes an early retirement provision but there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, and death benefits and annual cost-of-living adjustments.

DROP, subject to the 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 the 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.

There are three general classes of membership applicable to the District, as follows:

- Regular Class Members of the FRS who do not qualify for membership in the other classes.
- Senior Management Service Class (SMSC) Members in senior management level positions.
- Elected District Officers Members who are elected officers of the District.

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

Class, Initial Enrollment, and Retirement Age/Years of Service	% Value
Regular Class members initially enrolled before July 1, 2011	
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
Regular Class members initially enrolled on or after July 1, 2011	
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
Elected District Officers	3.00
Senior Management Service Class	2.00

As provided in Section 121.101, Florida Statues, the annual cost of living adjustment (COLA) for retirees with an effective retirement date or DROP begin date effective before August 1, 2011, is 3 percent per year. The COLA formula for retirees with an effective retirement date or DROP begin date effective on or after August 1, 2011, will be the sum of the pre-July 2011 service credit

divided by the total service credit at retirement multiplied by 3 percent. Each Pension Plan member with an effective retirement date of August 1, 2011, or after will have an individual COLA factor for retirement. FRS Pension Plan members initially enrolled on or after July 1, 2011, will not have a COLA after retirement.

<u>Contributions</u> – The Florida Legislature estabilishes the contribution rates for participating employers and employees. During the 2015-2016 fiscal year, contribution rates were as follows:

Percent of Gr	uss salary
Employee	Employer
	(A)
3.00	7.26
3.00	42.27
3.00	21.43
0.00	12.88
(B)	(B)
	3.00 3.00 3.00 0.00

Note:

- (A) Employer rates include 1.66 percent for the post-employment health insurance subsidy. Also, employer rates, other than for DROP participants, include .04 percent for administrative costs of the Investment Plan.
- (B) Contribution rates are dependent upon the retirement class in which reemployed.

The District's contributions to the FRS Pension Plan (not including the 1.66 percent HIS Program Contributions or employee contributions) totaled \$20,248,257 for the fiscal year ended June 30, 2016. Employee contributions totaled \$8,441,060 for the same period.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2016, the District reported a liability of \$112,469,821 for its proportionate share of the FRS Pension Plan net pension liability. The net pension liability was measured as of June 30, 2015 and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 1, 2015. The District's proportionate share of the net pension liability was based on the District's 2014-15 fiscal year contributions relative to the 2014-15 fiscal year contributions of all participating members. At June 30, 2015, the District's proportionate share was 0.8708 percent, which was a decrease of 0.0121 percent from its proportionate share of 0.8829 percent measured as of June 30, 2014.

For the fiscal year ended June 30, 2016, the District recognized pension expense of \$9,798,016 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		
Difference between expected and actual experience	\$ 11,873,483	\$	2,667,442	
Changes in assumptions	7,464,999		-	
Net difference between projected and actual earnings				
on pension plan investments	-		26,855,911	
Changes in proportionate share of District in relation to				
other Plan participants and changes in proportionate				
share between District funds	9,113,344		1,857,820	
District contributions subsequent to the measurement date	 20,248,257			
Total	\$ 48,700,083	\$	31,381,173	

The deferred outflows of resources related to pensions totaling \$20,248,257 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, 2017. 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:

Fiscal Year	
Ending	
June 30	 Amount
2017	\$ (7,140,156)
2018	(7,140,156)
2019	(7,140,156)
2020	15,016,809
2021	2,892,192
Thereafter	 582,120
Total	\$ (2,929,347)

<u>Actuarial Assumptions</u> – The total pension liability for the FRS Pension Plan was determined by an actuarial valuation based on the following assumptions:

Valuation date	July 1, 2015
Discount rate	7.65%
Long-term expected rate of return, net of investment	
expense, including inflation	7.65%
Inflation	2.60%
Salary increases, including inflation	3.25%
Mortality	Generational RP-2000
	with Projection Scale BB
Actuarial cost method	Entry Age Normal

The actuarial assumptions that determined the total pension liability as of June 30, 2014, were based on the results of an actuarial experience study for the period July 1, 2008 to June 30, 2013.

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

<u>Long-Term Expected Rate of Return</u> – To develop an analytical basis for the selection of the long-term expected rate of return assumption, in October 2015 the FRS Actuarial Assumptions conference reviewed long-term assumptions developed by both Milliman's capital market assumptions team and by a capital market assumptions team from Aon Hewitt Investment Consulting, which consults to the SBA. The table below shows Milliman's assumptions for each of the asset classes in which the plan was invested at that time based on the long-term target asset allocation. 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. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model.

		Annual	Compound Annual	
	Target	Arithmetic	(Geometric)	Standard
Asset Class	Allocation	Return	Return	Deviation
	404	0.007	0.40/	4 70/
Cash	1%	3.2%	3.1%	1.7%
Fixed income	18%	4.8%	4.7%	4.7%
Global equity	53%	8.5%	7.2%	17.7%
Real Estate (Property)	10%	6.8%	6.2%	12.0%
Private Equity	6%	11.9%	8.2%	30.0%
Strategic investments	12%	6.7%	6.1%	11.4%
Total	100.00%			
Assumed Inflation - Mean		2.60%		1.90%

<u>Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate</u> – The following presents the District's proportionate share of the net pension liability of the FRS Pension Plan calculated using the discount rate of 7.65 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 (6.65 percent) or 1 percentage-point higher (8.65 percent) than the current rate:

	 % Decrease (6.65%)	rrent Discount Rate (7.65%)	1	% Increase (8.65%)
District's proportionate share of				
FRS Pension Plan net pension liability	\$ 291,434,744	\$ 112,469,821	\$	(36,458,390)

<u>Pension Plan Fiduciary Net Position</u> – Detailed information about FRS Pension 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) Defined Benefit Pension Plan

<u>Plan Description</u> – 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 their health insurance costs and is administered by the Division of Retirement within the Department of Management Services.

<u>Benefits Provided</u> – For the fiscal year ended June 30, 2016, 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 Federal Medicare.

<u>Contributions</u> – The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended June 30, 2016, the contribution rate was 1.66 percent of payroll pursuant to Section 112.363, Florida Statutes. The state contributed 100 percent of its statutorily required contributions for the current and preceding two (2) 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 \$5,923,321 for the fiscal year ended June 30, 2016.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions – At June 30, 2016, the District reported a net pension liability of \$115,611,582 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 benefits 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. This current portion will be funded from the District's required contributions to the FRS including the established HIS amount of 1.66 percent. The net pension liability was measured as of June 30, 2015, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2014, and update procedures were used to determine liabilities as of July 1, 2015. The District's proportionate share of the net pension liability was based on the District's 2014-15 fiscal year contributions relative to the total 2014-15 fiscal year contributions of all participating members. At June 30, 2015, the District's proportionate share was 1.1336 percent, which was a decrease of 0.0277 percent from its proportionate share of 1.1613 percent measured as of June 30, 2014.

For the fiscal year ended June 30, 2016, the District recognized pension expense of \$9,323,747 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:

	Deferred Outflows of Resources	 Deferred Inflows of Resources
Changes in assumptions	\$ 9,095,614	\$ -
Net difference between projected and actual earnings		
on pension plan investments	62,584	-
Changes in proportionate share of District in relation to		
other Plan participants and changes in proportionate		
share between District funds	5,996,310	2,646,910
District contributions subsequent to the measurement date	5,923,321	-
Total	\$ 21,077,829	\$ 2,646,910

The deferred outflows of resources related to pensions totaling \$5,923,321 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, 2017. 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
2017	\$ 2,294,679
2018	2,294,679
2019	2,294,679
2020	2,281,958
2021	2,487,238
Thereafter	854,365
Total	\$ 12,507,598

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

Valuation date	July 1, 2015
Discount rate	3.80%
Municipal bond rate	3.80%
Inflation	2.60%
Salary increases, including inflation	3.25%
Mortality	Generational RP-2000
	with Projection Scale BB
Actuarial cost method	Entry Age Normal

The actuarial assumptions that determined the total pension liability as of June 30, 2015, were based on the results of an actuarial experience study for the period July 1, 2008 – June 30, 2013.

<u>Discount Rate</u> – 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.

<u>Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate</u> – The following presents the District's proportionate share of the net pension liability of the HIS Pension Plan calculated using the discount rate of 3.80 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 (2.80 percent) or 1 percentage-point higher (4.80 percent) than the current rate:

	1	% Decrease	Cu	rrent Discount	1	1% Increase
		(2.80%)		Rate (3.80%)		(4.80%)
District's proportionate share of						
HIS Pension Plan net pension liability	\$	131,734,017	\$	115,611,582	\$	102,167,893

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

Defined Contribution Plan

Pursuant to Section 121.4501, Florida Statutes, the Florida Legislature created a defined contribution program called the FRS Investment Plan (Investment Plan). Employees in the Investment Plan vest after one year of service. District employees participating in DROP are not eligible to participate in the program. This program is administered by the SBA as an option to the defined benefit plan, and reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report. 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 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 contribution rates that are based on salary and membership class (Regular, Elected County Officers, etc.), as in 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 options. Allocations to the investment members' accounts during the 2015-16 fiscal year were as follows:

	Percent of
Class	Gross Compensation
Florida Retirement System, Regular	6.30
Florida Retirement System, Elected County Officers	11.34
Florida Retirement System, Senior Management Service	7.67

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 ended June 30, 2016, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the District.

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

The District's FRS Investment Plan contributions and pension expense (not including the 1.66 percent HIS contributions or employee contributions) totaled \$3,840,973 for the fiscal year ended June 30, 2016. Employee contributions totaled \$1,560,513 for the same period.

Payables to Pension Plan

At June 30, 2016, the District reported payables of \$7,259,136 for the outstanding amount of employee (\$2,271,657) and employer (\$4,987,479) contributions to the FRS Plans required for the fiscal year ended June 30, 2016. This includes amounts for the FRS Pension Plan, the HIS Pension Plan and the FRS Investment Plan.

17. 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 instructional employee or retiree will be permitted to begin receiving an early retirement benefit. Any instructional 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, 2015, employee membership data related to the Plan was as follows.

Retirees and Beneficiaries Currently Receiving Benefits	259
Active Plan Participants	_587
Total	846

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 (for nonunion contract employees) completed at least 12 years of service in the District.

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 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 the month. The payment was equal to 10 percent of 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 value for financial statement purposes.

Separate statements are not issued for the plan.

Contributions and Reserves

The District's Early Retirement 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 in the 2013-2014, 2014-2015, and 2015-2016 fiscal years, amounted to \$1,591,288, \$1,662,560, and \$0 respectively. The contributions were paid by the Board and were made in accordance with actuarially determined contribution requirements determined through an actuarial valuation performed as of July 1, 2015. The percentage of pension cost contributed by the Board was 100 percent for all three (3) fiscal years.

As of June 30, 2016, the actuarial accrued liability for benefits was \$14,700,639. The computation of the annual required contribution for the 2015-2016 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 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, 2016:

	Asset Allocation				
<u>Asset Class</u>	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%			

The Plan's cash and investments at June 30, 2016, consisted of the following:

					Fair Value Measurements Using				
					Quoted Prices	Si	gnificant		
					in Active		Other	Signif	icant
					Markets for	Ob	servable	Unobse	ervable
					Idential Assets	-	nputs	Inp	uts
	Maturity		Balance	Percentage					
Investments by Fair Value Level	Range	Jυ	ine 30, 2016	of Plan Net Assets	(Level 1)	(L	evel 2)	(Lev	el 3)
Domestic Equity Mutual Funds	N/A	\$	2,422,860	13.42%	\$ 2,422,860	\$	-	\$	-
International Equity Mutual Funds	N/A		618,207	3.43%	618,207		-		-
Domestic Fixed Income Mutual Funds	N/A		2,461,118	13.64%	2,461,118		-		-
Alternative Equity Mutual Funds	N/A		401,368	2.22%	401,368		-		-
Collateralized Mortgage Obligations	16.99 Years - 19.82 Years		646,593	3.58%	=		646,593		-
Corporate Bonds	6.83 Years - 17.21 Years		202,518	1.12%	202,518		-		-
Government Sponsored Enterprises	3.99 years - 17.15 Years		193,630	1.07%	=		193,630		-
Government and Municipal Bonds	1.09 Years - 29.71 Years		9,033,313	50.05%	9,033,313		-		-
Total Investments by Fair Value Level		\$	15,979,607	88.53%	\$15,139,384	\$	840,223	\$	
Investments Measured at \$1 Per Share Net Asset Value (NAV)									
Cash and Cash Equivalents		\$	588,454	3.26%					
Money Market Funds			1,481,170	8.21%					
Total Investments Measured at \$1 Per Share NAV			2,069,624	11.47%					
Total Investments		\$	18,049,231	100.00%					

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 of NR to Baa1 by Moody's.
- ➤ The Plan's investments in Corporate Bonds had ratings of BB+ to AA- by Standard and Poor's or of Ba1 to A3 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 CC to AAA by Standard and Poor's or of WR to Aaa by Moody's.

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 ended June 30, 2016, the annual money-weighted rate of return on the pension plan investments, net of pension plan investment expense, was 5.43 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

<u>Pension Asset, Pension Income, and Deferred Outflows of Resources and Deferred Inflows</u> of Resources Related to Pensions

The components of the net pension asset of the District at June 30, 2016, the measurement date, were as follows:

Plan Fiduciary Net Position Total Pension Liability	\$ 18,202,235 (14,700,639)
Net Pension Asset	\$ 3,501,596
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	123.82%

For the fiscal year ended June 30, 2016, the District recognized pension income of \$238,368 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		
Changes in Assumptions Net difference between projected and actual earnings	\$	399,722	\$ 4,169,318		
on pension plan investments		831,690	-		
Total	\$	1,231,412	\$ 4,169,318		

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
2017	\$ (66,463)
2018	(265,962)
2019	(249,328)
2020	(349,258)
2021	(422,505)
Thereafter	 (1,584,390)
Total	\$ (2,937,906)

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of July 1, 2015, using the following actuarial assumptions, applied to all periods included in the measurement:

Valuation Date	July 1, 2015
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percent Open
Remaining Amortization Period	30 Years
Asset Valuation Method	Market Value
Actuarial Assumptions:	
Investment Rate of Return *	6.95%
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, 2016, 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, 2016 are summarized in the following table:

Asset Class	Target Allocation	Expected Long-Term Real Rate of Return
Domestic Equity	39%	6.48% per annum
International Equity	21%	6.65% per annum
Domestic Fixed Income	40%	3.13% per annum
Total or Weighted Arithmetic Average	100%	5.17% per annum

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 7.67 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 (6.67 percent) or 1-percentage-point higher (8.67 percent) than the current rate:

	1	% Decrease (6.67%)	rrent Discount Rate (7.67%)	1% Increase (8.67%)
Total Pension Liability Less Fiduciary Net Position	\$	16,023,076 (18,202,235)	\$ 14,700,639 (18,202,235)	\$ 13,564,046 (18,202,235)
Net Pension Liability	\$	(2,179,159)	\$ (3,501,596)	\$ (4,638,189)

Changes in the Net Pension Liability

	Increase (Decrease)						
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a)-(b)				
Balances at 6/30/2015	\$14,323,118	\$18,418,036	\$ (4,094,918)				
Changes for the year:							
Service Cost	39,458	-	39,458				
Interest	1,058,153	1,000,647	57,506				
Benefit payments, including refunds of member contribution	(1,189,185)	(1,189,185)	-				
Demographic experience	1,584,308	-	1,584,308				
Assumption changes	(1,115,213)	-	(1,115,213)				
Administrative Expenses	-	(27,263)	27,263				
Net change in total pension liability	377,521	(215,801)	593,322				
Balances at 6/30/2016	\$14,700,639	\$18,202,235	\$ (3,501,596)				

18. OTHER POST-EMPLOYMENT BENEFITS

Plan Description

The Post-Employment Benefits Plan (Plan) is a single-employer defined benefit plan administered by the District. 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 Plan at reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the 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 Plan does not issue a stand-alone report and is not included in the report of a public employee retirement system or another entity.

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.

Funding Policy

The District has not advance-funded or established a funding methodology for the annual OPEB costs or the net OPEB obligation, and the plan is financed on a pay-as-you-go basis. For the 2015-2016 fiscal year, 1,917 retirees or their eligible dependents received post-employment benefits. The District provided required contributions of \$5,427,933 toward the annual OPEB cost, comprised of medical and life insurance premiums, pharmacy claims expense and administrative expenses net of retiree contributions totaling \$1,794,381 or 0.51 percent of covered payroll.

Annual OPEB cost and Net OPEB Obligation

The District's annual OPEB cost (expense) is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of GASB No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. The ARC represents a level of funding that if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years.

The following table shows the District's annual OPEB cost for the year, the amount actually contributed to the Plan, and changes in the District's net OPEB obligation for Post-Employment Benefits:

Description	 Amount
Normal Cost (Service cost for one year) Amortization of Unfunded Actuarial Accrued Liability	\$ 4,899,502 8,864,199
Annual Required Contribution Interest on Net OPEB Obligation Adjustment to Annual Required Contribution	 13,763,701 2,227,963 (4,104,333)
Annual OPEB Cost (Expense) Contribution Toward the OPEB Cost	 11,887,331 (5,427,933)
Increase in Net OPEB Obligation Net OPEB Obligation, Beginning of Year	6,459,398 55,699,081
Net OPEB Obligation, End of Year	\$ 62,158,479

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

Fiscal Year	 Annual OPEB Cost	(Amount Contributed	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation		
2013-14 2014-15 2015-16	\$ \$ 10,911,541 11,370,008 11,887,331		4,323,117 3,534,573 5,427,933	39.62% 31.09% 45.66%	\$	47,863,648 55,699,081 62,158,479	

Funded Status and Funding Progress

As of January 1, 2016, the most recent actuarial valuation date, the actuarial accrued liability for benefits was \$117,958,279, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability of \$117,958,279 and a funded ration of 0 percent. The covered payroll (annual payroll of active participating employees) was \$349,610,219, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 33.74 percent. The required schedule of funding progress immediately following the notes to the financial statements presents multi-year trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits. Actuarial valuations of an ongoing Plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment and termination, mortality, and the healthcare cost trends. Amounts determined

regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revisions as actual results are compared with past expectations and new estimates are made about the future.

Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are based on the substantive Plan provisions, as understood by the employer and participating members. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

The District's OPEB actuarial valuation as of January 1, 2016, used the entry age normal cost actuarial method to estimate the unfunded actuarial liability as of June 30, 2016. Because the OPEB liability is currently unfunded, the actuarial assumptions included a 4.0 percent discount rate. The actuarial assumptions also included an annual healthcare cost trend of 6.5 percent for the calendar year 2016, reduced each year, to an ultimate rate of 4.5 percent in 2040. The actuarial assumptions also included an inflation rate of 2.75 percent and 3.5 percent for payroll growth.

The unfunded actuarial accrued liability is being amortized as a level percentage of projected payrolls on a closed basis over a 14 year period. The remaining amortization period is 14 years.

19. 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 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, 2016, the accumulated credits to the District's account are \$4,841,486. During the 2015-2016 fiscal year, the District earned capital credits of \$416,135 and received a cash payment of \$175,112, for a net increase of \$241,023.

20. 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		
Bayonet Point Middle Campus Redevelopment	\$ 10,917,814	\$ 9,608,343	\$	1,309,471	
New Elementary "B" - Bexley Ranch New School Construction	22,974,768	1,047,166		21,927,602	
New High School "GGG" Old Pasco Road New School Construction	49,880,711	19,751,679		30,129,032	
Marchman Technical College Campus Redevelopment	11,771,631	8,507,455		3,264,176	
Pasco Elementary Campus Redevelopment	4,043,565	2,159,465		1,884,100	
Wiregrass Elementary New School Construction	15,272,558	13,472,983		1,799,575	
Total	\$ 114,861,047	\$ 54,547,091	\$	60,313,956	

21. 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 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, 2016, the District has recorded \$81,363,331 in encumbrances within the District's governmental funds as follows: \$8,769,501 for the General Fund; \$67,845,079 for the Capital Projects-Other Fund; \$4,748,751 for the Nonmajor Governmental Funds.

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 administer these self-insurance programs, including the processing, investigating, and payment of claims.

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 \$7,682,000 was actuarially determined to cover estimated incurred, but not reported, workers' compensation, automobile liability and general liability insurance claims payable at June 30, 2016.

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

	В	eginning of	Curre	ent-Year Claims		Balance at			
	F	iscal Year	an	d Changes in		Claims		Fiscal	
		Liability		EstimatesF		Payments		Year-End	
2014-2015	\$	7,487,313	\$	53,329,647	\$	53,942,960	\$	6,874,000	
2015-2016		6,874,000		59,105,124		58,297,124		7,682,000	

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

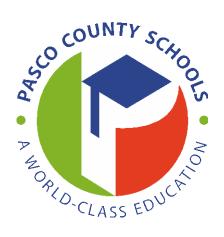
23. LITIGATION

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 June 21, 2016, the School Board approved a resolution adding Schedules six (6), seven (7), and eight (8) to the Master Lease Agreement with Apple Finance Services. The District financed the purchase of Apple laptops totaling \$4,868,521, iPads totaling \$268,714, and Dell and HP computers totaling \$390,217. The Apple laptops will be paid with four (4) annual payments of \$1,248,440 the iPads with three (3) annual payments of \$91,103, and the Dell and HP computers with four (4) annual payments of \$100,064. These annual payments include interest. The lease commenced with the first payment occurring on August 3, 2016.

OTHER REQUIRED SUPPLEMENTARY INFORMATION



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

	2015-2016 fiscal year *		2014-2015 fiscal year *			2013-2014 iscal year *
Total Pension Liability						
Service Cost	\$	39,458	\$	610,538	\$	610,538
Interest		1,058,153		1,468,046		1,413,259
Demographic Experience		1,584,308		-		-
Benefit payments, including refunds of member contributions		(1,189,185)		(1,058,026)		(998,103)
Changes in benefit terms		-		(8,758,650)		-
Assumption changes		(1,115,213)		(4,541,925)		
Net change in total pension liability		377,521		(12,280,017)		1,025,694
Total Pension Liability - Beginning		14,323,118		26,603,135		25,577,441
Total Pension Liability - Ending	\$	14,700,639	\$	14,323,118	\$	26,603,135
Plan Fiduciary Net Position	ф		ф	1//25/0	ф	1 501 200
Contributions- employer Net investment income	\$	1 000 / 47	\$	1,662,560	\$	1,591,288
		1,000,647 (1,189,185)		428,679		929,052
Benefit payments, including refunds of member contributions Administrative Expenses		,		(1,074,335)		(960,021)
Net Change in Plan Fiduciary Net Position		(27,263) (215,801)		(12,549) 1,004,355		1,560,319
Net Change in Flan Fluuciary Net Fosition		(213,001)		1,004,333		1,300,319
Plan Fiduciary Net Position - Beginning		18,418,036		17,413,681		15,853,362
Plan Fiduciary Net Position - Ending	\$	18,202,235	\$	18,418,036	\$	17,413,681
Net Pension Liability - Ending	\$	(3,501,596)	\$	(4,094,918)	\$	9,189,454
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability		123.82%		128.59%		65.46%
Covered-employee Payroll	\$	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		5.49%

^{*} Rolled forward based on financial data as of June 30, 2016, June 30, 2015, and June 30, 2014 measurement dates.

