School Board of Sarasota County, Florida



Comprehensive Annual Financial Statement Report

For the Fiscal Year Ended June 30, 2018

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

Sarasota, Florida

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2018

Prepared By:
Financial Services Department

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Comprehensive Annual Financial Report
For the Year Ended June 30, 2018

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SARASOTA County Schools

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1960 Landings Blvd., Sarasota, FL 34231
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December 04, 2018

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

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) of the School Board of Sarasota County, Florida (District) for the fiscal year ended June 30, 2018. State law requires that all school districts publish within nine months of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States (GAAP) and audited in accordance with generally accepted auditing standards by an independent certified public accountant. Pursuant to that requirement, we hereby issue the comprehensive annual financial report of the District for the fiscal year ended June 30, 2018.

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

The District's financial statements have been audited by the State of Florida Auditor General. The goal of the independent audit is to provide reasonable assurance that the basic financial statements of the District for the fiscal year ended June 30, 2018, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded that there was a reasonable basis for rendering unmodified opinions that the District's financial statements for the fiscal year ended June 30, 2018, are fairly presented in conformity with GAAP. The report of independent auditor is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the District was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The District is required to undergo an annual single audit in conformity with the provisions 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 Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. Information related to this single audit, including the schedule of expenditures of federal awards, findings and questioned costs, summary of prior audit findings, and the independent auditor's report on the system of internal control and on compliance with applicable requirements, are included in the single audit section.

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

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

Profile of the Government

The District and its governing board were created pursuant to Section 4, Article IX of the Constitution of the State of Florida. The District is an independent taxing and reporting entity managed, controlled, operated, administered and supervised by the District school officials in accordance with Chapter 1001, Florida Statutes. The Board consists of five elected officials responsible for the adoption of policies, which govern the operation of District public schools. The appointed Superintendent of Schools (Superintendent) is the secretary and executive officer of the Board and is responsible for the administration and management of the schools within the applicable parameters of Florida Statutes, State Board of Education Rules, and School Board policies. The Superintendent is also specifically delegated the responsibility of maintaining a uniform system of records and accounts in the District by State Board of Education Rule 6A-1.001, Florida Administrative Code.

Geographic boundaries of the District correspond with those of Sarasota County. During the 2017-18 fiscal year, the District operated 53 schools, including 23 elementary schools, 7 middle schools, 6 high schools, 11 charter schools, 1 technical center and 5 other types of schools, such as a virtual school and an all gifted school for grades 2 through 12.

The District receives the majority of its operating funds through a State funding formula that is intended to equalize funding received from the State and local property tax between school districts within the State. Charter schools operate through a contract with the District and are provided with the proportionate share of these funds, based upon the number of full-time equivalent students enrolled at the charter school. The District provided a full range of educational programs, including kindergarten through 12^{th} grade basic and enriched programs, and exceptional student education to 42,668 unweighted full-time equivalent students. Student enrollment is expected to increase by 2.0, 0.9 and 1.2 percent each in fiscal years ending June 30, 2019, 2020, and 2021, respectively. The District also provides career technical and adult education programs.

Economic Condition and Outlook

Sarasota County is part of the Sarasota-Bradenton-Venice Metropolitan