Note: The District implemented GASB Statement No. 67 for the fiscal year ended June 30, 2014.

Information for prior years is not available.

SCHEDULE OF CONTRIBUTIONS - EARLY RETIREMENT PLAN

Fiscal	l Yea
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	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Actuarially determined contribution Contributions in relation to the	\$ -	\$ 1,662,560	\$ 1,591,288	\$ 1,578,667	\$ 1,509,443	\$ 1,380,553	\$ 1,314,812	\$ 1,437,237	\$ 1,368,154	\$ 1,264,056
actuarially determined contribution		1,662,560	1,591,288	1,578,667	1,509,443	1,380,553	1,314,812	1,437,237	1,368,154	1,264,056
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Covered-employee payroll Contributions as a percentage of	\$ 24,925,025	\$167,496,619	\$167,496,619	\$167,496,619		\$173,775,663		\$171,655,074		\$152,703,567
covered-employee payroll	0.009	0.99%	0.95%	0.94%		0.79%		0.84%		0.83%

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 7.67% 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 AA.

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 increased from 6.95% per annum to 7.67% per annum, the salary increases assumption was decreased from 4% to 3% and the

administrative expense assumption was eliminated.

SCHEDULE OF INVESTMENT RETURNS - EARLY RETIREMENT PLAN

Fiscal Year

	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007
Annual money - weighted rate								,,,		
of return, net of investment										
expense	5.43%	2.46%	5.75%	1.82%	4.33%	5.66%	10.50%	1.90%	6.16%	6.38%

SCHEDULE OF FUNDING PROGRESS - OTHER POST-EMPLOYMENT BENEFITS

										Unfunded	
										Actuarial Accrued	
	Act	uarial				Unfunded				Liability as	
Actuarial	Valu	ues of	Act	ctuarial Accrued Actuarial Accrued Funded					Percent of		
Valuation Date	Plan	Assets		Liability (1)		Liability (2)	Ratio (3)	C	overed Payroll	Covered Payroll	
January 1, 2012	\$	-	\$	109,496,146	\$	109,496,146	0.0%	\$	318,668,211	34.36%	
January 1, 2014		-		104,828,064		104,828,064	0.0%		318,422,974	32.92%	
January 1, 2016		-		117,958,279		117,958,279	0.0%		349,610,219	33.74%	

Notes:

- (1) The actuarial method used is the Entry Age Normal Cost Method.
- (2) The unfunded actuarial accrued liability is the actuarial accrued liability minus the actuarial value of plan assets.
- (3) The percentage funded is derived by dividing the actuarial value of assets by the actuarial accrued liability.

Notes to Schedule:

The January 1, 2016 unfunded actuarial accrued liability of \$117,958,279 was significantly higher than the January 1, 2014, liability of \$104,828,064 as a result of:

- Population Changes: The number of retirees currently receiving post-employment health benefits through the District core plan decreased from 575 in the previous valuation to 539 this year. This change had a decreasing effect on the valuation results. At the same time, the number of active employees eligible for any future post-employment benefits increased from 8,672 to 9,311. This population change had an increasing effect on the valuation results.
- Initial Cost of Coverage: The total cost of coverage increased from \$575 per subscriber per month (as expected for year beginning January 1, 2014) to \$643 per employee per month for year beginning January 1, 2016. This is lower than the projected \$668 per employee per month. However, premiums charged to retirees did not increase over that period and the combined effect of these changes in increase in costs and liabilities.
- Short Term Medical Trend Assumption: It was assumed previously that premiums and costs would increase at a rate of 7.0% for the 2017 plan year. We are revising trend rates for costs and premiums applicable to the year beginning January 1, 2017, to increase by 6.5%. This had a decreasing effect on the costs and liabilities.
- Long Term Medical Trend Assumption: The trend rate for the costs of benefits and premiums charged to retirees has been revised to be based on the forecasting model built and published (December 2007, as updated November 2015) in Modeling Long-Term Health Care Cost Trends sponsored by the Society of Actuaries and authored by Prof. Thomas E. Getzen. Under this model, assumed trend rates decline over a 22-year period from 6.25% assumed for the year 2018 to the ultimate level of 4.50%. This had a decreasing effect on the costs and liabilities.

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

	2016	2015	2014
District's proportion of the net pension liability	0.8708%	0.8829%	0.8076%
District's proportionate share of the net pension liability	\$ 112,469,821	\$ 53,867,811	\$ 139,021,758
District's covered-employee payroll	291,200,791	294,102,035	278,165,055
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	38.62%	18.32%	49.98%
Plan fiduciary net position as a percentage of the total pension liability	92.00%	96.09%	88.54%
Plan Sponsor Measurement Date	June 30, 2015	June 30, 2014	June 30, 2013

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.

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

	2016	2015	2014
Contractually required contribution	\$ 20,248,257	\$ 21,229,772	\$ 19,338,513
Contributions in relation to the contractually required contribution	 20,248,257	 21,229,772	 19,338,513
Contribution deficiency (excess)	\$ -	\$ -	\$ -
District's covered-employee payroll	\$ 301,546,181	\$ 291,200,791	\$ 294,102,035
Contributions as a percentage of covered-employee payroll	6.71%	7.29%	6.58%

^{*} 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.

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

	2016	2015	2014
District's proportion of the net pension liability	1.1336%	1.1613%	1.0739%
District's proportionate share of the net pension liability	\$ 115,611,582	\$ 108,582,475	\$ 93,494,824
District's covered-employee payroll	343,998,370	346,174,340	324,046,048
District's proportionate share of the net pension liability as a percentage of its covered-employee payroll	33.61%	31.37%	28.85%
Plan fiduciary net position as a percentage of the total pension liability	0.50%	0.99%	1.78%
Plan Sponsor Measurement Date	June 30, 2015	June 30, 2014	June 30, 2013

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.

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

		2016		2015	2014		
Contractually required contribution	\$	5,923,321	\$	4,333,408	\$	3,978,153	
Contributions in relation to the contractually required contribution		5,923,321		4,333,408		3,978,153	
Contribution deficiency (excess)	\$	-	\$	-	\$	-	
District's covered-employee payroll	\$ 357,548,640 \$ 343		343,998,370	43,998,370 \$ 3			
Contributions as a percentage of covered-employee payroll		1.66%		1.26%		1.15%	

^{*} 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.

Notes to Schedule:

Changes of Assumptions: The municipal rate used to determine total pension liability was decreased from 4.29 percent to 3.80 percent.

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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.

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

<u>Other Federal Programs Fund</u> – To account for the receipt and use of Federal grant proceeds.

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.

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

<u>District Revenue Bonds Fund</u> – 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.

<u>Debt Service Other Fund</u> – 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.

<u>State Board of Education Bonds Fund</u> – To account for proceeds of bonds, issued on the District's behalf, by the State Board of Education, to be used for the construction and maintenance of schools.

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

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

<u>Local Optional Millage Levy Fund</u> – 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, 2016

	Special Revenue						Debt Service						
		Food and Nutrition Services Fund		Other Federal Programs 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	\$	5,699,359	\$	48,143	\$	5,747,502	\$	-	\$	39,370	\$ 2,836,692	\$	2,876,062
Cash with Fiscal Agent		-		-		-		-		-	4,657,684		4,657,684
Investments		-		-		-		218,828		-	8,817,487		9,036,315
Accounts Receivable		14,950		48,288		63,238		-		-	-		-
Accrued Interest Receivable		-		-		-		-		-	1,064		1,064
Due from Other Agencies		3,439,882		3,886,984		7,326,866		-		-	-		-
Inventories		1,168,050		-		1,168,050		-					-
Total Assets	\$	10,322,241	\$	3,983,415	\$	14,305,656	\$	218,828	\$	39,370	\$16,312,927	\$	16,571,125
Liabilities and Fund Balances:													
Liabilities:													
Salaries and Benefits Payable	\$	-	\$	2,954	\$	2,954	\$	-	\$	-	\$ -	\$	-
Accounts Payable		64,116		447,872		511,988		-		-	36,429		36,429
Construction Contracts Payable		-		-		-		-		-	-		-
Construction Contracts Payable - Retainage		-		-		-		-		-	-		-
Due to Other Funds		-		3,514,197		3,514,197		-		-	3,281,835		3,281,835
Due to Other Agencies		-		1,031		1,031		-		-	-		-
Advanced Revenue		1,197,712		17,361		1,215,073		-		-			-
Total Liabilities		1,261,828		3,983,415		5,245,243		-		-	3,318,264		3,318,264
Fund Balances: Nonspendable:													
Inventory Restricted:		1,168,050		-		1,168,050		-		-	-		-
Special Revenue-Food Service		7,892,363		-		7,892,363		-		-	-		-
Debt Service		-		-		-		218,828		39,370	12,994,663		13,252,861
Capital Projects		-		-		-		-		-	-		-
Total Fund Balance		9,060,413		-		9,060,413		218,828		39,370	12,994,663		13,252,861
Total Liabilities and Fund Balances	\$	10,322,241	\$	3,983,415	\$	14,305,656	\$	218,828	\$	39,370	\$16,312,927	\$	16,571,125

				Cap	ital Projects						
State	Board		Public		Capital		Local		Total		Total
of Edu	ıcation		Education	(Outlay and		Optional		Nonmajor		Nonmajor
Boi	nds	Ca	apital Outlay	D	ebt Service	Ν	/lillage Levy	Ca	pital Projects	G	overnmental
Fu	nd		Fund		Fund		Fund		Funds		Funds
\$	-	\$	-	\$	292,246	\$	4,672,654	\$	4,964,900	\$	13,588,464
	-		-		-		-		-		4,657,684
	-		-		6,468,389		14,518,240		20,986,629		30,022,944
	-		-		-		0.704		-		63,238
	-		1 070 010		3,461		8,731		12,192		13,256
	-		1,878,819		18,970		-		1,897,789		9,224,655
			-		-		-		-		1,168,050
\$	-	\$	1,878,819	\$	6,783,066	\$	19,199,625	\$	27,861,510	\$	58,738,291
\$	- - - - -	\$	24,106 - - 1,217,245 -	\$	- 181,361 - 20,272 - - - 18,970	\$	350,099 152,836 27,355	\$	555,566 152,836 47,627 1,217,245	\$	2,954 1,103,983 152,836 47,627 8,013,277 1,031 1,234,043
			1,241,351		220,603		530,290		1,992,244		10,555,751
	-		-		-		-		-		1,168,050
	-		-		-		-		-		7,892,363
	-		637,468		6,562,463		18,669,335		25,869,266		13,252,861 25,869,266
									•		48,182,540
\$		\$	637,468 1,878,819	\$	6,562,463 6,783,066	\$	18,669,335 19,199,625	\$	25,869,266 27,861,510	_	
Ф	-	Ф	1,0/8,819	4	0,703,000	\$	17,177,025	Þ	21,001,010	4	58,738,291

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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	. 2016
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		Special Revenue		Debt Service					
	Food and Nutrition Services Fund	Other Federal Programs 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	\$ -	\$ 7,393,498	\$ 7,393,498	\$ -	\$ -	\$ 559,964	\$ 559,964		
Federal Through State	-	36,639,201	36,639,201	-	-	-	-		
Food Services	26,319,045	-	26,319,045	-	-	-	-		
State Sources:									
Public Education Capital Outlay	-	-	-	-	-	-	-		
Food Services	395,520	-	395,520	-	-	-	=		
SBE/COBI Bond Interest	-	-	-	485	-	-	485		
CO & DS Withheld for State Education Bonds	-	-	-	2,545,912	-	-	2,545,912		
CO & DS Interest	-	-	-	-	-	-	-		
CO & DS Distributed	-	-	-	-	-	-	-		
Racing Commission Funds	-	-	-	-	223,250	-	223,250		
Local Sources:									
Property Taxes	-	-	-	-	-	-	-		
Food Services	10,571,030	-	10,571,030	-	-	-	-		
Investment Earnings	-	-	-	-	-	653,273	653,273		
Local Grants and Other	741,229		741,229						
Total Revenues	38,026,824	44,032,699	82,059,523	2,546,397	223,250	1,213,237	3,982,884		
Expenditures:									
Current-Education:									
Instruction	-	25,634,609	25,634,609	-	-	-	-		
Student Support Services	-	3,718,611	3,718,611	-	-	-	-		
Instructional Media Services	-	79,036	79,036	-	-	-	-		
Instruction and Curriculum Development Services	-	5,044,186	5,044,186	-	-	-	-		
Instructional Staff Training Services	-	5,250,897	5,250,897	-	-	-	-		
Instruction-Related Technology	-	301,048	301,048	-	-	-	-		
Board	-	13,061	13,061	-	-	-	-		

Schedule B

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Schedule B

		Special Revenue		Debt Service					
	Food and Nutrition Services Fund	Other Federal Programs 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 (continued):									
General Administration	-	1,974,343	1,974,343	-	-	-	-		
School Administration	-	139,635	139,635	-	-	-	-		
Facilities Services	-	44,039	44,039	-	-	-	-		
Fiscal Services	-	88,173	88,173	=	-	-	-		
Food Services	38,220,229	94,819	38,315,048	=	-	-	-		
Central Services	-	173,400	173,400	-	-	-	-		
Student Transportation Services	-	331,516	331,516	-	-	-	-		
Operation of Plant	-	100,993	100,993	-	-	-	-		
Maintenance of Plant	-	50,753	50,753	-	-	-	-		
Administrative Technology Services Capital Outlay:	-	112,860	112,860	-	-	-	-		
Facilities Acquisition and Construction	-	58,523	58,523	-	-	-	-		
Other Capital Outlay	26,532	822,197	848,729	-	-	-	-		
Debt Service:									
Principal	-	-	-	2,061,000	100,000	22,290,976	24,451,976		
Interest	-	-	-	545,539	120,106	15,735,093	16,400,738		
Fiscal Charges	-	-	-	790	345	639,938	641,073		
Total Expenditures	38,246,761	44,032,699	82,279,460	2,607,329	220,451	38,666,007	41,493,787		
Excess (Deficiency) of Revenues									
Over Expenditures	(219,937)	-	(219,937)	(60,932)	2,799	(37,452,770)	(37,510,903)		
Other Financing Sources (Uses):									
Proceeds of Bonds Issued	-	-	-	-	-	75,000	75,000		
Capital Leases	-	-	-	-	-	32,500	32,500		
Transfers In	-	-	-	-	-	38,872,722	38,872,722		
Transfers Out	(958,608)	-	(958,608)			(174,695)	(174,695)		
Total Other Financing Sources (Uses)	(958,608)		(958,608)			38,805,527	38,805,527		
Net Change in Fund Balances	(1,178,545)	-	(1,178,545)	(60,932)	2,799	1,352,757	1,294,624		
Fund Balances, July 1, 2015	10,238,958	-	10,238,958	279,760	36,571	11,641,906	11,958,237		
Fund Balances, June 30, 2016	\$ 9,060,413	\$ -	\$ 9,060,413	\$ 218,828	\$ 39,370	\$12,994,663	\$ 13,252,861 (Continued)		
							(Continued)		

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Schedule B

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, 2016

	State Board of Education Bonds Fund		Public Education Capital Outlay Fund	Capital Outlay and Debt Service Fund	Local Optional Millage Levy Fund	Total Nonmajor Capital Projects Funds	Total Nonmajor overnmental Funds
Revenues:							
Federal Sources:							
Federal Direct	\$	-	\$ -	\$ -	\$ -	\$ -	\$ 7,953,462
Federal Through State		-	-	=	-	=	36,639,201
Food Services		-	-	-	-	-	26,319,045
State Sources:							
Public Education Capital Outlay		-	2,445,259	-	-	2,445,259	2,445,259
Food Services		-	-	-	-	-	395,520
SBE/COBI Bond Interest		-	-	-	-	-	485
CO & DS Withheld for State Education Bonds		-	-	-	-	-	2,545,912
CO & DS Interest		-	-	8,407	-	8,407	8,407
CO & DS Distributed		-	-	288,219	-	288,219	288,219
Racing Commission Funds		-	-	-	-	-	223,250
Local Sources:							
Property Taxes		-	-	-	34,313,082	34,313,082	34,313,082
Food Services		-	-	-	-	-	10,571,030
Investment Earnings		-	-	25,883	67,098	92,981	746,254
Local Grants and Other		-	_	<u>-</u>	634,655	634,655	 1,375,884
Total Revenues		-	2,445,259	322,509	35,014,835	37,782,603	 123,825,010
Expenditures:							
Current-Education:							
Instruction		-	-	-	-	-	25,634,609
Student Support Services		-	-	-	-	-	3,718,611
Instructional Media Services		-	-	-	-	-	79,036
Instruction and Curriculum Development Services		-	-	-	-	-	5,044,186
Instructional Staff Training Services		-	-	-	-	-	5,250,897
Instruction-Related Technology		-	-	-	-	-	301,048
Board		-	-	-	-	-	13,061

	Bonds	Capital Outlay	Debt Service	Millage Levy	Capital Projects	Governmental
	Fund	Fund	Fund	Fund	Funds	Funds
Expenditures (continued):						
General Administration	-	-	-	-	-	1,974,343
School Administration	-	-	-	-	-	139,635
Facilities Services	-	4,116	4,622	1,324,620	1,333,358	1,377,397
Fiscal Services	-	-	-	-	-	88,173
Food Services	-	-	-	-	-	38,315,048
Central Services	-	-	-	=	-	173,400
Student Transportation Services	-	-	-	=	-	331,516
Operation of Plant	-	-	-	-	-	100,993
Maintenance of Plant	-	-	-	=	-	50,753
Administrative Technology Services	-	-	-	=	-	112,860
Capital Outlay:						
Facilities Acquisition and Construction	-	1,237,235	3,290,203	10,533,997	15,061,435	15,119,958
Other Capital Outlay	=	=	-	-	-	848,729
Debt Service:						
Principal	-	-	-	-	-	24,451,976
Interest	-	-	-	-	-	16,400,738
Fiscal Charges	-	-	2,058	-	2,058	643,131
Total Expenditures	-	1,241,351	3,296,883	11,858,617	16,396,851	140,170,098
Excess (Deficiency) of Revenues						
Over Expenditures		1,203,908	(2,974,374)	23,156,218	21,385,752	(16,345,088)
Other Financing Sources (Uses):						
Proceeds of Bonds Issued	-	-	-	-	-	75,000
Capital Leases	-	-	-	-	-	32,500
Transfers In	-	-	-	1,115,791	1,115,791	39,988,513
Transfers Out	-	(566,440)	-	(24,786,925)	(25,353,365)	(26,486,668)
Total Other Financing Sources (Uses)		(566,440)	-	(23,671,134)	(24,237,574)	13,609,345
Net Change in Fund Balances	-	637,468	(2,974,374)	(514,916)	(2,851,822)	(2,735,743)
Fund Balances, July 1, 2015	<u> </u>	<u> </u>	9,536,837	19,184,251	28,721,088	50,918,283
Fund Balances, June 30, 2016	\$ -	\$ 637,468	\$ 6,562,463	\$ 18,669,335	\$ 25,869,266	\$ 48,182,540

Public

Education

State Board

of Education

Capital Projects
Capital

Outlay and

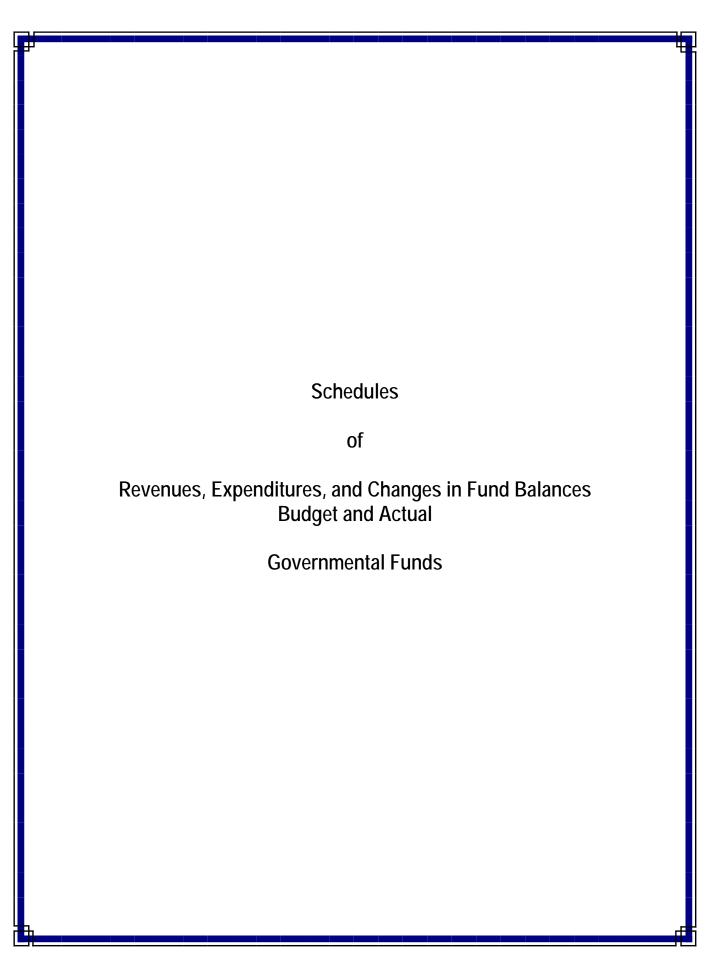
Total

Nonmajor

Local Optional Total

Nonmajor

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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, 2016

	Budgeted Amounts					Variance with Final Budget - Positive		
		Original	Final		Actual Amounts		(Negative)	
Revenues: Federal Sources: Food Service	\$	24,644,186	\$	25,844,186	\$	26,319,045	\$	474,859
State Sources: Food Service Local Sources:	·	270,230	·	593,991	•	395,520	•	(198,471)
Food Service Sales		10,214,649		10,514,649		10,571,030		56,381
Local Grants and Other		350,000		450,000		741,229		291,229
Total Revenues		35,479,065		37,402,826		38,026,824		623,998
Expenditures: Current-Education: Food Services								
Salaries		13,409,864		12,159,864		12,076,168		83,696
Employee Benefits		5,205,582		5,215,582		5,082,466		133,116
Purchased Services		761,800		1,086,536		1,051,467		35,069
Energy Services		500,000		500,000		1,134,698		(634,698)
Materials and Supplies		17,019,000		19,586,000		17,466,469		2,119,531
Capital Outlay		250,000		252,193		176,709		75,484
Other Expenses Capital Outlay: Other Capital Outlay		768,000		813,000 28,888		1,232,252 26,532		(419,252) 2,356
Total Expenditures		37,914,246		39,642,063		38,246,761		1,395,302
Excess (Deficiency) of Revenues Over Expenditures		(2,435,181)		(2,239,237)		(219,937)		2,019,300
Other Financing Sources (Uses):							-	
Transfers Out		(317,512)		(592,167)		(958,608)		(366,441)
Net Change in Fund Balance Fund Balance, Beginning		(2,752,693) 10,238,958		(2,831,404) 10,238,958		(1,178,545) 10,238,958		1,652,859 -
Fund Balance, Ending	\$	7,486,265	\$	7,407,554	\$	9,060,413	\$	1,652,859

(continued)

District School Board of Pasco County Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual Special Revenue - Other Federal Programs Fund For the Fiscal Year Ended June 30, 2016

	Budgeted Amounts					Variance with Final Budget -			
		Original		Final	Actual Amounts			Positive (Negative)	
Revenues:									
Federal Sources:	_	. = 0 . = . 0			_			(=0.1.000)	
Federal Direct	\$	6,584,569	\$	8,094,886	\$	7,393,498	\$	(701,388)	
Federal Through State		36,552,319		42,991,712		36,639,201		(6,352,511)	
Total Revenues		43,136,888		51,086,598		44,032,699		(7,053,899)	
Expenditures:									
Current-Education:									
Instruction									
Salaries		13,575,037		14,468,412		13,487,733		980,679	
Employee Benefits		6,103,223		6,091,228		5,338,813		752,415	
Purchased Services		2,534,586		3,356,703		2,704,087		652,616	
Materials and Supplies		873,539		2,130,673		1,750,228		380,445	
Capital Outlay		844,725		1,179,754		1,025,694		154,060	
Other Expenses		583,786		1,440,555		1,328,054		112,501	
Student Support Services									
Salaries		2,768,484		2,716,396		2,546,260		170,136	
Employee Benefits		1,054,539		899,079		825,696		73,383	
Purchased Services		199,666		211,770		141,759		70,011	
Materials and Supplies		1,892,529		254,743		185,615		69,128	
Capital Outlay		4,700		25,899		17,785		8,114	
Other Expenses		19,500		3,474		1,496		1,978	
Instructional Media Services									
Salaries		5,172		15,010		14,874		136	
Employee Benefits		2,420		6,968		6,867		101	
Purchased Services		-		2,039		2,039			
Materials and Supplies		6,244		3,357		1,857		1,500	
Capital Outlay		-		62,226		53,399		8,827	
Instruction and Curriculum Development Services									
Salaries		3,477,227		3,963,573		3,704,757		258,816	
Employee Benefits		964,444		1,090,425		993,541		96,884	
Purchased Services		167,195		240,469		173,744		66,725	
Materials and Supplies		73,815		198,114		143,110		55,004	
Capital Outlay		36,100		21,688		10,881		10,807	
Other Expenses		28,400		53,088		18,153		34,935	
Instructional Staff Training Services									
Salaries		2,529,705		4,040,204		3,217,507		822,697	
Employee Benefits		795,103		1,027,003		787,645		239,358	
Purchased Services		852,531		2,027,946		1,078,203		949,743	
Materials and Supplies		168,004		134,368		85,389		48,979	
Capital Outlay		500		500		-		500	
Other Expenses		219,787		389,738		82,153		307,585	

(continued)

District School Board of Pasco County Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual Special Revenue - Other Federal Programs Fund For the Fiscal Year Ended June 30, 2016

	Budgeted A	mounts		Variance with Final Budget -	
	Original	Final	Actual Amounts	Positive (Negative)	
Expenditures (continued):					
Instruction-Related Technology					
Salaries	326,132	280,718	187,900	92,818	
Employee Benefits	98,868	59,978	54,397	5,581	
Purchased Services	23,475	96,776	58,751	38,025	
Materials and Supplies	3,277	777	-	777	
Board					
Purchased Services	-	13,061	13,061	-	
General Administration					
Other Expenses	1,769,738	2,187,016	1,974,343	212,673	
School Administration					
Salaries	120,247	92,749	84,790	7,959	
Employee Benefits	13,450	27,526	25,654	1,872	
Purchased Services	500	17,896	16,440	1,456	
Capital Outlay	-	12,944	12,751	193	
Facilities Services					
Other Capital Outlay	55,000	44,039	44,039	-	
Fiscal Services					
Salaries	78,078	76,801	66,879	9,922	
Employee Benefits	27,024	26,085	18,935	7,150	
Materials and Supplies	2,450	15,055	2,158	12,897	
Capital Outlay	500	700	201	499	
Food Services					
Purchased Services	48,500	93,375	93,342	33	
Materials and Supplies	1,350	1,091	-	1,091	
Capital Outlay	2,000	1,504	1,477	27	
Central Services	·		•		
Salaries	108,172	112,974	104,433	8,541	
Employee Benefits	36,466	25,437	24,245	1,192	
Purchased Services	· -	27,233	38,888	(11,655)	
Other Expenses	10,000	14,000	5,834	8,166	
Student Transportation Services	.,	.,		, , , ,	
Salaries	63,725	63,725	63,467	258	
Employee Benefits	22,250	22,250	18,984	3,266	
Purchased Services	193,074	314,155	246,254	67,901	
Other Expenses	-	2,811	2,811	-	
Operation of Plant		_,-,-,-	_,_,		
Purchased Services	19,500	22,690	15,037	7,653	
Energy Services	69,000	89,564	76,709	12,855	
Materials and Supplies	8,520	12,423	9,247	3,176	
Capital Outlay	1,000	-	-	-,	
,	,				

District School Board of Pasco County Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual Special Revenue - Other Federal Programs Fund For the Fiscal Year Ended June 30, 2016

	Budgeted	d Amounts		Variance with Final Budget - Positive
	Original	Final	Actual Amounts	(Negative)
Expenditures (continued):				
Maintenance of Plant				
Purchased Services	55,950	102,183	50,753	51,430
Capital Outlay	54,171	-	-	-
Administrative Technology Services				
Salaries	111,425	111,425	87,657	23,768
Employee Benefits	31,885	31,885	25,145	6,740
Purchased Services	200	200	58	142
Capital Outlay:				
Facilities Acquisition and Construction	-	88,925	58,523	30,402
Other Capital Outlay	-	941,225	822,197	119,028
Total Expenditures	43,136,888	51,086,598	44,032,699	7,053,899
Net Change in Fund Balance	-	-	-	-
Fund Balances, Beginning				
Fund Balances, Ending	\$ -	\$ -	\$ -	\$ -

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, 2016

	Budgeted Amounts					Variance with Final Budget - Positive		
		Original	Final		Actual Amounts		(Negative)	
Revenues: State Sources SBE/COBI Bond Interest CO & DS Withheld for State Education Bonds	\$	- 2,252,430	\$	- 2,545,913	\$	485 2,545,912	\$	485 (1)
Total Revenues		2,252,430		2,545,913		2,546,397		484
Expenditures: Debt Service:								
Principal		1,708,000		2,061,000		2,061,000		-
Interest		543,430		545,539		545,539		-
Fiscal Charges		1,000		1,000		790		210
Total Expenditures		2,252,430		2,607,539		2,607,329		210
Excess (Deficiency) of Revenues Over Expenditures				(61,626)		(60,932)		694
Other Financing Sources (Uses): Proceeds on Refunding Bonds		-		-		-		-
Premium on Refunding Bonds Payments to Refunding Escrow Agent		-		-		-		-
Total Other Financing Sources		-		-		-		-
Net Change in Fund Balance Fund Balances, Beginning		- 279,760		(61,626) 279,760		(60,932) 279,760		694
Fund Balances, Ending	\$	279,760	\$	218,134	\$	218,828	\$	694

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, 2016

		Budgeted	S			Variance with Final Budget - Positive		
	Original		Final		Actual Amounts		(Negative)	
Revenues: State Sources: Racing Commission Funds Local Sources:	\$	223,250	\$	223,250	\$	223,250	\$	-
Investment Earnings		36		36		-	1	(36)
Total Revenues		223,286		223,286		223,250		(36)
Expenditures: Debt Service:								
Principal		100,000		100,000		100,000		-
Interest		120,106		120,107		120,106		1
Fiscal Charges		1,000		999		345		654
Total Expenditures Excess (Deficiency) of Revenues		221,106		221,106		220,451		655
Over Expenditures		2,180		2,180		2,799		619
Net Change in Fund Balance		2,180		2,180		2,799		619
Fund Balance, Beginning		36,571		36,571		36,571	1	-
Fund Balance, Ending	\$	38,751	\$	38,751	\$	39,370	\$	619

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, 2016

	Budgeted	I Amounts		Variance with Final Budget - Positive (Negative)	
	Original	Final	Actual Amounts		
Revenues:					
Federal Sources:					
Federal Direct	\$ -	\$ 560,000	\$ 559,964	\$ (36)	
Local Sources: Investment Earnings	9,457	573,252	653,273	80,021	
Local Grants and Other	-	-	-	-	
Total Revenues	9,457	1,133,252	1,213,237	79,985	
Expenditures:					
Debt Service:					
Principal	23,384,953	22,943,229	22,290,976	652,253	
Interest	16,514,590	17,210,416	15,735,093	1,475,323	
Fiscal Charges	116,000	701,516	639,938	61,578	
Total Expenditures	40,015,543	40,855,161	38,666,007	2,189,154	
Excess (Deficiency) of Revenues					
Over Expenditures	(40,006,086)	(39,721,909)	(37,452,770)	2,269,139	
Other Financing Sources (Uses):					
Proceeds of Bonds Issued	-	75,000	75,000	-	
Capital Leases	-	-	32,500	32,500	
Transfers In	41,874,653	40,878,846	38,872,722	(2,006,124)	
Transfer Out	(174,695)	(174,695)	(174,695)		
Total Other Financing Sources	41,699,958	40,779,151	38,805,527	(1,973,624)	
Net Change in Fund Balance	1,693,872	1,057,242	1,352,757	295,515	
Fund Balances, Beginning	11,641,906	11,641,906	11,641,906		
Fund Balances, Ending	\$ 13,335,778	\$ 12,699,148	\$ 12,994,663	\$ 295,515	

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, 2016

	Budgeted Amounts						Variance with Final Budget - Positive (Negative)	
	Original Final		Final	Actual Amounts				
Revenues: State Sources: Public Education Capital Outlay	\$	2,998,406	\$	3,007,384	\$	2,445,259	\$	(562,125)
Current-Education: Facilities Services Capital Outlay:		-		-		4,116		(4,116)
Facilities Acquisition and Construction		1,520,000		1,520,000		1,237,235		282,765
Total Expenditures		1,520,000		1,520,000		1,241,351		278,649
Excess (Deficiency) of Revenues Over Expenditures Other Financing Uses:		1,478,406		1,487,384		1,203,908		(283,476)
Transfer Out		(557,462)		(566,440)		(566,440)		-
Proceeds on Refunding Bonds		(557,462)		(566,440)		(566,440)		-
Net Change in Fund Balance Fund Balances, Beginning		920,944 -		920,944		637,468		(283,476)
Fund Balances, Ending	\$	920,944	\$	920,944	\$	637,468	\$	(283,476)

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, 2016

	Budgeted Amounts					Variance with Final Budget - Positive		
	Original		Final		Actual Amounts		(Negative)	
Revenues: State Sources: CO & DS Distributed Interest on Undistributed CO & DS Local Sources:	\$	588,240 - 10,250	\$	588,240 - 20,250	\$	288,219 8,407 25,883	\$	(300,021) 8,407 5,633
Investment Earnings Total Revenues		598,490		608,490		322,509		(285,981)
Expenditures: Current-Education: Facilities Services Capital Outlay: Facilities Acquisition and Construction		3,732,028		4,622		4,622		(2,494,802)
Debt Service:								
Dues, Fees and Issuance Costs		-		-		2,058		(2,058)
Total Expenditures		3,732,028		5,789,627		3,296,883		(2,496,860)
Excess (Deficiency) of Revenues Over Expenditures		(3,133,538)		(5,181,137)		(2,974,374)		2,210,879
Net Change in Fund Balance Fund Balances, Beginning		(3,133,538) 9,536,837		(5,181,137) 9,536,837		(2,974,374) 9,536,837		2,210,879
Fund Balances, Ending	\$	6,403,299	\$	4,355,700	\$	6,562,463	\$	2,210,879

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, 2016

	Budgeted	l Amounts		Variance with Final Budget - Positive (Negative)	
	Original	Final	Actual Amounts		
Revenues: Local Sources: Property Taxes Investment Earnings Other Local	\$ 33,964,064 31,837 126,495	\$ 33,964,064 155,387 627,080	\$ 34,313,082 67,098 634,655	\$ 349,018 (88,289) 7,575	
Total Revenues	34,122,396	34,746,531	35,014,835	268,304	
Expenditures: Current-Education: Facilities Services Capital Outlay: Facilities Acquisition and Construction	- 17.072.020	633,345	1,324,620	(691,275)	
Facilities Acquisition and Construction	17,062,038	16,604,355	10,533,997	6,070,358	
Total Expenditures	17,062,038	17,237,700	11,858,617	5,379,083	
Excess of Revenues Over Expenditures	17,060,358	17,508,831	23,156,218	5,647,387	
Proceeds on Refunding Bonds Transfers In Transfers Out	474,695 (28,588,530)	749,350 (26,889,115)	1,115,791 (24,786,925)	366,441 2,102,190	
Total Other Financing Sources (Uses)	(28,113,835)	(26,139,765)	(23,671,134)	2,468,631	
Net Change in Fund Balance Fund Balances, Beginning	(11,053,477) 19,184,251	(8,630,934) 19,184,251	(514,916) 19,184,251	8,116,018	
Fund Balances, Ending	\$ 8,130,774	\$ 10,553,317	\$ 18,669,335	\$ 8,116,018	

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, 2016

	Budgeted Amounts						/ariance with inal Budget -	
		Original		Final	Actual Amounts		Positive (Negative)	
Revenues:								
Local Sources:								
Local Sales Tax	\$	20,160,813	\$	20,160,813	\$	25,738,211	\$	5,577,398
Impact Fees		9,334,250		9,334,250		9,208,233		(126,017)
Other Local		-		7,621,248		7,531,625		(89,623)
Investment Earnings		271,422		523,422		821,459		298,037
Total Revenues		29,766,485		37,639,733		43,299,528		5,659,795
Expenditures:								
Current-Education:								
Facilities Services		-		1,189,859		3,868,899		(2,679,040)
Capital Outlay:								
Facilities Acquisition and Construction		221,451,643		248,940,119		115,941,813		132,998,306
Total Expenditures		221,451,643		250,129,978		119,810,712		130,319,266
Excess (Deficiency) of Revenues								
Over Expenditures		(191,685,158)		(212,490,245)		(76,511,184)		135,979,061
Other Financing Sources (Uses):								
Proceeds of Bonds Issued		20,000,000		30,000,000		30,000,000		-
Premiums on Certificates of Participation Issued		-		4,398,966		4,398,965		(1)
Proceeds Of Certificates of Participation Issued		30,000,000		25,995,000		25,995,000		-
Capital Leases		12,768,936		13,410,879		13,739,423		328,544
Transfer Out		(13,173,325)		(13,872,051)		(13,867,048)		(5,003)
Total Other Financing Sources (Uses)		49,595,611		59,932,794		60,266,340		323,540
Net Change in Fund Balance		(142,089,547)		(152,557,451)		(16,244,844)		136,302,601
Fund Balances, Beginning		182,447,759		182,447,759		182,447,759		-
Fund Balances, Ending	\$	40,358,212	\$	29,890,308	\$	166,202,915	\$	136,302,601

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.

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

<u>Property, Casualty, and Liability Self-Insurance Plan</u> – 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.

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

<u>Energy Management Program</u> – To account for the financing of the District's Energy Management Program.

<u>Exclusive Agreement</u> – 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, 2016

	Employee Benefits Program		Liabil	erty, Casualty, ty and Workers' pensation Plans	Self-Insured Benefit Plans		
Assets Current Assets:							
Cash Investments Accounts Receivable Accrued Interest Receivable	\$	144,441 284,388 788 152	\$	2,850,417 28,363,168 116,814 15,177	\$	5,091,019 18,834,081 68,473 10,078	
Total Current Assets		429,769		31,345,576		24,003,651	
Noncurrent Assets: Capital Assets: Furniture, Fixtures and Equipment Accumulated Depreciation		- -		- -		- -	
Total Noncurrent Assets		<u>-</u>				-	
Total Assets		429,769		31,345,576		24,003,651	
Deferred Outflows of Resources: Pension Total Deferred Outflows of Resources		953,601 953,601		138,501 138,501		<u> </u>	
Total Assets and Deferred Outflows	\$	1,383,370	\$	31,484,077	\$	24,003,651	
Liabilities Current Liabilities: Salaries and Benefits Payable	\$	14	\$	-	\$	-	
Payroll Deductions and Withholdings Payable Accounts Payable Advanced Revenue Current portion of long-term liabilities: Compensated Absences Payable		3,763 - 12,212		38,445 6,144 12,903		4,169 12,085,456 236,358	
Estimated Insurance Claims Payable		-		2,791,000		-	
Total Current Liabilities		15,989		2,848,492		12,325,983	
Noncurrent Liabilities: Estimated Insurance Claims Payable Compensated Absences Payable Other Post-Employment Benefits Obligation Net Pension Liability - FRS / HIS		139,322 116,344 1,319,500		4,891,000 40,840 82,732 243,911		- - - -	
Total Noncurrent Liabilities		1,575,166		5,258,483		-	
Total Liabilities		1,591,155		8,106,975		12,325,983	
Deferred Inflows of Resources: Pension Total Deferred Inflows of Resources		250,548 250,548		60,920 60,920			
Net Position Investment in Capital Assets Unrestricted		(458,333)		23,316,182		11,677,668	
Total Net Position		(458,333)		23,316,182		11,677,668	
Total Liabilities, Deferred Inflows and Net Position	\$	1,383,370	\$	31,484,077	\$	24,003,651	

Energy anagement Programs	Exclusive Agreement	 Totals
\$ 644,530 1,616,877 - 865	\$ 32,760 1,244,837 - 666	\$ 8,763,167 50,343,351 186,075 26,938
 2,262,272	 1,278,263	 59,319,531
 2,202,272	108,355	 108,355
 	(97,519)	(97,519)
 -	10,836	10,836
 2,262,272	1,289,099	59,330,367
 77,972 77,972	<u>-</u>	1,170,074 1,170,074
\$ 2,340,244	\$ 1,289,099	\$ 60,500,441
\$ 	\$ - -	\$ 14 4,169
1,008,211	-	13,135,875 242,502
1,926	-	27,041
 -	 	 2,791,000
1,010,137	 -	 16,200,601
122,995 35,761 157,283	 - - - -	4,891,000 303,157 234,837 1,720,694
 316,039	-	 7,149,688
1,326,176	 	23,350,289
26,544 26,544	<u>-</u>	338,012 338,012
- 987,524	10,836 1,278,263	 10,836 36,801,304
 987,524	 1,289,099	 36,812,140
\$ 2,340,244	\$ 1,289,099	\$ 60,500,441

District School Board of Pasco County Combining Statement of Revenues, Expenses and Changes in Fund Net Position Internal Service Funds June 30, 2016

	E	mployee Benefits Program	Liabili	erty, Casualty, by and Workers' ensation Plans	Self-Insured Benefit Plans		
Operating Revenues Insurance Premiums: Board Contributions Employees Retirees Charges for Services Provided Other Operating Revenues	\$	- - - -	\$	10,286,423 - - - - 475,154	\$	59,313,473 4,816,809 4,533,325 - 290	
Total Operating Revenues		-		10,761,577		68,663,897	
Operating Expense Salaries Employee Benefits Purchased Services Insurance Premiums		492,092 562,184 58,271		275,331 90,095 1,674,784 4,165,383		172,514 13,066,430 2,558,411	
Energy Services Materials and Supplies Insurance Claims Capital Outlay Other		3,618 - - 1,706		4,039 5,808,240 23 47,766		3,356 53,296,884 - 208,403	
Total Operating Expenses		1,117,871		12,065,661		69,305,998	
Operating Income (Loss)		(1,117,871)		(1,304,084)		(642,101)	
Nonoperating Revenues (Expenses) Investment Earnings Gifts, Grants and Bequests Insurance Loss Recoveries Loss on Disposition of Assets Total Nonoperating Revenues		982 1,400 - - 2,382		105,197 - 311,847 - 417,044		78,309 101,430 - - - 179,739	
Income (Loss) Before Transfers		(1,115,489)		(887,040)		(462,362)	
Transfers In Transfers Out Change in Net Position Total Net Position, July 1, 2015		779,848 - (335,641) (122,692)		(185,000) (1,072,040) 24,388,222		(779,848) (1,242,210) 12,919,878	
Total Net Position, June 30, 2016	\$	(458,333)	\$	23,316,182	\$	11,677,668	

Energy Management		Exclusive	
Program		Agreement	 Totals
\$ -	\$	-	\$ 69,599,896
-		-	4,816,809
-		-	4,533,325
12,708,000		-	12,708,000
		208,576	684,020
12,708,000		208,576	92,342,050
259,699		-	1,027,122
82,068		-	906,861
2,386,334		124,709	17,310,528
-		-	6,723,794
10,817,972		-	10,817,972
9,975		40,444	61,432
-		4 200	59,105,124
- 1,136		4,398	4,421 259,011
		1/0 551	
13,557,184		169,551	 96,216,265
(849,184	<u> </u>	39,025	 (3,874,215)
/ //2		4 200	105 450
6,663		4,299	195,450 102,830
_		_	311,847
_		(1,981)	(1,981)
6,663		2,318	608,146
(842,521)	41,343	(3,266,069)
-		-	779,848
-		-	(964,848)
(842,521)	41,343	(3,451,069)
1,830,045		1,247,756	 40,263,209
\$ 987,524	\$	1,289,099	\$ 36,812,140

District School Board of Pasco County Combining Statement of Cash Flows Internal Service Funds For the Fiscal Year Ended June 30, 2016

	 Employee Benefits Program	a	erty, Casualty nd Liability nsurance Plan	S	Self-Insured Benefit Plans
Cash Flows from Operating Activities: Cash Received from Services Cash Received from Premiums Cash Received from Other Operating Revenues Cash Payments to Suppliers for Goods and Services	\$ 751 (59,832)	\$	10,294,259 475,154 (5,949,696)	\$	- 68,866,850 290 (16,743,181)
Cash Payments to Employees for Services Cash Payments to Insurance Claims	 (578,119)		(457,305) (5,000,240)		(225,566) (53,296,884)
Net Cash Provided (Used) by Operating Activities	 (637,200)		(637,828)		(1,398,491)
Cash Flows from Noncapital Financing Activities: Insurance Loss Recoveries Gifts, Grants and Bequests Transfers From Other Funds	1,400 779,848		311,847		101,430
Transfers To Other Funds	 -		(185,000)		(779,848)
Net Cash Provided (Used) by Noncapital Financing Activities	781,248		126,847		(678,418)
Cash Flows from Investing Activities: Investment Earnings Purchase and Sale of Investments Net Cash Provided (Used) by Investing Activities	1,375 (982) 393		118,570 1,897,849 2,016,419		85,226 (820,966) (735,740)
Net Change in Cash Cash, Beginning	 144,441 -		1,505,438 1,344,979		(2,812,649) 7,903,668
Cash, Ending	\$ 144,441	\$	2,850,417	\$	5,091,019
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:					
Operating Income (Loss)	\$ (1,117,871)	\$	(1,304,084)	\$	(642,101)
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities Change in Assets and Liabilities:					
Accounts Receivable	751		9,283		192,623
Accounts Payable Payroll Deductions and Withholdings Payable	3,763		(57,701)		(906,581) (109,845)
Advanced Revenues	-		(1,447)		10,620
Compensated Absences Payable	72,158		(86,324)		- (55,000)
Other Post-Employment Benefits Obligation Pension Amounts Estimated Insurance Claims Payable	 69,609 334,390 -		5,814 (11,369) 808,000		(55,398) 112,191 -
Total Adjustments	 480,671		666,256		(756,390)
Net Cash Provided (Used) by Operating Activities	\$ (637,200)	\$	(637,828)	\$	(1,398,491)

Energy Management Program	clusive eement	Totals
\$ 12,708,000 - (12,843,649)	\$ - - 186,576 (176,506)	\$ 12,708,000 79,161,860 662,020 (35,772,864)
(361,617)	-	 (1,622,607) (58,297,124)
(497,266)	10,070	 (3,160,715)
- - - -	- - - -	311,847 102,830 779,848 (964,848)
	 <u>-</u>	229,677
8,535 36,361 44,896	4,803 (4,299) 504	 218,509 1,107,963 1,326,472
(452,370) 1,096,900	 10,574 22,186	(1,604,566) 10,367,733
\$ 644,530	\$ 32,760	\$ 8,763,167
\$ (849,184)	\$ 39,025	\$ (3,874,215)
- 371,768	- (6,955)	202,657 (595,706)
-	-	(109,845)
(20,916)	(22,000)	(12,827) (35,082)
4,522	-	24,547
(3,456)	-	431,756 808,000
351,918	(28,955)	713,500
\$ (497,266)	\$ 10,070	\$ (3,160,715)

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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. <u>ABC Program</u> - 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.
Th

District School Board of Pasco County Combining Statement of Assets and Liabilities Agency Funds June 30, 2016

		School Internal Accounts	P	ABC rogram	 Total
Assets:			_		 ·
Cash	\$	8,294,408	\$	6,973	\$ 8,301,381
Investments		-		72,745	72,745
Accounts Receivable		8,716		-	8,716
Interest Receivable on Investments		-		39	39
Inventories		17,798		-	17,798
Total Assets	\$	8,320,922	\$	79,757	\$ 8,400,679
Liabilities:					
Accounts Payable	\$	749,404	\$	-	\$ 749,404
Internal Accounts Payable		7,571,518		-	7,571,518
ABC Program Payable				79,757	 79,757
Total Liabilities	\$	8,320,922	\$	79,757	\$ 8,400,679

District School Board of Pasco County Combining Statement of Changes in Assets and Liabilities Agency Funds June 30, 2016

			S	chool Inter	nal Acco	unts		
	E	Beginning						Ending
		Balance	Ac	lditions	Dedu	ıctions		Balance
Assets:								
Cash	\$	8,365,915	\$ 22	2,432,237	\$ 22,	503,744	\$	8,294,408
Accounts Receivable		8,935		30,346		30,565		8,716
Inventories		3,943		45,640		31,785		17,798
Total Assets	\$	8,378,793	\$ 22	2,508,223	\$ 22,	566,094	\$	8,320,922
Liabilities:								
Accounts Payable	\$	1,091,474	\$ 15	5,543,623	\$ 15,	885,693	\$	749,404
Internal Accounts Payable		7,287,319	20	0,012,369	19,	728,170		7,571,518
Total Liabilities	\$	8,378,793	\$ 3!	5,555,992	\$ 35,	613,863	\$	8,320,922
				ABC P	rogram			
	E	Beginning						Ending
		Balance	Ac	lditions	Dedu	ıctions		Balance
Assets:								
Cash	\$	3,681	\$	3,471	\$	179	\$	6,973
Investments		72,493		962		710		72,745
Interest Receivable on Investments		68		39		68		39
Total Assets	\$	76,242	\$	4,472	\$	957	\$	79,757
Liabilities:								
ABC Program Payable	\$	76,242	\$	4,144	\$	629	\$	79,757
				Total Age	ncy Fund	ds		
	t	Beginning	۸ ـ	laliti a a	Dadu			Ending
Acceto		Balance	AC	lditions	Deau	ıctions		Balance
Assets: Cash	\$	8,369,596	¢ 2′	2,435,708	¢ 22	503,923	\$	8,301,381
Investments	Φ	72,493	Φ Ζ.	962	Φ ZZ,	710	Ф	72,745
Accounts Receivable		8,935		30,346		30,565		8,716
Interest Receivable on Investments		68		39		68		39
Inventories		3,943		45,640		31,785		17,798
Total Assets	\$	8,455,035	¢ 2	2,512,695	\$ 22	567,051	\$	8,400,679
Total Assets	Φ	0,400,000	φ Z ₂	2,312,093	\$ 22,	307,031	Ф	0,400,079
Liabilities:								
Accounts Payable	\$	1,091,474		5,543,623		885,693	\$	749,404
Internal Accounts Payable		7,287,319	20	0,012,369	19,	728,170		7,571,518
ABC Program Payable		76,242		4,144		629		79,757

8,455,035

Total Liabilities

\$ 35,560,136

\$ 35,614,492

8,400,679

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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:

<u>Academy at the Farm, Inc.</u> – Focuses on creatively integrating equestrian, horticultural and farm animal components into an interactive, inclusive learning environment.

<u>Athenian Academy of Pasco County, Inc.</u> – A kindergarten through 8th grade school offering students a program that incorporates the Greek language and culture.

<u>Classical Preparatory School</u> – A K through 8th grade school providing a classical style education.

<u>Countryside Montessori Charter School, Inc.</u> – A 1st through 8th grade school providing an alternative education program.

<u>Dayspring Academy for Education and the Arts</u> – Emphasizes the fine arts, offering students specialized instruction in dance, music, and art.

<u>Florida Virtual Academy at Pasco</u> - A K through 8th grade school providing curriculum in an on-line educational environment.

<u>Imagine School at Land O' Lakes</u> – A kindergarten through 7th grade school providing an alternative education program.

<u>Learning Lodge Academy, Inc.</u> – A K through 3rd grade school providing an alternative elementary education program.

<u>Pepin Academies of Pasco County, Inc.</u> – A 3rd through 10th grade school providing an alternative education program for special needs students.

<u>Pasco Education Foundation, Inc.</u> – 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, 2016

	Academy at the Farm, Inc.	Ac	thenian ademy of County, Inc.	Pr	Classical eparatory School	Countryside Montessori Charter School, Inc.		
Assets:								
Cash	\$ 109,804	\$	356,853	\$	98,622	\$	188,283	
Investments	-		-		-		-	
Accounts Receivable	11,822		-		-		360	
Deposits Receivable	-		-		10,000		10,000	
Due From Other Agencies	13,332				15,144		10,131	
Prepaid Items	-		40,705		-		-	
Capital Assets (net of accumulated depreciation)	700.070						105.070	
Land	788,979		-		-		105,872	
Construction in Process	-		-		-		-	
Improvements Other Than Buildings	-		-		140 (70		-	
Leasehold Property and Improvements	- 2.710.022		-		149,679		164,043	
Buildings and Fixed Equipment	3,710,033 84,612		218,733 153,070		- 19,564		139,439	
Furniture, Fixtures, and Equipment	04,012		155,070				39,257	
Motor Vehicles Computer Software	-		-		28,571		-	
Computer Software	 						<u>-</u> _	
Total Assets	\$ 4,718,582	\$	769,361	\$	321,580	\$	657,385	
Liabilities:								
Salaries and Benefits Payable	\$ -	\$	152,621	\$	105,988	\$	-	
Accounts Payable	9,868		16,320		6,816		5,015	
Due To Other Agencies	-		-		-		-	
Accrued Interest Payable	-		-		-		-	
Advanced Revenue	-		_		-		-	
Total Current Liabilities	 9,868		168,941		112,804		5,015	
Non-Current Liabilities Due Within One Year:								
Notes Payable	68,793		-		-		14,103	
Obligations Under Capital Leases	-		29,642		-		41,548	
Compensated Absences Payable	 -		-		-		-	
Total Due within one year	 68,793		29,642		<u>-</u>		55,651	
Long-Term Debt and Liabilities:								
Notes Payable	3,981,207		-		-		111,387	
Obligations Under Capital Leases	-		49,364		-		32,405	
Total Due in more than one year	3,981,207		49,364		-		143,792	
Total Liabilities	 4,059,868		247,947		112,804		204,458	
Net Position:								
Net Investment in Capital Assets	533,624		292,797		197,814		249,168	
Restricted for Other Purposes	-		-		-		-	
Non-expendable-Permanent Endowment	-		-		-		-	
Unrestricted	 125,090		228,617		10,962		203,759	
Total Net Position	\$ 658,714	\$	521,414	\$	208,776	\$	452,927	

fo	oring Academy r Education nd the Arts	orida Virtual Academy at Pasco	agine School at nd O' Lakes	Learning Lodge ademy, Inc.	Academie		Pasco Education Foundation, Inc.		Total Component Units
\$	171,705 - -	\$ 532,624 - -	\$ 716,713 - -	\$ 74,228 - -	\$	415,298 - 249,028	\$ 399,075 2,068,308	\$	3,063,205 2,068,308 261,210
	-	-	-	-		-	-		20,000
	25,578 42,171	40,318	18,101 99,453	320,515 25,726		30,563	1,708,043		443,119 1,946,661
	544,683	-	-	-		-	-		1,439,534
	2,142,652	-	-	-		-	-		2,142,652
	221,700	-	-	-		-	-		221,700
	139,957	-	33,937	30,584		245,553	-		763,753
	1,177,055	-	-	-		-	-		5,245,260
	3,792	-	172,707	176,261		168,933	-		818,196
	400	-	332,780	-		-	-		361,751
			-	 			 41,812		41,812
\$	4,469,693	\$ 572,942	\$ 1,373,691	\$ 627,314	\$	1,109,375	\$ 4,217,238	\$	18,837,161
\$	126,475 20,281	\$ - 572,942	\$ 221,246 16,367	\$ 13,692 231,977	\$	212,722 266,829	\$ 322	\$	833,066 1,146,415
	20,201	572,742	10,307	231,777		200,027	-		1,140,413
	- 2,692	-	 - 11,465	- 33,845		34,414	-		34,414 48,002
	149,448	 572,942	 249,078	 279,514		513,965	 322		2,061,897
	1,092,864 87,732 90,236	- - -	53,773 - -	- - -		500,000	- - -		1,729,533 158,922 90,236
	1,270,832	-	53,773	-		500,000	-		1,978,691
	2,193,736 21,220	-	238,721	-		-	-		6,525,051 102,989
	2,214,956	-	238,721	_		-	-		6,628,040
	3,635,236	572,942	541,572	279,514		1,013,965	322		10,668,628
	834,687 - -	- - -	246,930	206,845		(85,514) - -	- 1,946,977 2,002,076		2,476,351 1,946,977 2,002,076
	(230)	 -	 585,189	140,955		180,924	 267,863		1,743,129
\$	834,457	\$ -	\$ 832,119	\$ 347,800	\$	95,410	\$ 4,216,916	\$	8,168,533

521,414

District School Board of Pasco County Combining Statements of Activities Component Units

For the Fiscal Year Ended June 30, 2016

			Program Revenue		Net (Expense)	
Academy at the Farm, Inc., Activities:	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position	
					-	
Instruction	\$ 2,684,524	\$ 28,618	\$ -	\$ -	\$ (2,655,906	
Student Support Services	17,143	-	-	-	(17,143	
Instructional Media	243,303	-	-	-	(243,303	
Instruction-Related Technology	7 000	-	-	-	(7.000	
Board Consol Administration	7,000	-	-	-	(7,000	
General Administration School Administration	32,317 608,585	-	-	-	(32,317 (608,585	
Facilities Acquisition and Construction	174,017	-	-	143,428	(30,589	
Fiscal Services	46,576	-	-	143,420	(46,576	
Operation of Plant	242,363	-	•	•	(242,363	
Maintenance of Plant	126,230				(126,230	
Community Service	123,272	394,471			271,199	
Debt Service - Interest	361,155	374,471			(361,155	
Depreciation-Unallocated	168,492				(168,492	
Total Academy at the Farm, Inc., Activities	\$ 4,834,977	\$ 423,089	\$ -	\$ 143,428	(4,268,460	
	General Revenues: Grants and Contribu Specific Program Total General Re	tions not restricted t	0		3,878,72 3,878,72	
	Change in Net P Net Position, Beginn				(389,737 1,048,451	
	Net Position, Ending	ı			\$ 658,714	
			Program Revenue:	S		
			Operating	Capital	Revenue	
		Charges for			Revenue and Changes	
Athenian Academy of Pasco County, Inc., Activities:	Expenses		Operating	Capital	and Changes	
_	Expenses 1,355,330	Charges for	Operating Grants and	Capital Grants and	and Changes in Net Position	
instruction		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	and Changes in Net Position \$ (1,339,49)	
Instruction Student Support Services	\$ 1,355,330	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	and Changes in Net Position \$ (1,339,49) (35,82)	
Instruction Student Support Services Instructional Media	\$ 1,355,330 35,824	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	and Changes in Net Position \$ (1,339,49) (35,82) (58)	
Instruction Student Support Services Instructional Media Instruction and Curriculum Development Instruction-Related Technology	\$ 1,355,330 35,824 589 46,358 5,404	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	and Changes in Net Position \$ (1,339,49; (35,82: (58) (46,35) (5,40:	
Instruction Student Support Services Instructional Media Instruction and Curriculum Development Instruction-Related Technology Board	\$ 1,355,330 35,824 589 46,358 5,404 14,284	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	and Changes in Net Position \$ (1,339,49: (35,82* (58* (46,35); (5,40* (14,28*	
Instruction Student Support Services Instructional Media Instruction and Curriculum Development Instruction-Related Technology Board General Administration	\$ 1,355,330 35,824 589 46,358 5,404 14,284 200,076	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	and Changes in Net Position \$ (1,339,49; (35,82: (58: (46,35: (5,40: (14,28: (200,07:	
Instruction Student Support Services Instructional Media Instruction and Curriculum Development Instruction-Related Technology Board General Administration School Administration	\$ 1,355,330 35,824 589 46,358 5,404 14,284 200,076 186,721	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	and Changes in Net Position \$ (1,339,49; (35,824) (584) (46,354) (14,284) (200,074) (186,727)	
Instruction Student Support Services Instructional Media Instruction and Curriculum Development Instruction-Related Technology Board General Administration School Administration Fiscal Services	\$ 1,355,330 35,824 589 46,358 5,404 14,284 200,076 186,721 88,159	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	and Changes in Net Position \$ (1,339,49) (35,824 (588 (46,358 (5,404 (14,284 (200,076 (186,727 (88,158)	
Instruction Student Support Services Instructional Media Instruction and Curriculum Development Instruction-Related Technology Board General Administration School Administration Fiscal Services Food Services	\$ 1,355,330 35,824 589 46,358 5,404 14,284 200,076 186,721 88,159 145	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	and Changes in Net Position \$ (1,339,493 (35,824 (588 (46,358 (5,404 (14,284 (200,076 (186,727 (88,159 (144)	
Instruction Student Support Services Instructional Media Instruction and Curriculum Development Instruction-Related Technology Board General Administration School Administration Fiscal Services Food Services Central Services	\$ 1,355,330 35,824 589 46,358 5,404 14,284 200,076 186,721 88,159 145 21,402	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	and Changes in Net Position \$ (1,339,493 (35,82- (588 (46,351 (5,40- (14,28- (200,07- (186,72- (88,15) (14! (21,40)	
Instruction Student Support Services Instructional Media Instruction and Curriculum Development Instruction-Related Technology Board General Administration School Administration Fiscal Services Food Services Central Services Student Transportation Services	\$ 1,355,330 35,824 589 46,358 5,404 14,284 200,076 186,721 88,159 145	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	and Changes in Net Position \$ (1,339,493 (35,824 (586 (46,354 (200,076 (186,72* (88,155 (144) (21,402 (74,954)	
Instruction Student Support Services Instructional Media Instruction and Curriculum Development Instruction-Related Technology Board General Administration School Administration Fiscal Services Food Services Central Services Student Transportation Services Operation of Plant Maintenance of Plant	\$ 1,355,330 35,824 589 46,358 5,404 14,284 200,076 186,721 88,159 145 21,402 74,954 422,564	Charges for Services	Operating Grants and Contributions \$ 15,837	Capital Grants and Contributions \$	and Changes in Net Position \$ (1,339,49): (35,82- (586) (46,351) (200,076) (186,72- (88,155) (144) (21,40) (74,95- (362,29)	
Instruction Student Support Services Instructional Media Instruction and Curriculum Development Instruction-Related Technology Board General Administration School Administration Fiscal Services Food Services Central Services Student Transportation Services Operation of Plant Maintenance of Plant Administrative Technology	\$ 1,355,330 35,824 589 46,358 5,404 14,284 200,076 186,721 88,159 145 21,402 74,954 422,564	Charges for Services \$	Operating Grants and Contributions \$ 15,837	Capital Grants and Contributions \$	and Changes in Net Position \$ (1,339,49): (586) (46,35) (5,40) (14,28) (200,07) (186,72) (88,15) (14) (21,40) (74,95) (362,29)	
Instruction Student Support Services Instructional Media Instruction and Curriculum Development Instruction-Related Technology Board General Administration School Administration Fiscal Services Food Services Central Services Student Transportation Services Operation of Plant Maintenance of Plant Administrative Technology Community Services	\$ 1,355,330 35,824 589 46,358 5,404 14,284 200,076 186,721 88,159 145 21,402 74,954 422,564	Charges for Services	Operating Grants and Contributions \$ 15,837	Capital Grants and Contributions \$	and Changes in Net Position \$ (1,339,493 (35,824 (5,404 (14,284 (200,076 (186,722 (88,152) (144 (21,402 (74,954 (362,297)	
Instruction Student Support Services Instructional Media Instruction and Curriculum Development Instruction-Related Technology Board General Administration School Administration Fiscal Services Food Services Central Services Student Transportation Services Operation of Plant Maintenance of Plant Administrative Technology Community Services Debt Service-Interest	\$ 1,355,330 35,824 589 46,358 5,404 14,284 200,076 186,721 88,159 145 21,402 74,954 422,564	Charges for Services \$	Operating Grants and Contributions \$ 15,837	Capital Grants and Contributions \$	and Changes in Net Position \$ (1,339,493 (35,824 (5,404 (14,284 (200,074 (186,72* (88,155) (144 (21,402 (74,954 (362,293)	
Instruction Student Support Services Instructional Media Instruction and Curriculum Development Instruction-Related Technology Board General Administration School Administration Fiscal Services Food Services Central Services Student Transportation Services Operation of Plant Maintenance of Plant Administrative Technology Community Services Debt Service-Interest	\$ 1,355,330 35,824 589 46,358 5,404 14,284 200,076 186,721 88,159 145 21,402 74,954 422,564	Charges for Services \$	Operating Grants and Contributions \$ 15,837	Capital Grants and Contributions \$	and Changes in Net Position \$ (1,339,493 (35,824 (5,404 (14,284 (200,074 (186,72* (88,155) (144 (21,402 (74,954 (362,293)	
Instruction Student Support Services Instructional Media Instruction and Curriculum Development Instruction-Related Technology Board General Administration School Administration Fiscal Services Food Services Central Services Student Transportation Services Operation of Plant Maintenance of Plant Administrative Technology Community Services Debt Service-Interest	\$ 1,355,330 35,824 589 46,358 5,404 14,284 200,076 186,721 88,159 145 21,402 74,954 422,564	Charges for Services \$	Operating Grants and Contributions \$ 15,837	Capital Grants and Contributions \$	and Changes in Net Position \$ (1,339,493 (35,824 (588) (46,358 (200,076) (14,284 (200,076) (186,721 (88,155) (144) (21,402 (74,954) (362,297) (6,554) (7,323 (9,171) (70,334)	
Instruction Student Support Services Instructional Media Instruction and Curriculum Development Instruction-Related Technology Board General Administration School Administration Fiscal Services Food Services Central Services Student Transportation Services Operation of Plant Maintenance of Plant Administrative Technology Community Services Debt Service-Interest Depreciation-Unallocated	\$ 1,355,330 35,824 589 46,358 5,404 14,284 200,076 186,721 88,159 145 21,402 74,954 422,564 6,554 83,604 9,171 70,334 \$ 2,621,473 General Revenues:	Charges for Services \$	Operating Grants and Contributions \$ 15,837	Capital Grants and Contributions \$	and Changes in Net Position \$ (1,339,493 (35,824 (588) (46,358 (200,076) (14,284 (200,076) (186,721 (88,155) (144) (21,402 (74,954) (362,297) (6,554) (7,323 (9,171) (70,334)	
Instruction Student Support Services Instructional Media Instruction and Curriculum Development Instruction-Related Technology Board General Administration School Administration Fiscal Services Food Services Central Services Student Transportation Services Operation of Plant Maintenance of Plant Administrative Technology Community Services Debt Service-Interest Depreciation-Unallocated	\$ 1,355,330 35,824 589 46,358 5,404 14,284 200,076 186,721 88,159 145 21,402 74,954 422,564 6,554 83,604 9,171 70,334 \$ 2,621,473 General Revenues:	Charges for Services \$	Operating Grants and Contributions \$ 15,837	Capital Grants and Contributions \$	and Changes in Net Position \$ (1,339,493 (35,824 (588 (46,358 (5,404 (14,284 (200,076 (186,721 (88,159 (145 (21,402 (74,954 (73,233 (9,171 (70,334	
Instruction Student Support Services Instructional Media Instruction and Curriculum Development Instruction-Related Technology Board General Administration School Administration Fiscal Services Food Services Central Services Student Transportation Services Operation of Plant Maintenance of Plant Administrative Technology Community Services Debt Service-Interest Depreciation-Unallocated	\$ 1,355,330 35,824 589 46,358 5,404 14,284 200,076 186,721 88,159 145 21,402 74,954 422,564 6,554 83,604 9,171 70,334 \$ 2,621,473 General Revenues: Grants and Contribu	Charges for Services \$	Operating Grants and Contributions \$ 15,837	Capital Grants and Contributions \$	and Changes in Net Position \$ (1,339,493 (35,824 (589 (46,356 (5,404 (14,284 (200,076 (186,721 (88,155 (148 (21,402 (74,954 (362,297 (6,554 (7,323 (9,171 (70,334 (2,469,088	
Athenian Academy of Pasco County, Inc., Activities: Instruction Student Support Services Instructional Media Instruction and Curriculum Development Instruction-Related Technology Board General Administration School Administration Fiscal Services Food Services Central Services Student Transportation Services Operation of Plant Maintenance of Plant Administrative Technology Community Services Debt Service-Interest Depreciation-Unallocated Total Athenian Academy of Pasco County, Inc., Activities	\$ 1,355,330 35,824 589 46,358 5,404 14,284 200,076 186,721 88,159 145 21,402 74,954 422,564 6,554 83,604 9,171 70,334 \$ 2,621,473 General Revenues:	Charges for Services \$	Operating Grants and Contributions \$ 15,837	Capital Grants and Contributions \$	and Changes in Net Position \$ (1,339,493 (35,824 (589 (46,358 (5,404 (14,284 (200,076 (186,721 (38,159 (145 (21,402 (74,954 (362,297 (6,554 (7,323 (9,171 (70,334 (2,469,088	
Instruction Student Support Services Instructional Media Instruction and Curriculum Development Instruction-Related Technology Board General Administration School Administration Fiscal Services Food Services Central Services Student Transportation Services Operation of Plant Maintenance of Plant Administrative Technology Community Services Debt Service-Interest Depreciation-Unallocated	\$ 1,355,330 35,824 589 46,358 5,404 14,284 200,076 186,721 88,159 145 21,402 74,954 422,564 6,554 83,604 9,171 70,334 \$ 2,621,473 General Revenues: Grants and Contribu	Charges for Services \$	Operating Grants and Contributions \$ 15,837	Capital Grants and Contributions \$	and Changes in Net Position	

Net Position, Ending

				Program I	Revenues	:		No	(Evnonco)
		Charg		Oper Grant	ating	1	Capital ants and	1	t (Expense) Revenue d Changes
Classical Preparatory School	Expenses	Serv		Contrib			tributions		let Position
Instruction	\$ 1,647,009	\$	-	\$ 10	55,070	\$	-	\$	(1,481,939)
Student Support Services	346		-		-		-		(346)
Instructional Media Services	34,298		-	:	34,298		-		-
Instructional Staff Training	2,022		-		2,022		-		-
Instruction-Related Technology	9,981		-		9,981		-		-
Board	91,250		-		13,338		-		(77,912)
School Administration	483,578		-		2,409		-		(481,169)
Facilities Acquisition and Construction	383,942		-		-		-		(383,942)
Fiscal Services	88,249		-		-		-		(88,249)
Food Services	9,524		-		-		-		(9,524)
Central Services	- 21.0//		-		-		-		(01.077)
Student Transportation Services	21,066		-		-		-		(21,066)
Operation of Plant	276,327		-		-		-		(276,327)
Community Service Depreciation-Unallocated	57,216 18,802		-		-		-		(57,216) (18,802)
Depreciation-onalocated	10,002				<u> </u>				(10,002)
Total Classical Preparatory School, Activities	\$ 3,123,610	\$		\$ 2	27,118	\$			(2,896,492)
	Comment Devices								
	General Revenues: Grants and Contribut	ions not re	stricted to	1					
	Specific Programs		Suicicu ii	,					2 000 001
	Total General Re								2,999,081
	Total General Re	venues							2,999,001
	Change in Net Po	ncition							102,589
	Net Position, Beginni								102,389
	rvet i osition, beginni	ng .							100,107
	Net Position, Ending							\$	208,776
								÷	===,
				Program I	Revenues			Ne	(Expense)
				Oper			Capital		Revenue
		Charg	es for	Grant	-	Gr	ants and	an	d Changes
Countryside Montessori Charter School, Inc., Activities:	Expenses	Serv	ices	Contrib	utions	Cor	tributions	in N	let Position
Instruction	\$ 1,451,317	\$	_	\$	_	\$	_	\$	(1,451,317)
Instructional Media	-	•	_	•	_	•	-	•	-
Instructional Staff Training	450		-		-		-		(450)
School Administration	335,100		-		-		-		(335,100)
Facilities Acquisition and Construction	168,000		-		-		77,604		(90,396)
Fiscal Services	37,183		-		-		-		(37,183)
Food Services	2,291		-		-		-		(2,291)
Operation of Plant	105,133		-		-		-		(105,133)
Maintenance of Plant	288		-		-		-		(288)
Community Service	182,072		-		-		-		(182,072)
Debt Service-Interest	12,006		-		-		-		(12,006)
Depreciation-Unallocated	70,948			-					(70,948)
Total Countryside Montessori Charter School, Inc., Activities	\$ 2,364,788	\$		\$		\$	77,604		(2,287,184)
	General Revenues:								
	Grants and Contribut	ions not re	estricted to	J					
	Grants and Contribut Specific Programs		estricted to	J					2,216,662
		S	estricted to	J					2,216,662
	Specific Programs Total General Re	venues	stricted to	J					2,216,662
	Specific Programs Total General Re Change in Net Po	s venues osition	stricted to	J					2,216,662 (70,522)
	Specific Programs Total General Re	s venues osition	estricted to	J					2,216,662

District School Board of Pasco County Combining Statements of Activities Component Units

For the Fiscal Year Ended June 30, 2016

Dayspring Academy for Education and the Arts, Activities:	E	wnoncoc	Charges for Services	O _l Gra	m Revenue perating ants and tributions	G	Capital rants and ntributions	an	et (Expense) Revenue ad Changes Net Position
		xpenses	-			-	HUIDUUOIIS		
Instruction	\$	2,405,718	\$ -	\$	7,144	\$	-	\$	(2,398,574)
Student Support Services		5,560	-		-		-		(5,560)
Instructional Staff Training		13,580	-		-		-		(13,580)
School Administration		1,000,093	-		-		171.00/		(1,000,093)
Facilities Acquisition & Construction		171,906	-		-		171,906		(42.170)
Fiscal Services Student Transportation Services		42,170 115,833	-		-		-		(42,170) (115,833)
Operation of Plant		533,190	-		-		21,349		
Maintenance of Plant		15,883	-		-		21,349		(511,841) (15,883)
Administrative Technology Services		57,248	-		-		•		(57,248)
Community Service		494,417	-		-		•		(494,417)
Debt Service-Interest		186,440	-		_				(186,440)
Depreciation-Unallocated		122,716	_						(122,716)
			•					-	
Total Dayspring Academy for Education and the Arts, Activities	\$	5,164,754	\$ -	\$	7,144	\$	193,255		(4,964,355)
-	Grants a	I Revenues: and Contribut cific Programs al General Re		to					4,874,804 4,874,804
	Cha	ange in Net Po	osition						(89,551)
N	let Pos	sition, Beginni	ing						924,008
N	let Pos	sition, Ending						\$	834,457
Florida Virtual Academy at Pasco, Activities:	Ε	xpenses	Charges for Services	O _l Gr	m Revenues perating ants and tributions	G	Capital rants and ntributions	an	et (Expense) Revenue ad Changes Net Position
Florida Virtual Academy at Pasco, Activities:	E)	xpenses	-	O _l Gra Con	perating ants and	G Co	rants and	an	Revenue nd Changes
Instruction	<u>E</u>)	161,084	-	O _l Gr	perating ants and	G	rants and	an	Revenue nd Changes Net Position (161,084)
Instruction Student Support Services		161,084 9,465	Services	O _l Gra Con	perating ants and	G Co	rants and	an in I	Revenue ad Changes Net Position (161,084) (9,465)
Instruction Student Support Services Instructional and Curriculum Development		161,084 9,465 441,099	Services	O _l Gra Con	perating ants and	G Co	rants and	an in I	Revenue ad Changes Net Position (161,084) (9,465) (441,099)
Instruction Student Support Services Instructional and Curriculum Development Instructional Staff Training		161,084 9,465 441,099 1,158	Services	O _l Gra Con	perating ants and	G Co	rants and	an in I	Revenue ad Changes Net Position (161,084) (9,465) (441,099) (1,158)
Instruction Student Support Services Instructional and Curriculum Development Instructional Staff Training Instruction-Related Technology		161,084 9,465 441,099 1,158 52,359	Services	O _l Gra Con	perating ants and	G Co	rants and	an in I	Revenue dd Changes Net Position (161,084) (9,465) (441,099) (1,158) (52,359)
Instruction Student Support Services Instructional and Curriculum Development Instructional Staff Training Instruction-Related Technology Board		161,084 9,465 441,099 1,158 52,359 20,856	Services	O _l Gra Con	perating ants and	G Co	rants and	an in I	Revenue d Changes Net Position (161,084) (9,465) (441,099) (1,158) (52,359) (20,856)
Instruction Student Support Services Instructional and Curriculum Development Instructional Staff Training Instruction-Related Technology		161,084 9,465 441,099 1,158 52,359	Services	O _l Gra Con	perating ants and	G Co	rants and	an in I	Revenue dd Changes Net Position (161,084) (9,465) (441,099) (1,158) (52,359)
Instruction Student Support Services Instructional and Curriculum Development Instructional Staff Training Instruction-Related Technology Board General Administration		161,084 9,465 441,099 1,158 52,359 20,856 24,311	Services	O _l Gra Con	perating ants and	G Co	rants and	an in I	Revenue d Changes Net Position (161,084) (9,465) (441,099) (1,158) (52,359) (20,856) (24,311) (126,325)
Instruction Student Support Services Instructional and Curriculum Development Instructional Staff Training Instruction-Related Technology Board General Administration School Administration		161,084 9,465 441,099 1,158 52,359 20,856 24,311 126,325	Services	O _l Gra Con	perating ants and	G Co	rants and	an in I	Revenue d Changes Net Position (161,084) (9,465) (441,099) (1,158) (52,359) (20,856) (24,311)
Instruction Student Support Services Instructional and Curriculum Development Instructional Staff Training Instruction-Related Technology Board General Administration School Administration Fiscal Services		161,084 9,465 441,099 1,158 52,359 20,856 24,311 126,325 256	Services	O _l Gra Con	perating ants and	G Co	rants and	an in I	Revenue d Changes Net Position (161,084) (9,465) (441,099) (1,158) (52,359) (20,856) (24,311) (126,325) (256)
Instruction Student Support Services Instructional and Curriculum Development Instructional Staff Training Instruction-Related Technology Board		161,084 9,465 441,099 1,158 52,359 20,856 24,311	Services	O _l Gra Con	perating ants and	G Co	rants and	an in I	Revenue dd Changes Net Position (161,08 (9,44 (441,09 (1,15 (52,38 (20,88 (24,3)
Instruction Student Support Services Instructional and Curriculum Development Instructional Staff Training Instruction-Related Technology Board General Administration School Administration Fiscal Services Operation of Plant Maintenance of Plant Total Florida Virtual Academy at Pasco, Activities	\$ \$ Specification of the state	161,084 9,465 441,099 1,158 52,359 20,856 24,311 126,325 256 17,723 24 854,660	\$ stricted sevenues	Op Gr. Con \$	perating ants and	G Co	rants and	an in I	Revenue d Changes Net Position (161,084) (9,465) (441,099) (1,158) (52,359) (20,856) (24,311) (126,325) (256) (17,723) (24)
Instruction Student Support Services Instructional and Curriculum Development Instructional Staff Training Instruction-Related Technology Board General Administration School Administration Fiscal Services Operation of Plant Maintenance of Plant Total Florida Virtual Academy at Pasco, Activities	\$ \$ Specification of the second of the secon	161,084 9,465 441,099 1,158 52,359 20,856 24,311 126,325 256 17,723 24 854,660	\$	Op Gr. Con \$	perating ants and	\$	rants and	an in I	Revenue d Changes Net Position (161,084) (9,465) (441,099) (1,158) (52,359) (20,856) (24,311) (126,325) (256) (17,723) (24) (854,660)
Instruction Student Support Services Instructional and Curriculum Development Instructional Staff Training Instruction-Related Technology Board General Administration School Administration Fiscal Services Operation of Plant Maintenance of Plant Total Florida Virtual Academy at Pasco, Activities	\$ \$ Specification of the second of the secon	161,084 9,465 441,099 1,158 52,359 20,856 24,311 126,325 256 17,723 24 854,660	\$	Op Gr. Con \$	perating ants and	\$	rants and	an in I	Revenue d Changes Net Position (161,084) (9,465) (441,099) (1,158) (52,359) (20,856) (24,311) (126,325) (256) (17,723) (24) (854,660)
Instruction Student Support Services Instructional and Curriculum Development Instructional Staff Training Instruction-Related Technology Board General Administration School Administration Fiscal Services Operation of Plant Maintenance of Plant Total Florida Virtual Academy at Pasco, Activities	\$ \$ \$General Grants a Spec Tota Chaalet Pos	161,084 9,465 441,099 1,158 52,359 20,856 24,311 126,325 256 17,723 24 854,660	\$	Op Gr. Con \$	perating ants and	\$	rants and	an in I	Revenue d Changes Net Position (161,084) (9,465) (441,099) (1,158) (52,359) (20,856) (24,311) (126,325) (256) (17,723) (24) (854,660)

			Program Revenues Operating	Capital	Net (Expense) Revenue
Imagine School at Land O'Lakes, Activities:	Expenses	Charges for Services	Grants and Contributions	Grants and Contributions	and Changes in Net Position
Instruction	\$ 2,242,986	\$ -	\$ -	\$ -	\$ (2,242,986)
Student Support Services	792	-		-	(792)
Instructional Media	37,661	_	-	-	(37,661)
Instructional and Curriculum Development	52,686	-	-	-	(52,686)
Instructional Staff Training Services	-	-	-	-	-
Instruction-Related Technology	15,927	-	-	-	(15,927)
Board	7,000	-	-	-	(7,000)
General Administration	592,959	-	-	-	(592,959)
School Administration	338,452	-	-	-	(338,452)
Fiscal Services	110,432	-	-	-	(110,432)
Food Services	21,746	-	-	-	(21,746)
Central Services	809	-	-	-	(809)
Student Transportation Services	125,672	-	-	-	(125,672)
Operation of Plant	1,094,638	-	-	105,624	(989,014)
Maintenance of Plant	90,200	-	-	-	(90,200)
Community Service	45,941	-	-	-	(45,941)
Debt Service - Interest	1,568	-	-	-	(1,568)
Depreciation-Unallocated	83,016	-	-	-	(83,016)
·					
Total Imagine School at Land O'Lakes, Activities	\$ 4,862,485	\$ -	\$ -	\$ 105,624	(4,756,861)
	General Revenues:				
	Grants and Contribu		0		
	Specific Program		U		4,992,768
	Total General Re				4,992,768
	rotal Conoral It	370.1405			1,772,700
	Change in Net P	osition			235,907
	Net Position, Beginn				
	Net Fosition, Degitin	ing			596,212
	Net Position, Ending				\$ 832,119
			Program Revenues		Net (Expense)
		-	Operating	Capital	Revenue
		Charges for	Grants and	Grants and	and Changes
Learning Lodge Academy, Inc.	Expenses	Services	Contributions	Contributions	in Net Position
la devention	£ 1,004,070	•	e 225 1/7	¢	ê (7/0.011)
Instruction Student Support Services	\$ 1,004,978 2,457	\$ -	\$ 235,167	\$ -	\$ (769,811)
Instructional Media Services	4,396	-	4,108	-	(2,457) (288)
Instruction and Curriculum Development Services	6,966		1,100	_	(6,966)
Instructional Staff Training	34,612	-	20,916	_	(13,696)
Board	7,663	-	-	-	(7,663)
General Administration	75,335	-	_	-	(75,335)
School Administration	244,302	-	37,294	-	(207,008)
Facilities Acquisition & Construction	130,800	-	-	-	(130,800)
Fiscal Services	24,925	-	-	-	(24,925)
Food Services	1,652	-	-	-	(1,652)
Central Services	945	-	-	-	(945)
Operation of Plant	175,914	-	88,334	-	(87,580)
Community Service	94,241	102,337	-	-	8,096
Depreciation-Unallocated	25,528				(25,528)
Total Learning Lodge Academy, Inc., Activities	\$ 1,834,714	\$ 102,337	\$ 385,819	\$ -	(1,346,558)
	General Revenues:				
	Grants and Contribu		0		
	Specific Program				1,480,853
	Total General Re				1,480,853
	Change in Net P				134,295
	Change in Net P Net Position, Beginn				134,295 213,505
	=	ing			

District School Board of Pasco County Combining Statements of Activities Component Units

For the Fiscal Year Ended June 30, 2016

				Progran	n Revenues	i		Net (Expense)		
Pepin Academies of Pasco County, Inc.	Expenses	Charges for Services		Operating Grants and Contributions		Capital Grants and Contributions		ar	Revenue nd Changes Net Position	
Instruction	\$ 2,207,725	\$	-	\$	319,434	\$	-	\$	(1,888,291)	
Student Support Services	522,664		-		83,510		-		(439,154)	
Instructional Media Services	15,650		-		15,650		-		-	
Instructional Staff Training Services	7,478		-		3,683		-		(3,795)	
General Administration	80,214		-		2,047		-		(78,167)	
School Administration	463,078		-		13,536		-		(449,542)	
Fiscal Services	23,264		-		-		-		(23,264)	
Food Services	79,009		23,269		49,071		-		(6,669)	
Student Transportation Services	38		-		-		-		(38)	
Operation of Plant	431,506		-		-		-		(431,506)	
Maintenance of Plant	18,314		-		-		-		(18,314)	
Community Service	11,724		16,610		-		-		4,886	
Debt Service - Interest	16,296		-		-				(16,296)	
Total Pepin Academies of Pasco County, Inc., Activities	\$ 3,876,960	\$	39,879	\$	486,931	\$			(3,350,150)	
	General Revenues:									
	Grants and Contribu	tions not re	estricted to	n						
	Specific Program		conficted to	O					3,621,722	
	Total General Re								3,621,722	
	rotal Conoral Ita	77011405							0,02.1,122	
	Change in Net P	osition							271,572	
	Net Position, Beginn	ing							(176,162)	
	Net Position, Ending							\$	95,410	

			Program Revenues				Net (Expense)	
Pasco Education Foundation, Inc., Activities:	Expenses	Charges for Services	Opera Grants Contrib	and	Capit Grants Contribu	and	and	Revenue d Changes let Position
Community Service	\$ 939,739	\$ -	\$		\$			(939,739)
	General Revenues: Grants and Contribu		lo					
	Specific Program	IS						1,078,285
	Unrestricted Investm	ent Earnings						(152,793)
	Total General R	evenues						925,492
	Change in Net F	osition						(14,247)
	Net Position, Beginn	ing						4,231,163
	Net Position, Ending						\$	4,216,916

		Program Revenues					Net (Expense)		
Total Component Units Activities:	Expenses		Operating Charges for Grants and Services Contributions		Capital Grants and Contributions		Revenue and Changes in Net Position		
Instruction	\$ 15,160,671	\$	28,618	\$	742,652	\$	-	\$	(14,389,401)
Student Support Services	594,251		-		83,510		-		(510,741)
Instructional Media	335,897		-		54,056		-		(281,841)
Instructional and Curriculum Development	547,109		-		-		-		(547,109)
Instructional Staff Training Services	59,300		-		26,621		-		(32,679)
Instruction-Related Technology	83,671		-		9,981		-		(73,690)
Board	148,053		-		13,338		-		(134,715)
General Administration	1,005,212		-		2,047		-		(1,003,165)
School Administration	3,786,234		-		53,239		-		(3,732,995)
Facilities Acquisition and Construction	1,028,665		-		-		392,938		(635,727)
Fiscal Services	461,214		-		-		-		(461,214)
Food Services	114,367		23,269		49,071		-		(42,027)
Central Services	23,156		-		-		-		(23,156)
Student Transportation Services	337,563		-		-		-		(337,563)
Operation of Plant	3,299,358		-		97,334		178,240		(3,023,784)
Maintenance of Plant	250,939		-		-		-		(250,939)
Administrative Technology Services	63,802		-		-		-		(63,802)
Community Service	2,032,226		589,699		-		-		(1,442,527)
Debt Service - Interest	586,636		-		-		-		(586,636)
Depreciation-Unallocated	559,836			_			-		(559,836)
Total Component Units Activities	\$ 30,478,160	\$	641,586	\$	1,131,849	\$	571,178		(28,133,547)
	neral Revenues: ants and Contributi	ons not	restricted to						
	Specific Programs								28,429,296
Unrestricted Investment Earnings							(152,793)		
Total General Revenues						28,276,503			
	Change in Net Po	sition							142,956
Ne	t Position, Beginnir	ng							8,025,577
Ne	t Position, Ending							\$	8,168,533

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STATISTICAL SECTION

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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.

lable 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	Ratio of Net General Bonded Debt Outstanding
Table 12	Direct and Overlapping Governmental Activities Debt
Table 13	Legal Debt Margin Information

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.

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

For the Fiscal Year Ending

	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010
Governmental Activities:				
Net Investment in Capital Assets	\$ 464,698,097	\$ 477,656,475	\$ 532,146,394	\$ 609,215,910
Restricted	150,139,097	239,259,651	199,546,968	150,219,796
Unrestricted	36,251,972	30,656,802	35,460,415	29,950,233
Total Governmental Activities Net Position	651,089,166	747,572,928	767,153,777	789,385,939
Business-Type Activities:				
Net Investment in Capital Assets	282,704	228,564	184,707	146,867
Unrestricted	2,677,980	2,484,446	2,766,947	3,678,225
Total Business-Type Activities Net Position	2,960,684	2,713,010	2,951,654	3,825,092
Primary Government:				
Net Investment in Capital Assets	464,980,801	477,885,039	532,331,101	609,362,777
Restricted	150,139,097	239,259,651	199,546,968	150,219,796
Unrestricted	38,929,952	33,141,248	38,227,362	33,628,458
Total Primary Government Net Position	\$ 654,049,850	\$ 750,285,938	\$ 770,105,431	\$ 793,211,031

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

For the Fiscal Year Ending

June 30, 2	011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016
\$ 610,511, 156,915, 42,414,	364	\$ 587,895,355 177,850,787 29,533,195	\$ 590,932,554 172,069,772 28,365,685	\$ 599,058,815 164,220,978 15,313,862	\$ 623,953,695 141,051,030 (183,605,569)	\$ 615,117,816 156,806,212 (183,118,232)
809,841,	758	795,279,337	791,368,011	778,593,655	581,399,156	588,805,796
155, 4,609,		137,748 5,387,604	166,337 3,013,904	176,128 2,209,578	206,739 (751,298)	166,042 (131,406)
4,764,		5,525,352	3,180,241	2,385,706	(544,559)	34,636
610,666, 156,915, 47,024,	531 364	588,033,103 177,850,787 34,920,799	591,098,891 172,069,772 31,379,589	599,234,943 164,220,978 17,523,440	624,160,434 141,051,030 (184,356,867)	631,357,732 140,732,338 (183,249,638)
\$ 814,606,	380	\$ 800,804,689	\$ 794,548,252	\$ 780,979,361	\$ 580,854,597	\$ 588,840,432

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

						al Year Ending				
Europea	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016
Expenses Governmental Activities										
Instruction	\$ 320,279,886	\$ 348,572,526	\$ 351,559,669	\$ 343,287,586	\$ 363,757,272	\$ 334,933,329	\$ 343,554,241	\$ 358,768,503	\$ 362,962,619	\$ 386,321,690
Student Support Services	\$ 320,279,000 26.571.094	30,462,893	29,943,982	28,127,494	27,818,587	25,200,500	25,331,587	25,618,232	26,801,838	27,878,254
Instructional Media Services	9,481,851	10,360,657	8,979,508	10,116,970	9,838,612	7,354,703	6,917,067	1,906,905	2,343,060	2,395,795
Instruction and Curriculum Development Services	8,999,208	10,969,233	11,411,106	15,766,876	15,384,400	13,400,395	11,764,667	14,558,446	15,800,130	16,807,274
Instructional Staff Training	9,590,108	9,810,582	8,281,128	14,462,129	13,936,346	10,971,329	11,073,276	9,426,682	7,324,613	7,168,371
Instruction-Related Technology	5,817,654	6,342,050	6,531,075	6,335,019	6,147,471	4,847,994	4,892,506	8,425,406	6,888,825	7,181,975
Board	2,198,040	2,438,957	2,717,695	3,230,392	3,121,338	668,918	610,730	620,416	530,109	593,665
General Administration	2,667,580	2,842,753	1,805,179	3,323,964	3,351,534	1,259,433	1,632,018	2,556,141	2,407,270	3,366,050
School Administration	31,744,739	35,422,367	34,476,174	36,740,305	36,616,082	34,008,721	34,289,049	36,456,573	37,661,405	39,320,749
Facilities Services	13,332,062	14,328,177	17,033,887	15,095,278	14,981,752	12,736,731	14,195,220	14,491,329	17,381,716	22,312,816
Fiscal Services	2,190,039	2,302,729	2,419,295	2,394,604	2,495,234	2,199,577	2,281,430	2,708,890	2,792,302	2,789,717
Food Services	28,045,838	29,733,446	29,605,467	31,228,131	30,842,650	30,476,104	31,884,356	32,787,091	35,477,047	39,016,954
Central Services	8,317,630	1,657,766	6,455,741	7,856,068	848,370	1,734,199	4,024,807	6,030,792	8,227,505	12,010,763
Student Transportation Services	27,696,272	30,352,782	28,153,490	27,870,375	28,495,921	27,912,093	27,623,111	29,162,574	29,695,863	29,927,606
Operation of Plant	40,372,538	45,807,271	43,875,230	46,244,124	46,454,690	46,432,259	42,208,748	45,192,330	42,537,525	45,765,410
→ Maintenance of Plant	11,512,727	13,161,025	13,258,894	13,349,962	12,712,872	11,012,852	10,903,885	11,583,005	10,565,620	11,374,941
Administrative Technology Services	2,245,453	3,066,415	3,229,763	3,299,616	3,173,777	3,084,540	3,146,509	3,692,101	6,047,282	9,929,967
Community Services	826,818	833,011	816,613	711,668	582,837	618,337	688,852	510,674	867,512	475,657
Interest on Long-term Liabilities	12,066,754	23,240,113	20,698,823	19,193,742	18,650,661	17,827,097	16,680,024	24,315,270	15,059,988	15,510,778
Depreciation-Unallocated	=	=	-	=	-	-	=	-	=	-
Total Government Activities Expenses	563,956,291	621,704,753	621,252,719	628,634,303	639,210,406	586,679,111	593,702,083	628,811,360	631,372,229	680,148,432
Business-Type Activities:										
PLACE Program	8,808,096	9,517,699	8,944,520	8,303,091	8,039,992	7,753,564	7,941,510	9,155,859	9,363,111	9,850,333
Vending Program	-	-	=	-	-	-	-	-	552,755	506,375
Total Business-Type Activities Expenses	8,808,096	9,517,699	8,944,520	8,303,091	8,039,992	7,753,564	7,941,510	9,155,859	9,915,866	10,356,708
Total Primary Government Expenses	\$ 572,764,387	\$ 631,222,452	\$ 630,197,239	\$ 636,937,394	\$ 647,250,398	\$ 594,432,675	\$ 601,643,593	\$ 637,967,219	\$ 641,288,095	\$ 690,505,140
Program Revenues										
Governmental Activities:										
Charges for services										
Instruction	\$ 151,873	\$ 3,424,682	\$ 1,645,400	\$ 3,486,329	\$ 254,868	\$ 1,511,101	\$ 522,095	\$ 586,263	\$ 407,780	\$ 524,903
Food Services	12,582,463	12,995,845	12,998,964	12,249,850	11,824,461	11,697,038	11,441,922	11,086,807	11,033,632	11,312,259
Student Transportation	877,040	1,054,361	859,519	820,661	1,031,745	1,148,279	992,215	1,060,679	1,209,902	1,142,417
Operating grants and contributions	30,662,856	32,184,868	32,957,214	34,949,693	35,241,557	21,417,728	37,633,087	38,821,862	40,056,713	42,499,928
Capital grants and contributions	85,566,489	68,481,567	27,380,354	10,997,212	8,129,586	8,198,949	9,128,908	12,418,525	12,852,412	14,539,299
Total Government Activities Program Revenue	129,840,721	118,141,323	75,841,451	62,503,745	56,482,217	43,973,095	59,718,227	63,974,136	65,560,439	70,018,806

Charge for Sales				-					554,602	527,256
Total Business-Type Activities Revenues	8,012,395	9,320,202	9,144,709	9,174,266	8,975,781	8,495,164	8,562,722	9,360,814	9,990,177	10,981,588
Total Primary Government Program Revenues	\$ 137,853,116	\$ 127,461,525	\$ 84,986,160	\$ 71,678,011	\$ 65,457,998	\$ 52,468,259	\$ 68,280,949	\$ 73,334,950	\$ 75,550,616	\$ 81,000,394
Net (Expense) Revenues										
Government Activities	\$ (434,115,570)	\$ (503,563,430)	\$ (545,411,268)	\$ (566,130,558)	\$ (582,728,189)	\$ (542,706,016)	\$ (533,983,856)	\$ (564,837,224)	\$ (565,811,790)	\$ (610,129,626)
Business-Type Activities	8,012,395	9,320,202	200,189	871,175	935,789	741,600	621,212	204,955	74,311	624,880
Total Primary Government Net (Expenses)Revenues	\$ (426,103,175)	\$ (494,243,228)	\$ (545,211,079)	\$ (565,259,383)	\$ (581,792,400)	\$ (541,964,416)	\$ (533,362,644)	\$ (564,632,269)	\$ (565,737,479)	\$ (609,504,746)
General Revenues and Other Changes in Net Position Governmental Activities:										
Property Taxes:		+ 450 400 455				+ 100 101 507				
Levied for general purposes	\$ 143,633,620	\$ 159,132,655	\$ 163,132,311	\$ 143,328,208	\$ 137,589,229	\$ 133,136,587	\$ 120,318,952	\$ 121,552,684	\$ 123,010,141	\$ 128,319,631
Levied for debt services	5,799,859	5,361,489	-	484	-	-	-	-	-	-
Levied for capital purposes	37,977,156	43,207,373	42,857,117	36,814,096	32,903,497	32,505,792	30,896,444	31,131,186	32,660,786	34,313,082
Sales taxes	26,642,211	27,157,517	26,452,520	25,671,147	25,406,921	25,321,574	27,490,903	28,784,359	26,680,307	25,738,211
Grants and contributions not restricted to Specific Program	ns 318,247,859	342,888,614	322,280,550	359,835,520	390,434,709	326,929,740	338,910,337	369,957,624	386,425,843	404,584,134
Transfers	-	154,071	-	=	-	-	3,000,000	1,000,000	=	56,634
Miscellaneous	19,279,136	11,549,775	9,890,216	17,536,819	14,463,706	9,702,528	8,129,246	12,125,787	14,454,399	22,699,580
Unrestricted investment earnings	11,720,442	10,595,698	379,403	5,176,446	2,385,946	547,374	1,326,648	580,012	816,253	1,824,994
Total Governmental Activities	563,300,283	600,047,192	564,992,117	588,362,720	603,184,008	528,143,595	530,072,530	565,131,652	584,047,729	617,536,266
Business-Type Activities										
Interest	197,546	103,894	37,709	2,263	3,741	13,223	33,677	121	20,578	10,665
Miscellaneous	-	-	746	-	-	5,907	-	389	309	284
Transfers	<u> </u>	(154,071)		-	-	-	(3,000,000)	(1,000,000)		(56,634)
Total Business-Type Activities	197,546	(50,177)	38,455	2,263	3,741	19,130	(2,966,323)	(999,490)	20,887	(45,685)
Total Primary Government	\$ 563,497,829	\$ 599,997,015	\$ 565,030,572	\$ 588,364,983	\$ 603,187,749	\$ 528,162,725	\$ 527,106,207	\$ 564,132,162	\$ 584,068,616	\$ 617,490,581

\$ 129,184,713 \$ 96,483,762 \$ 19,580,849 \$ 22,232,162 \$ 20,455,819 \$ (14,562,421) \$ (3,911,326) \$

\$ 23,105,600

873,438

939,530

21,395,349

760,730

\$ (13,801,691)

(2,345,111)

(6,256,437)

June 30, 2010

9,174,266

June 30, 2009

9,144,709

June 30, 2007

8,012,395

(598,155)

\$ 128,586,558 \$

(247,674)

96,236,088

238,644

19,819,493

June 30, 2008

9,320,202

For the Fiscal Year Ending

June 30, 2012

8,495,164

June 30, 2013

8,562,722

June 30, 2014

9,360,814

294,428

(794,535)

(500,107)

\$ 18,235,939

95,198

18,331,137

June 30, 2011

8,975,781

Source: District records - CAFR Exhibit B

Changes in Net Position
Governmental activities

Business-Type activities

Total Primary Government

Business-Type Activities: Charge for Services Provided

7,406,640

579,195

7,985,835

\$

June 30, 2016

10,454,332

June 30, 2015

9,435,575

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

For the Fiscal Year Ending

				scar rear Enum	•			
	Jı	une 30, 2007	J	une 30, 2008	Jı	une 30, 2009	Jı	une 30, 2010
General Fund:								
Fund Balance:								
Nonspendable	\$	-	\$	-	\$	-	\$	-
Restricted		-		-		-		-
Assigned		-		-		-		-
Unassigned		-		-		-		-
Reserved		25,400,645		24,833,534		14,467,726		12,185,376
Unreserved		33,724,599		36,087,039		32,803,154		37,788,339
Total General Fund	\$	59,125,244	\$	60,920,573	\$	47,270,880	\$	49,973,715
All Other Governmental Funds Fund Balance: Nonspendable								
Special Revenue-Food Service	\$	_	\$	_	\$	_	\$	_
Capital Projects Other	•	-	•	-	•	_	•	-
Restricted								
Special Revenue		-		-		-		-
Debt Service		-		-		-		-
Capital Projects		-		-		-		-
Assigned								
Capital Projects		-		-		-		-
Reserved		67,080,440		111,256,904		87,804,190		32,442,711
Unreserved, reported in:		100 514 700		101 022 054		150 007 171		144 (02 524
Capital Projects funds Debt Service funds		122,514,782		191,033,956		159,097,171		144,692,524 13,921,942
Special Revenue funds		1,390,340		1,127,901		1,700,634		3,665,452
Special Nevertue funds		1,370,340		1,127,701		1,700,034		3,003,432
Total all other government funds	\$	190,985,562	\$	303,418,761	\$	248,601,995	\$	194,722,629

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

			For the Fisca	l Yea	r Ending						
Jı	ıne 30, 2011	Jı	une 30, 2012	Jı	une 30, 2013	Jı	une 30, 2014	Jı	une 30, 2015	Jı	une 30, 2016
\$	3,893,982 7,563,258 26,466,857 22,964,288	\$	4,568,706 5,326,016 15,673,843 22,714,296	\$	3,612,982 3,124,608 17,407,505 23,499,528	\$	3,444,488 6,903,768 11,451,799 32,983,587	\$	3,706,116 4,793,446 21,418,729 26,101,381	\$	3,870,506 1,393,683 25,344,899 26,132,916
\$	60,888,385	\$	48,282,861	\$	47,644,623	\$	54,783,642	\$	56,019,672	\$	56,742,004
\$	1,695,810 -	\$	1,380,195	\$	1,223,200	\$	1,153,542 -	\$	1,238,056	\$	1,168,050 11,882,999
	4,383,403		7,183,864		7,100,164		8,774,328		9,000,902		7,892,363
	18,525,444		21,389,660		17,001,808		14,026,067		11,958,237		13,252,861
	135,332,919		110,020,160		147,001,633		241,878,569		211,168,847		180,189,182
	27,091,944		31,775,584		-		-		-		-
	-		-		-		-		-		-
	-		-		-		-		-		-
	-		-		-		-		-		-
\$	187,029,520	\$	171,749,463	\$	172,326,805	\$	265,832,506	\$	233,366,042	\$	214,385,455

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, 2007 June 30, 2008 June 30, 2009 June 30, 2010 Revenues: Federal Sources: 41.047.707 \$ 79.516.781 Federal Grants 35.062.439 \$ 39.525.911 \$ \$ Food Services 14,638,784 15.555.805 17.236.057 19.688.152 Total Federal Sources 49,701,223 56,603,512 56,761,968 99,204,933 State Sources: Florida Education Finance Program 210 168 920 212 672 606 195 130 222 213 428 570 Public Education Capital Outlay 16,678,822 20,051,633 19.148.129 1,622,195 Food Services 461,379 488,356 382,031 493,454 State Grants and Other 141,270,054 145,324,059 105,937,551 84,614,338 Total State Sources 368,579,175 378,536,654 320,597,933 300,158,557 Local Sources: Property Taxes 187,410,636 216,116,400 211,284,811 180,142,788 Local Sales Taxes 26,642,211 27,157,517 26,452,520 25,671,147 12,631,122 Food Services 12 995 845 12 998 964 12 249 850 Investment Earnings 11,720,442 10,595,698 379,403 5,176,446 Local grants and other 31,862,340 14,407,476 11,409,494 20,931,370 262,525,192 Total local sources 270,266,751 281,272,936 244,171,601 Total Revenues 688,547,149 716,413,102 639,885,093 643,535,091 Expenditures: Current-Education: Instruction 298,891,425 322,304,412 324,672,253 313,051,706 Student Support Services 26,420,325 29,726,490 29,528,612 28,028,160 Instructional Media Services 9,299,160 9,859,723 9,889,155 9,787,927 Instruction and Curriculum Development Services 9.242.792 10.507.790 10,715,100 15.211.665 Instructional Staff Training 9.487.305 9,612,129 8,283,841 14,045,255 Instruction-Related Technology 5.740.027 6,232,514 6,535,854 6,270,107 2,196,541 2,324,216 2,630,591 3,085,096 Board General Administration 2 616 659 2 767 340 2 325 305 3 355 050 School Administration 31,362,443 34,253,024 34,093,343 36,185,408 Facilities Services 8,342,020 7,826,662 6,192,119 6,532,646 Fiscal Services 2,300,185 2,211,103 2,422,560 2,316,906 27,918,172 Food Services 29.541.716 29,274,591 31,001,571 Central Services 7,191,057 7,317,591 6,900,844 6,326,380 25,471,695 29,248,215 26,787,809 Student Transportation Services 26,931,416 Operation of Plant 39.315.801 45.123.394 43.075.688 45.838.612 Maintenance of Plant 12,349,335 12,800,678 12,846,399 13,167,442 Administrative Technology Services 2,815,871 3,029,555 3,118,180 3,178,804 Community Services 816,942 764.654 805.803 698.604 Capital Outlay: Facilities Acquisition and Construction 202,581,398 143,463,842 106,068,134 97,667,371 Other Capital Outlay 3,084,807 3,614,880 2,176,402 2,212,318 Debt Service 17,470,000 Principal 11.115.000 20.115.000 20.987.001 10,418,172 20,787,539 19,679,686 18,099,076 Interest Fiscal Charges 2,536,961 15,951,113 1,174,013 1,751,549 Total Expenditures 751,461,805 766,790,868 709.454.889 705,586,463 Excess (Deficiency) of Revenues Over Expenditures (62,914,656) (50,377,766) (69,569,796) (62,051,372) Other Financing Sources (Uses): Proceeds of Bonds Issued 88,590,000 5,295,000 1,300,000 Issuance of Refunding Bonds Premiums on Refunding Bonds 4,051,356 859,010 130,248 Premiums on Bonds Issued Proceeds of Certificates of Participation Issued 1,170,010 11,000,000 143.605.000 Premiums on Certificates of Participation Issued Proceeds of Refunding Certificates of Participation 162,630,000 Capital Leases Proceeds from the Sale of Capital Assets 169,048 193,213 133,327 63,037 Discounts on Refunding Bonds Payments to Refunded Bond Escrow Agent (147,930,000) (1,418,444)36,990,185 Transfers In 16,507,160 114,192,061 42,595,724 (37,190,185) Transfers Out (114.237.990) (42,795,724) (16,707,160)164,606,294 Total Other Financing Sources (Uses) 92.610.404 1.103.337 10.874.841 Net Change in Fund Balances 29,695,748 114,228,528 \$ (68,466,459) \$ (51,176,531) Debt service as a percentage of noncapital expenditures 3.95% 6.17% 6.62% 6.45%

	For t	he Fiscal Year End	dina		
June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016
\$ 96,950,923	\$ 42,340,203	\$ 42,541,633	\$ 46,178,627	\$ 48,913,244	\$ 48,742,547
20,815,526	20,980,131	22,141,725	23,319,438	24,565,522	26,319,045
117,766,449	63,320,334	64,683,358	69,498,065	73,478,766	75,061,592
222.021.405	204 / 5 / 075	220 215 517	25/ 270 7/7	2/0 //0 202	204.004.210
222,031,695 3,524,056	204,656,075 703,197	229,215,516 666,291	256,270,767 1,002,216	268,469,393 796,597	284,094,218
426,031	437,597	419,874	424,778	414,356	2,445,259 395,520
85,811,367	82,611,163	84,676,064	85,291,068	86,841,606	90,418,539
311,793,149	288,408,032	314,977,745	342,988,829	356,521,952	377,353,536
170,492,726	165,642,379	151,215,396	152,683,870	155,670,927	162,632,713
25,406,921	25,321,574	27,490,903	28,784,359	26,680,307	25,738,211
11,778,792	11,650,985	11,441,922	11,028,315	10,532,753	10,571,030
2,388,287	590,385	1,267,749	580,012	816,254	1,824,994
19,274,584	16,094,030	15,445,937	21,704,165	24,544,524	33,517,381
229,341,310	219,299,353	206,861,907	214,780,721	218,244,765	234,284,329
658,900,908	571,027,719	586,523,010	627,267,615	648,245,483	686,699,457
325,557,314	296,241,293	299,761,436	314,892,649	333,028,297	348,822,641
27,470,406	24,952,342	25,031,281	25,231,533	26,612,973	28,063,110
9,468,350	7,142,745	6,763,983	2,314,127	2,621,203	2,666,744
15,299,116	13,293,905	11,701,933	14,274,568	15,640,068	16,304,718
13,976,906	10,844,460	10,981,833	9,767,487	7,396,496	7,890,300
6,126,500	4,799,806	4,864,701	8,298,947	6,742,355	7,202,055
2,980,400 3,317,673	487,161 1,226,250	468,772 1,512,137	469,656 2,535,795	500,228 2,357,187	501,973 3,173,955
36,404,238	33,210,176	33,759,267	35,391,965	36,925,142	38,335,496
6,424,831	4,028,151	4,833,626	4,550,999	5,708,614	7,779,022
2,404,739	2,114,358	2,228,720	2,563,383	2,774,726	2,782,547
30,565,745	30,189,633	31,598,711	32,469,486	35,249,881	38,602,742
6,675,392	5,903,365	5,643,763	6,490,365	7,760,284	7,710,236
27,697,245	27,217,617	27,052,856	28,396,338	29,405,350	29,452,611
46,183,311	46,025,891	41,856,266	44,337,010	42,452,205	45,519,558
12,518,437	10,877,222	10,586,881	11,342,028	10,536,743	11,004,569
3,196,306	3,030,764	3,118,929	3,601,933	5,988,463	9,330,449
648,347	622,397	667,873	533,017	856,821	434,922
37,632,689	35,571,766	28,043,055	42,671,034	78,196,590	131,094,037
1,930,515	907,144	1,334,131	1,692,110	3,611,166	1,388,704
21,812,001	22,527,001	23,557,001	24,607,001	21,324,001	24,451,976
17,440,390	17,133,664	16,110,854	25,426,070	15,980,740	16,400,738
1,361,160	721,224	660,328	2,251,649	706,254	643,131
657,092,011	599,068,335	592,138,337	644,109,150	692,375,787	\$779,556,234
1,808,897	(28,040,616)	(5,615,327)	(16,841,535)	(44,130,304)	(92,856,777)
1,450,000	1,710,000	-	96,715,000	- 2 411 000	30,075,000
-	-	-	1,724,000	2,411,000	-
117,416	226,415	-	272,637 16,459,978	174,776 7,814,270	-
117,410	220,413	_	10,437,770	13,655,000	25,995,000
-	-	-	-	-	4,398,965
-	-	-	151,696,458	44,145,000	-
-	-	-	-	-	13,771,923
45,248	154,466	8,346	6,651	100,000	116,000
-	(1,931,399)	-	(186,756) (150,186,713)	(55,585,176)	-
45,089,857	(1,931,399) 58,144,210	42,070,126	51,152,626	38,549,554	41,839,953
(45,289,857)	(58,148,657)	(36,524,041)	(50,167,626)	(38,364,554)	(41,598,319)
1,412,664	155,035	5,554,431	117,486,255	12,899,870	74,598,522
\$ 3,221,561	\$ (27,885,581)	\$ (60,896)	\$ 100,644,720	\$ (31,230,434)	\$ (18,258,255)
6.36%	7.05%	7.05%	8.34%	6.11%	6.31%

(4)

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

	 Estimated Ac	tual V	alue (1)	Exemptions (2)				Taxable Assessed Value							Assesse Value as		(5)	
Fiscal Year	Real Property		Personal Property		Real Property	Personal Property		Real Property		sonal operty	As	strally (3) sessed Value		otal	Percentag Estimate Actual Va	ed	Total Direct Tax Rate	
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%	ó	7.11	
2015	26,247,234		2,846,669		5,377,106	1,209,922		20,870,128	1,0	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	1,0	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	1,0	673,129		14,013	21	,276,683	76.35%	ó	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%	ó	6.37	
2010	32,681,664		3,238,561		11,481,883	1,324,084		21,199,781	1,9	914,477		13,209	23	,127,467	64.36%	, D	6.37	
2009	39,790,826		3,474,265		12,525,774	1,324,268		27,265,052	2,	149,997		12,816	29	,427,865	68.00%	,	5.43	
2008	42,731,681		3,026,634		15,219,773	847,859		27,511,908	2,	178,775		3,678	29	,694,361	64.89%	,	5.43	
2007	37,956,299		2,912,306		14,134,555	843,243		23,821,744	2,0	069,063		3,186	25	,893,993	63.35%	,	5.99	

⁽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.

Source: Pasco County Property Appraiser

⁽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.

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

Property Tax Fiscal General Debt Capital Sales Year **Purposes** Service (1) **Projects** Tax Total 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 27,490,903 178,706,299 133,136,587 2012 32,505,792 25,321,574 190,963,953 2011 137,589,229 32,903,497 25,406,921 195,899,647 2010 143,328,208 484 36,814,096 25,671,147 205,813,935 2009 163,132,311 42,857,117 26,452,520 232,441,948 2008 159,132,655 5,361,489 43,207,373 27,157,517 234,859,034 2007 143,633,620 5,799,859 37,977,156 26,642,211 214,052,846

Source: District Records

⁽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.

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

	Taxes Lev		Collected v Fiscal Year o		Collection	ons	Total Collections to Date			
-	iscal Year	for the Fiscal Year	Amount (A)	Percentage of Levy	in Subsec	•	Amount (A)	Percentage of Levy		
2	2016	\$ 168,011,731	\$ 162,533,528	96.7%	\$	-	\$ 162,533,528	96.7%		
2	2015	160,986,519	155,605,008	96.7%	159	9,639	155,764,647	96.8%		
2	2014	157,875,272	152,490,829	96.6%	16	1,858	152,652,687	96.7%		
2	2013	156,192,206	151,072,442	96.7%	142	2,954	151,215,396	96.8%		
	2012	171,750,509	165,642,379	96.4%	55	4,161	166,196,540	96.8%		
2	2011	178,353,964	170,468,487	95.6%	2	4,239	170,492,726	95.6%		
2	2010	186,767,020	180,089,871	96.4%	5	2,917	180,142,788	96.5%		
,	2009	212,147,737	205,271,904	96.8%	71	7,524	205,989,428	97.1%		
2	2008	214,038,792	207,240,160	96.8%	46	1,357	207,701,517	97.0%		
,	2007	191,838,693	180,711,833	94.2%	6,67	5,656	187,387,489	97.7%		

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

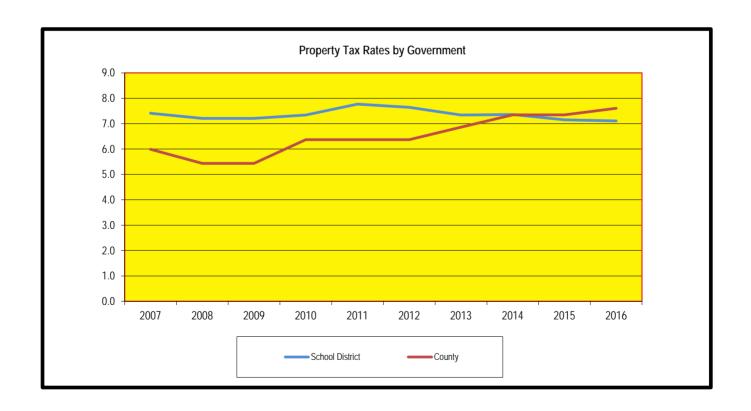
Sources: District records

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 (3)	Discretionary Local Millage	Supplemental Discretionary Millage (1)	Capital Improvement Millage	Debt Service Millage (2)	Total Pasco Schools	Pasco County
2016	4.861	0.748	0.000	1.500	0.000	7.109	7.608
2015	4.901	0.748	0.000	1.500	0.000	7.149	7.344
2014	5.109	0.748	0.000	1.500	0.000	7.357	7.344
2013	5.093	0.748	0.000	1.500	0.000	7.341	6.862
2012	5.396	0.748	0.000	1.500	0.000	7.644	6.367
2011	5.519	0.748	0.000	1.500	0.000	7.767	6.367
2010	5.092	0.748	0.000	1.500	0.000	7.340	6.367
2009	4.969	0.498	0.241	1.500	0.000	7.208	5.433
2008	4.781	0.510	0.231	1.500	0.186	7.208	5.433
2007	4.921	0.510	0.250	1.500	0.228	7.409	5.988

- (1) For the 2009-2010 fiscal year and thereafter, the State of Florida combined the Supplemental Discretionary and Discretionary Local Millage into one Millage rate.
- (2) The voter approved Debt Service Millage expired with the 2007-2008 fiscal year.
- (3) Local Required Effort Millage for the 2010-2011 fiscal year includes the millage of .250 for Critical Need.

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



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

2016 2007 Percentage of Taxable Taxable Percentage of **Total Assessed** Assessed Assessed **Total Assessed Taxpayer** Rank Valuation Value Rank Valuation Value Duke Energy Center (Florida Power Corporation) 1.97% 0.70% 1 \$ 451,510,860 1 290,142,970 2 3 Withlacoochee River Electric Cooperative 242,743,304 1.05% 185,484,679 0.45% HCA Health Services of Florida 3 179,161,340 0.78% 5 115,099,325 0.28% 4 2 Frontier Communications Inc. (1) 115,400,141 0.50% 267,758,723 0.65% Tampa Premium Outlets 5 98,576,175 0.43% FL Gas Transmission Company 6 87,235,815 0.38% Wal-Mart Stores 7 83,180,668 0.36% 7 83,048,152 0.20% Shady Hills Power Company LLC 8 0.35% 4 152,823,989 0.37% 81,802,471 9 Goodforest LLC 78,798,641 0.34% 10 Brighthouse Networks 6 95,946,811 0.23% 72,072,552 0.31% Zephyrhills Bottle Water America, Inc. 8 74,101,681 0.18% **Gulf View Associates** 9 50,525,630 0.12% 10 **Target Corporation** 47,223,174 0.11% 2.59% Total \$ 1,490,481,967 6.47% 1,362,155,134

(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)

Governmental Activities

	Fiscal Year	State Board of Education Bonds	_	District Revenue Bonds	Ob	eneral ligation Bonds	Sales Tax Revenue Bonds	Certificates of Participation	ote vable	Capital Leases	Total Primary Government	Estimated Population	Per Capita	Personal Income (thousands of dollars)	Ratio of Outstanding Debt To Personal Income (1)
	2016	\$ 9,887,266	\$	2,545,807	\$	-	\$ 127,361,057	\$ 369,048,086	\$ -	\$ 11,487,471	\$ 520,329,687	497,909	\$ 1,045	N/A	N/A
	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
159	2012	18,633,288		2,917,763		-	40,030,452	352,547,848	-	-	414,129,351	466,457	888	14,974,427	28
9	2011	18,748,406		3,005,751		-	52,221,872	361,874,773	-	-	435,850,802	464,697	938	13,790,695	32
	2010	18,687,776		3,088,157		-	63,858,291	371,141,698	-	-	456,775,922	471,709	968	13,635,875	33
	2009	20,078,502		3,170,563		-	75,064,711	369,093,623	-	-	467,407,399	439,702	1,063	12,750,465	37
	2008	21,412,537		3,247,970		-	85,861,130	376,523,536	-	-	487,045,173	438,668	1,110	12,750,465	38
	2007	17,056,632		3,325,376	Ę	5,320,000	92,472,550	222,565,627	-	-	340,740,185	434,425	784	13,304,700	26

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://guickfacts.census.gov/gfd/states/12/12101.html

District School Board of Pasco County Ratio of Net General Bonded Debt Outstanding Last Ten Fiscal Years (Unaudited)

Fiscal Year	Estimated Population (1)	Net Taxable Assessed Value (2)	Во	ross nded bt (3)	Ser	Debt vice ds (4)	Net Bonded Debt	Ratio of Net General Bonded Debt to Assessed Value	Во	Net onded Per Capita
2016	497,909	\$ 23,633,469	\$	-	\$	-	\$ -	0.00%	\$	-
2015	485,331	22,522,171		-		-	-	0.00%		-
2014	475,502	21,459,192		-		-	-	0.00%		-
2013	470,391	21,276,683		-		-	-	0.00%		-
2012	466,457	22,466,159		-		-	-	0.00%		-
2011	464,697	22,963,002		-		-	-	0.00%		-
2010	471,709	25,445,098		-		-	-	0.00%		-
2009	439,702	29,432,261		-		-	-	0.00%		-
2008	438,668	29,694,616		-		-	-	0.00%		-
2007	434,425	25,892,657	5,	320,000		-	5,320,000	0.02%		12

^{(1) 2010} Population estimate was obtained from the United States Census Bureau.

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

Source: District records

⁽²⁾ Net Taxable Assessed Values are expressed in thousands.

⁽³⁾ Includes General Obligation Bonds only.

⁽⁴⁾ Reserved for Debt Service - General Obligation Bonds only.

District School Board of Pasco County Direct and Overlapping Governmental Activities Debt As of June 30, 2016 (Unaudited)

Jurisdiction	 Net Debt Dutstanding	Percentage Applicable to this Governmental Unit	Amount plicable to this overnmental Unit
Pasco County Board of County Commissioners Overlapping Debt	\$ 65,949,000	0%	\$ -
District School Board of Pasco County Direct Debt	520,329,687	100%	520,329,687
Totals	\$ 586,278,687		\$ 520,329,687

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, 2015

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

	Fo			
	June 30, 2007	June 30, 2008	June 30, 2009	June 30, 2010
Assessed Valuation	\$ 25,892,656,671	\$ 29,694,362,126	\$ 29,432,260,894	\$ 25,445,098,119
Debt Limit	\$ 2,589,265,667	\$ 2,969,436,213	\$ 2,943,226,089	\$ 2,544,509,812
Less: Net Debt applicable to the limit	340,740,185	487,045,173	467,407,399	456,775,922
Legal debt margin	\$ 2,248,525,482	\$ 2,482,391,040	\$ 2,475,818,690	\$ 2,087,733,890
Total net debt applicable to the limit as a percentage of debt	13.16%	16.40%	15.88%	17.95%

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

		For the Fisca	l Ye	ar Ending			
June 30, 2011 June 30, 2012 June 30, 2013		June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016		
·				·			
\$ 22,963,002,249	\$	22,466,159,275	\$	21,276,683,168	\$ 21,459,191,534	\$ 22,522,171,880	\$ 23,633,468,723
\$ 2,296,300,225 435,850,802	\$	2,246,615,928 414,129,351	\$	2,127,668,317 388,428,248	\$ 2,145,919,153 478,942,886	\$ 2,252,217,188 473,190,336	\$ 2,363,346,872 520,329,687
\$ 1,860,449,423	\$	1,832,486,577	\$	1,739,240,069	\$ 1,666,976,267	\$ 1,779,026,852	\$ 1,843,017,185
18 98%		18 43%		18.26%	22.32%	21.01%	22 02%

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

Fiscal Year	Estimated Population (1)	(th	Personal Income nousands of dollars) (5)	P	er Capita ersonal come (4)	Unemployment Rate (2)	Student Membership (3)
2016	497,909		N/A		N/A	5.3%	70,521
2015	485,331	\$	16,478,279	\$	33,953	6.1%	69,302
2014	475,502		15,679,803		32,975	8.1%	67,230
2013	470,391		15,735,511		33,452	9.9%	66,417
2012	466,457		14,974,427		32,102	9.0%	65,976
2011	464,697		13,790,695		29,236	11.7%	66,162
2010	437,500		13,635,875		29,113	13.2%	66,207
2009	439,702		12,750,465		27,628	12.5%	66,190
2008	438,668		12,750,465		29,066	8.1%	66,313
2007	434,425		13,304,700		30,626	3.4%	64,688

N/A = Data not currently available

Source: (1) U

- (1) US Census Bureau
- (2) US Bureau of Labor Statistics
- (3) District records
- (4) Pasco County Government
- (5) FL Office of Economic and Demographic Research

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

		2016		2007			
			Percentage of Total			Percentage of Total	
<u>Employer</u>	Rank	Employees	County Employment	Rank	Employees	County Employment	
District School Board of Pasco County	1	10,344	5.11%	1	8,675	4.73%	
Pasco County Government	2	3,851	1.90%	2	2,245	1.22%	
HCA Health Services of Florida	3	2,794	1.38%	5	1,000	0.54%	
State of Florida Government	4	1,225	0.61%	3	1,281	0.70%	
Pasco County Sheriff	5	1,198	0.59%	4	1,149	0.63%	
Saint Leo University	6	1,056	0.52%				
Wal-Mart Supercenters	7	1,012	0.50%				
Morton Plant North Bay Hosp./Recovery Center	8	985	0.49%				
Florida Medical Clinic	9	982	0.49%				
Florida Hospital Wesley Chapel	10	915	0.45%				
Regional Medical Center Bayonet Point				6	1,000	0.54%	
Community Hospital of New Port Richey				7	1,000	0.54%	
Saddlebrook Resort				8	720	0.39%	
Florida Hospital Zephyrhills				9	708	0.39%	
Pasco-Hernando State College				10	609	0.33%	
Total		24,362	12.04%		18,387	10.02%	

Source: Pasco Economic Development Council

District School Board of Pasco County 2007 CAFR

Ratio of

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

Fiscal Year	Instructional	Administrative	Other Support Personnel	Total	Instructional and Administrative Personnel to Students
2016	5,275	318	4,315	9,908	12.81
2015	5,205	307	4,201	9,713	12.57
2014	5,094	297	3,971	9,362	12.47
2013	5,179	294	3,597	9,070	12.14
2012	5,268	287	3,841	9,396	11.88
2011	5,412	314	4,085	9,811	11.55
2010	5,133	340	3,970	9,783	12.10
2009	6,261	329	4,310	9,210	10.04
2008	6,045	324	2,620	8,675	10.41
2007	5,746	321	2,306	8,373	10.66

Source: FL DOE EIAS Publications

District records

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

Fiscal <u>Year</u>	Minimum Salary (1)	Maximum <u>Salary (1)</u>	County Average Salary (2)	Statewide Average Salary (2)
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
2010	36,420	63,870	42,850	46,938
2009	36,420	63,870	43,901	46,655
2008	36,420	63,870	45,211	45,296
2007	35,300	61,750	43,472	42,702

Source:

- (1) District Records
- (2) Florida Department of Education

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

Fiscal <u>Year</u>	Average Daily <u>Membership</u>	Operating Expenditures (1)	Cost per <u>Student</u>	Percentage <u>Change</u>	Instructional <u>Staff</u>	Student Teacher <u>Ratio</u>	Percentage of Students Receiving Free or Reduced-Price Meals
2016	71,658	\$ 519,575,424	\$ 7,251	1.37%	5,275	13.58	56.13%
2015	69,302	495,701,633	7,153	2.34%	5,205	13.31	56.36%
2014	67,230	469,876,446	6,989	3.23%	5,094	13.20	55.53%
2013	66,417	449,649,188	6,770	-1.03%	5,179	12.82	55.00%
2012	65,976	451,316,247	6,841	0.43%	5,268	12.52	57.28%
2011	66,162	450,668,927	6,812	-0.93%	5,412	12.23	52.14%
2010	66,207	455,202,664	6,875	-7.53%	5,133	12.90	48.78%
2009	66,190	492,124,221	7,435	-0.34%	6,261	10.57	44.85%
2008	66,313	494,727,086	7,460	5.68%	6,045	10.97	44.36%
2007	64,688	456,679,581	7,060	9.53%	5,746	11.26	44.18%

⁽¹⁾ Operating expenditures include only General Fund expenditures.

Source: District records

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

		(Orladalica)					
					Full	Time Equivalen	ıt
	Place in	Square		Capacity	Eı	nrollment Data	
	Service (a)	Footage (b)	Portables	(Students)	2006-2007	2007-2008	2008-2009
Elementary Schools							
Anclote	1973	64,909	4	481	574.48	585.62	568.08
Calusa	1979	75,551	4	657	686.86	682.42	632.04
Centennial	1986	87,837	4	687	713.95	689.60	697.81
Chasco	2000	104,734	7	624	655.34	704.37	652.34
Chester W. Taylor	1996	96,454	12	536	842.44	827.22	599.12
Connerton	2010	118,741	_	762	=	-	=
Cotee River	1993	122,295	1	751	787.20	721.32	657.12
Cypress	1973	70,663	12	708	879.17	904.72	889.03
Deer Park	1988	78,637	7	615	650.38	632.70	648.37
Denham Oaks	1994	130,212	4	870	881.93	868.77	872.12
Double Branch	2008	105,122	6	762	-	723.47	763.21
Fox Hollow	1990	113,120	4	774	704.13	684.15	615.47
Gulf Highlands	2006	124,261	4	774 762	609.92	634.96	589.40
Gulf Trace	2008		_	762 762	007.72	231.98	563.17
		96,625			- (40.07		
Gulfside	1977	75,658	3	649	642.37	624.43	548.29
Hudson	1966	77,623	15	561	836.59	759.20	675.36
James M. Marlowe	1999	102,826	1	616	638.86	542.67	530.62
Lacoochee	1971	82,667	3	579	406.20	396.10	399.06
Lake Myrtle	1984	98,634	9	754	828.13	825.13	782.83
Longleaf	2005	104,502	15	674	809.65	893.19	943.09
Dr. Mary Giella	1989	89,354	3	634	614.11	656.98	631.46
Mittye P. Locke	1966	85,466	6	746	882.26	856.74	585.38
Moon Lake	1982	74,370	11	602	624.79	674.65	611.51
New River	2008	109,787	-	762	-	256.91	449.63
Northwest	1973	82,160	6	720	698.45	670.47	707.31
Oakstead	2006	126,143	24	762	730.76	1,000.33	1,096.17
Odessa	2010	97,687	-	762	-	-	-
Pasco	1954	92,802	4	715	684.04	661.28	650.22
Pine View	2003	99,191	9	624	725.37	716.19	721.16
Quail Hollow	1975	66,565	2	494	834.19	794.95	390.03
Richey	1958	77,103	10	558	654.02	623.48	600.02
Rodney B. Cox	1925	67,685	8	510	468.17	447.42	460.75
San Antonio	1981	89,860	2	776	694.46	689.54	724.58
Sand Pine	1998	82,033	16	517	1,043.65	749.86	707.03
Sanders Memorial	1944	33,670	1	280	733.34	854.25	745.26
Schrader	1972	90,253	1	749	562.53	569.85	625.07
Seven Oaks	2005	101,322	22	674	1,057.30	1,153.35	887.82
Seven Springs	1987	92,004		636	704.47	620.09	579.26
Shady Hills	1973	74,506	2	437	589.66	563.38	536.06
Sunray	2000	98,044	۷	629	865.61	577.86	533.01
=			0				
Trinity	2001	101,287 116,975	9	621 762	653.81	649.54	663.27 685.86
Trinity Oaks	2006		-		559.64	650.32	
Veterans	2008	95,730	-	762	-	-	726.44
Watergrass	2009	97,974	-	762	-	-	-
Wesley Chapel	2002	99,856	18	618	1,377.56	1,095.98	1,071.34
West Zephyrhills	1958	83,003	9	758	895.33	818.70	813.51
Woodland	1977	78,211	25	670	938.12	945.82	917.58
Total Elementary Schools					29,739.24	30,229.96	29,746.26

Middle Schools

Full-Time Equivalent Enrollment Data

Enrollment Data									
2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016			
574.60	539.34	512.51	531.84	597.97	576.02	415.40			
581.83	597.29	591.85	552.24	614.90	582.90	611.85			
653.01	670.28	644.00	581.24	641.11	519.58	481.20			
662.78	653.15	663.37	694.27	790.01	674.91	702.24			
611.35	532.22	577.48	541.19	567.85	519.93	504.38			
- (40.70	809.50	847.35	870.13	1,044.52	963.61	801.13			
619.73	603.90	540.11	586.82	732.95	622.38	669.98			
831.56	810.75	797.54	766.01	826.41	785.44	804.90			
677.73	671.86	642.78	604.63	581.30	581.85	579.13			
846.44	803.96	744.33	699.39	792.01	685.62	623.62			
798.68	808.39	810.32	837.35	965.60	862.23	894.83			
609.34	560.06	524.90	537.03	610.18	514.62	498.41			
592.77	552.29	532.72	541.09	620.71	535.74	590.86			
588.38	590.27	592.26	626.18	677.12	668.68	671.11			
554.88	541.33	542.97	527.87	591.28	516.90	465.27			
699.77	711.44	717.82	674.55	698.64	595.89	572.61			
508.46	498.20	501.41	443.23	453.08	403.20	438.07			
410.84	420.72	384.53	375.27	382.82	364.31	347.78			
832.77	782.25	730.81	669.57	750.06	647.89	611.50			
990.02	651.78	674.12	647.99	721.05	641.33	664.09			
649.01	647.39	621.79	614.45	711.56	643.90	657.65			
589.00	555.85	526.58	523.80	603.91	567.80	543.45			
665.65	726.45	656.84 571.90	671.33 594.40	726.69	571.53	568.85			
510.51	582.75			762.82	653.65	683.97			
656.62	642.88 974.99	624.11	625.89	776.65 1 260.66	665.23	630.06			
1,064.34	637.67	1,017.56 691.79	1,076.36 710.82	1,260.66 812.15	1,142.92 836.06	1,041.70 918.61			
631.16	638.28	621.12	666.33	716.92	640.24	650.14			
737.84	733.38	704.31	735.28	710.92 764.97	623.24	550.51			
380.95	399.04	370.77	345.23	704.97	023.24	385.16			
620.77	581.41	580.95	591.52	666.87	605.66	621.79			
413.01	378.46	360.75	369.23	411.66	393.74	378.06			
646.69	660.75	682.60	636.18	709.08	610.35	625.66			
701.02	672.20	661.58	633.56	663.64	573.99	610.31			
725.74	072.20	-	-	-	575.77	708.28			
587.90	552.92	543.04	536.14	587.85	594.09	622.25			
928.79	932.35	933.80	950.81	1,088.11	1,083.04	1,112.34			
571.16	549.23	530.81	529.89	547.25	514.23	479.25			
505.15	459.60	424.80	415.72	-	-	487.26			
523.23	541.80	539.64	524.65	538.71	513.55	549.92			
699.92	531.68	497.99	524.47	623.14	581.61	607.43			
729.63	721.54	707.72	690.95	755.83	713.37	725.04			
765.82	815.70	805.46	802.90	884.72	794.85	802.79			
472.38	487.05	504.21	563.65	804.81	782.34	615.24			
589.01	579.82	591.37	621.56	868.26	812.39	632.85			
750.10	767.94	764.74	789.28	864.26	799.37	825.24			
924.14	866.69	853.97	850.97	958.35	904.12	946.57			
29,684.48	29,446.80	28,963.38	28,903.26	31,768.44	28,884.30	29,928.74			

(continued)

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

		_			Full-Time Equivalent			
	Place in	Square	Dantalalaa	Capacity		nrollment Data	2000 2000	
Middle Schools	Service (a)	Footage (b)	Portables	(Students)	2006-2007	2007-2008	2008-2009	
Bayonet Point	1973	133,360	5	1,000	985.50	975.00	1,005.52	
Centennial	2001	115,614	6	686	652.80	660.36	659.14	
Charles S. Rushe	2007	192,785	11	1,494	-	1,223.93	1,279.33	
Chasco	2001	134,642	4	944	888.52	855.84	869.92	
Crews Lake	2008	192,206	-	1,493	-	-	666.70	
Dr. John Long	2006	187,602	23	1,475	1,263.58	1,534.60	1,653.75	
Gulf	1964	167,643	3	1,546	949.17	935.59	919.45	
Hudson	1984	148,691	5	1,168	1,195.56	1,186.12	892.03	
Pasco	1946	136,864	10	1,124	756.11	707.82	720.33	
Paul R. Smith	2006	187,602	-	1,430	915.92	899.50	917.81	
Pine View	1977	138,136	6	1,280	1,871.85	898.10	885.29	
Raymond B. Stewart	1926	186,071	5	1,195	1,003.34	1,017.92	1,014.75	
River Ridge (c)	1990	-	12	1,380	1,467.56	1,421.79	1,149.35	
Seven Springs	1995	224,939	5	1,500	1,307.65	1,329.30	1,381.79	
Thomas E. Weightman	1990	162,472	10	1,083	1,074.60	1,057.25	1,073.09	
Total Middle Schools					14,332.16	14,703.12	15,088.25	
Education Centers								
Energy & Marine	1964	13,287	-	75	74.72	66.47	82.27	
F. K. Marchman Tech	1984	177,967	5	749	450.10	454.04	397.77	
Harry Schwettman	1923	28,351	4	155	109.54	128.12	158.17	
James Irvin	1995	22,214	20	500	107.25	107.76	110.00	
Moore Mickens	1952	73,442	4	513	198.50	207.55	200.73	
Other Programs	n/a	n/a	-	n/a	829.14	858.02	893.76	
Total Education Centers					1,769.25	1,821.96	1,842.70	
High Schools								
Anclote	2009	222,463	-	1,766	=	-	-	
Fivay	2010	278,342	-	1,922	-	=	-	
Gulf	1971	240,232	7	1,617	1,681.49	1,676.71	1,654.55	
Hudson	1973	185,238	5	1,694	1,604.57	1,601.01	1,542.26	
J. W. Mitchell	2000	220,930	26	1,951	2,423.92	2,458.87	2,388.46	
Land O' Lakes	1973	207,212	16	1,596	2,499.67	1,687.95	1,465.35	
Pasco	1964	241,858	18	1,554	1,280.16	1,244.55	1,230.23	
Ridgewood	1977	195,139	12	1,542	1,846.46	1,824.09	1,752.22	
River Ridge (c)	1990	446,228	7	1,970	1,935.79	1,933.85	1,881.95	
Sunlake	2007	218,643	-	1,787	-	1,115.57	1,433.25	
Wesley Chapel	1999	217,180	3	1,547	1,789.58	1,569.29	1,290.21	
Wiregrass Ranch	2006	218,690	18	1,764	715.01	1,316.77	1,813.07	
Zephyrhills	1973	217,998	15	1,444	1,597.89	1,624.66	1,524.86	
Total High Schools					17,374.54	18,053.32	17,976.41	

Middle Schools

Full-Time Equivalent Enrollment Data

	Enrollment Data									
2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016				
947.24	822.68	781.17	769.27	736.24	700.15	515.28				
664.91	668.89	675.20	643.13	629.92	559.65	552.78				
1,317.04	1,329.22	1,283.69	1,302.23	1,284.12	1,306.24	1,365.71				
791.23	764.44	740.46	741.89	730.59	683.57	819.86				
683.16	819.51	792.16	755.10	1,226.87	1,191.32	628.80				
1,705.56	1,778.26	1,538.44	1,609.63	1,617.68	1,675.59	1,725.23				
878.77	874.74	845.93	823.45	827.18	706.80	780.30				
864.90	869.61	850.69	802.90	783.49	733.96	735.64				
717.11	725.71	866.67	851.18	922.49	909.30	901.40				
937.36	1,017.48	1,050.05	1,054.24	1,080.12	999.58	979.31				
877.43	823.42	847.56	903.37	925.71	916.54	895.56				
970.64	950.57	1,027.45	1,063.36	992.98	965.99	920.33				
1,131.99	1,060.62	1,064.96	1,056.95	1,168.70	1,099.45	1,069.18				
1,358.92	1,288.22	1,302.63	1,362.97	1,383.08	1,415.36	1,523.27				
1,048.49	1,075.54	1,137.23	1,211.74	1,249.98	1,129.51	1,121.96				
14,894.75	14,868.91	14,804.29	14,951.41	15,559.15	14,993.01	14,534.61				
392.28	335.39	275.55	224.17	258.55	209.59	131.48				
86.28	106.80	128.08	126.03	125.15	129.67	131.42				
71.09	107.02	103.04	99.24	121.85	90.24	137.96				
184.90	163.51	148.80	143.78	150.56	101.94	-				
813.09	1,082.05	1,381.08	1,541.93	2,241.33	2,077.25	2,207.33				
1,547.64	1,794.77	2,036.55	2,135.15	2,897.44	2,608.69	2,608.19				
913.35	1,155.12	1,140.05	1,202.70	1,290.68	1,284.84	1,272.23				
-	1,206.52	1,496.63	1,479.13	1,454.15	1,186.25	1,230.19				
1,382.12	1,286.34	1,224.47	1,188.19	1,226.20	1,108.02	1,154.81				
1,505.06	1,126.44	1,086.02	1,088.98	1,278.34	1,165.70	1,110.44				
1,832.02	1,660.55	1,657.86	1,631.13	1,677.98	1,698.09	1,798.21				
1,486.85	1,518.99	1,558.24	1,551.39	1,604.11	1,597.88	1,640.06				
1,233.96	1,228.31	1,293.52	1,348.07	1,349.65	1,486.56	1,636.45				
1,765.37	1,188.49	1,037.44	1,038.30	1,079.88	1,023.36	1,011.42				
1,823.88	1,508.65	1,452.96	1,422.63	1,415.17	1,386.23	1,464.42				
1,507.19	1,529.25	1,485.55	1,507.45	1,708.11	1,617.98	1,682.89				
1,305.37	1,277.51	1,325.06	1,414.52	1,524.22	1,451.59	1,505.49				
1,960.21	2,035.56	1,952.62	1,922.33	2,078.44	2,130.73	2,146.44				
1,509.82	1,457.96	1,466.19	1,433.50	1,531.69	1,420.58	1,435.16				
18,225.20	18,179.69	18,176.61	18,228.32	19,218.62	18,557.81	19,088.21				

(continued)

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

					Full-	Time Equivaler	nt
	Place in	Square		Capacity	Er	rollment Data	
	Service (a)	Footage (b)	Portables	(Students)	2006-2007	2007-2008	2008-2009
Charter Schools							
Academy at the Farm	n/a	n/a	n/a	n/a	255.79	289.00	284.00
Athenian Academy	n/a	n/a	n/a	n/a	106.50	215.00	258.50
Classical Preparatory	n/a	n/a	n/a	n/a	-	-	-
Countryside Monetssori	n/a	n/a	n/a	n/a	153.50	151.00	180.02
Dayspring Academy	n/a	n/a	n/a	n/a	403.92	404.00	416.06
Deerwood Academy	n/a	n/a	n/a	n/a	-	-	-
Imagine School	n/a	n/a	n/a	n/a	-	-	397.50
Language Academy	n/a	n/a	n/a	n/a	87.00	-	-
Learning Lodge	n/a	n/a	n/a	n/a	-	-	-
Pepin Academies	n/a	n/a	n/a	n/a	-	-	-
Richard Milburn Academy	n/a	n/a	n/a	n/a	154.01	-	-
Total Charter Schools					1,160.72	1,059.00	1,536.08
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					64,375.91	65,867.36	66,189.70

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

Source: District Records

⁽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.

Full-Time Equivalent Enrollment Data

2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
2007-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2013	2013-2010
378.00	379.34	381.50	389.84	501.16	440.63	550.61
276.64	318.00	328.99	391.46	439.89	366.75	354.60
-	-	-	-	-	310.37	410.38
203.50	209.00	213.50	232.00	286.78	270.58	292.23
458.03	490.00	524.33	552.28	695.23	606.57	641.73
	-	-	-			
538.50	475.56	546.92	633.60	772.19	704.69	721.72
-	-	-	-	-	- 170.00	-
-	-	-	-	-	170.03	210.29
-	-	-	-	-	202.68	269.80
1,854.67	1,871.90	1,995.24	2,199.18	2,695.25	3,072.30	3,451.36
-	-	-	=	-	-	-
=	=	-	-	-	-	=
-	-	-	-	-	-	-
-	-	-	-	-	-	-
=	=	-	-	-	-	=
-	-	-	-	-	-	-
-	-	-	-	-	-	-
66,206.74	66,162.07	65,976.07	66,417.32	72,138.90	68,116.11	69,611.11

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SINGLE AUDIT REPORT



AUDITOR GENERAL STATE OF FLORIDA

Claude Denson Pepper Building, Suite G74 111 West Madison Street Tallahassee, Florida 32399-1450



Phone: (850) 412-2722 Fax: (850) 488-6975

The President of the Senate, the Speaker of the House of Representatives, and the Legislative Auditing Committee

INDEPENDENT AUDITOR'S 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

We have audited, 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, the 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 Pasco County District School Board, as of and for the fiscal year ended June 30, 2016, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 16, 2016, included under the heading **INDEPENDENT AUDITOR'S REPORT**. Our report includes a reference to other auditors who audited the financial statements of the aggregate discretely presented component units, as described in our report on the District's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

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

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material

misstatement of the District's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

The results of our operational audit of the District will be presented in a separate report.

Purpose of this Report

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

Respectfully submitted,

Sherrill F. Norman, CPA

Tallahassee, Florida December 16, 2016

Audit Report No. 2017-082



AUDITOR GENERAL STATE OF FLORIDA

Claude Denson Pepper Building, Suite G74 111 West Madison Street Tallahassee, Florida 32399-1450



Phone: (850) 412-2722 Fax: (850) 488-6975

The President of the Senate, the Speaker of the House of Representatives, and the Legislative Auditing Committee

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR THE MAJOR FEDERAL PROGRAM AND REPORT ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE

Report on Compliance for the Major Federal Program

We have audited the Pasco County District School Board's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on the District's major Federal program for the fiscal year ended June 30, 2016. The District's major Federal program is identified in the **SUMMARY OF AUDITOR'S RESULTS** section of the accompanying **SCHEDULE OF FINDINGS AND QUESTIONED COSTS**.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for the District's major Federal program 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 the major Federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on the Major Federal Program

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

Other Matters

The results of our auditing procedures disclosed an instance of noncompliance, which is required to be reported in accordance with Uniform Guidance and which is described in the accompanying **SCHEDULE OF FINDINGS AND QUESTIONED COSTS** as Federal Awards Finding No. 2016-001. Our opinion on the major Federal program is not modified with respect to this matter.

District's response to the noncompliance finding identified in our audit is included as District Response in Federal Awards Finding No. 2016-001 and in the **CORRECTIVE ACTION PLAN**. District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

District management 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 the major Federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for the 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 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 and, therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any

deficiencies in internal control over compliance that we consider to be material weaknesses. However, we identified a certain deficiency in internal control over compliance, as described in the accompanying **SCHEDULE OF FINDINGS AND QUESTIONED COSTS** as Federal Awards Finding No. 2016-001, that we consider to be a significant deficiency.

District's response to the internal control over compliance finding identified in our audit is included as District Response in Federal Awards Finding No. 2016-001 and in the **CORRECTIVE ACTION PLAN**. District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

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.

Respectfully submitted,

Sherrill F. Norman, CPA

Tallahassee, Florida December 16, 2016

Audit Report No. 2017-082

DISTRICT SCHOOL BOARD OF PASCO COUNTY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS For the Fiscal Year Ended June 30, 2016

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	15002 \$	5,317,878 \$	_
National School Lunch Program	10.555	15001, 15003	18,780,943	-
Summer Food Service Program for Children	10.559	14006, 14007,	,,	
		15006, 15007	809,116	
Total Child Nutrition Cluster		<u>-</u>	24,907,937	<u>-</u>
Fresh Fruit and Vegetable Program	10.582	15004	43,382	-
Florida Danartmant of Haalth			_	
Florida Department of Health Child Care Food Program	10.558	A-4501	1,367,726	_
•	10.550	A-4501		
Total United States Department of Agriculture		-	26,319,045	-
United States Department of Education: Direct:				
Federal Pell Grant Program	84.063	N/A	687,795	271,644
Total Direct			687,795	271,644
Indirect: Special Education Cluster:				
Special Education - Grants to States				
Florida Department of Education	84.027	263	16,273,910	_
University of South Florida	84.027	none	750	-
Total Special Education - Grants to States			16,274,660	-
Special Education - Preschool Grants				
Florida Department of Education	84.173	267	361,468	<u>-</u>
Total Special Education Cluster			16,636,128	-
		·		
Florida Department of Education:	04.000	404 400	500 500	
Adult Education - Basic Grants to States Program	84.002	191, 193	582,523	-
Title I Grants to Local Educational Agencies	84.010	212, 223, 226	14,605,614	-
Migrant Education - State Grant Program Career and Technical Education - Basic Grants to States	84.011 84.048	217 161	145,609 663,843	-
Education for Homeless Children and Youth	84.196	127	117,452	-
Charter Schools	84.282	298	1,033,843	1,033,843
Twenty-First Century Community Learning Centers	84.287	244	750,312	-
English Language Acquisition State Grants	84.365	102	267,826	-
Improving Teacher Quality State Grants	84.367	224	1,836,051	<u>-</u>
Total Indirect		•	36,639,201	1,033,843
Total United States Department of Education		-	37,326,996	1,305,487
Total States Department of Education		-	01,020,000	
				(continued)

DISTRICT SCHOOL BOARD OF PASCO COUNTY SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS For the Fiscal Year Ended June 30, 2016

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:					
Head Start	93.600	N/A	\$_	6,705,703	\$ -
Total United States Department of Health and Human Services			-	6,705,703	
United States Department of Defense: Direct:					
Junior Reserve Officers Training Corps - Air Force	None	N/A		64,734	-
Junior Reserve Officers Training Corps - Army	None	N/A		220,118	-
Junior Reserve Officers Training Corps - Navy	None	N/A	_	372,354	
Total United States Department of Defense			-	657,206	
Total Expenditures of Federal Awards			\$ _	71,008,950	\$ 1,305,487

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, 2016. 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 has not elected to use the 10 percent de minimis cost rate allowed under the Uniform Guidance.
- (4) Noncash Assistance
 - (A) <u>National School Lunch Program</u> Includes \$2,040,036 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 \$461,364 for grant number/program year 04CH307047 and \$6,244,339 for grant number/program year 04CH01018301.
- (6) Total expenditures for ROTC programs, including the portion funded by the District, are \$1,344,333.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with

GAAP:

Unmodified

Internal control over financial reporting:

Material weakness(es) identified?

No

Significant deficiency(ies) identified?

None reported

Noncompliance material to financial statements noted?

No

Federal Awards

Internal control over major Federal program:

Material weakness(es) identified?

No

Significant deficiency(ies) identified?

Yes

Yes

Type of auditor's report issued on compliance for major

Federal program:

Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?

•

CFDA Numbers:

Name of Federal Program or Cluster:

84.027 and 84.173

Identification of major program:

Special Education Cluster

Dollar threshold used to distinguish between

type A and type B programs:

\$2,130,268

Auditee qualified as low risk auditee?

Yes

FEDERAL AWARDS FINDING AND QUESTIONED COSTS

U.S. DEPARTMENT OF EDUCATION

2016-001 **Finding Number CFDA Number** 84.027

Program Title Special Education - Grants to States

Compliance Requirement Special Tests and Provisions - Access to Federal Funds for New or Significantly

Expanded Charter Schools

Pass-Through Entity Florida Department of Education (FDOE) Federal Grant/Contract

H027A150024 - 2016 **Number and Grant Year** Statistically Valid Sample Not Applicable

Finding Type Noncompliance and Significant Deficiency

Questioned Costs \$28,080 **Prior Year Finding** Not Applicable

Finding The District did not comply with Federal regulations by allocating additional Special Education Program funds totaling \$28,080 to a charter school within

5 months of the date that the charter school significantly expanded enrollment.

Criteria Title 34, Section 76.793, Code of Federal Regulations, requires that, for each eligible charter school that significantly expands enrollment on or before November 1 of an academic year, the District allocate Program funds to the charter school within 5 months of the date that the charter school significantly

expands enrollment.

During the 2015-16 fiscal year, the District allocated \$16,777,445 in Program funds to District schools, including \$147,014 allocated to nine charter schools based on their 2014-15 fiscal year unweighted full-time equivalent (FTE) student

counts.

Our examination of District records supporting the FTE student counts for the nine charter schools as of October 2015 disclosed that five charter schools had significantly expanded enrollment from the 2014-15 fiscal year. Based on District records, the District appropriately provided services equal to or greater than the required allocations for the expanded enrollment for four of the five charter schools. However, for one charter school, student enrollment expanded from 204 FTE in the 2014-15 school year to 269 FTE in October 2015, representing an increase of 65 FTE (32 percent), and the District did not provide additional

funding for the expanded enrollment during the 2015-16 fiscal year.

The Board-approved charter school grant agreement provided for a \$432 per FTE allocation and the District was required to provide to the charter school additional funding of \$28,080 (65 FTE times \$432) within 5 months after the District was notified of the significantly expanded enrollment in October 2015, or no later than March 2016. Subsequent to our inquiry, in November 2016, the District provided

the additional funding of \$28,080 to the charter school.

District written procedures require that the initial enrollments be reviewed following the October FTE survey and school funding be adjusted accordingly;

however, District personnel indicated that the procedures were inadvertently not

followed.

Absent adherence to established procedures designed to timely allocate required Special Education Program funding to charter schools that significantly expand

enrollment, Program students may not receive necessary educational services.

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Condition

Cause

Effect

Recommendation

The District should adhere to established procedures and ensure that required Special Education Program funding is timely allocated to charter schools that significantly expand enrollment.

District Response

Once the District was made aware of the error, the District immediately provided the charter school with notification of the additional IDEA funds available from FY 2015-16. Invoices were submitted by the charter school and reimbursement was provided by the District on November 4, 2016.

PRIOR AUDIT FOLLOW-UP

There were no financial or Federal Awards findings in the prior audit report. Follow-up of operational findings noted in the previous audit reports will be presented in a separate audit report.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

The District did not have prior audit findings required to be reported under 2 CFR 200.511.

CORRECTIVE ACTION PLAN

Pasco County District School Board Management's Corrective Action Plan For the Fiscal Year Ended June 30, 2016

Finding Number: 2016-001

Planned Corrective Action: November 2016

Anticipated Completion Date: November 2016 and Ongoing

Responsible Contact Person: Melissa Musselwhite, Director of Student Support Programs

and Services

James Class, Senior Finance Manager

Federal Awards Finding and Questioned Costs

Federal Awards Finding No. 2016-001: The District did not comply with Federal regulations by allocating additional Special Education Program funds totaling \$28,080 to a charter school within 5 months of the date that the charter school significantly expanded enrollment.

Response:

Once the District was made aware of the error, the District immediately provided the charter school with notification of the additional IDEA funds available from FY 2015-16. Invoices were submitted by the charter school and reimbursement was provided by the District on November 4, 2016.

Corrective Action Plan:

Procedures have been updated to ensure the initial IDEA funds allocation is based on the projections for the upcoming year and allocation adjustments will be made based on actual enrollment after the October FTE survey but within the required time frame. Additionally, the Finance Services Department has updated procedures to review any charter schools which significantly expand enrollment prior to November 1 and to notify the grant administrator to allocate the additional funds in a timely manner.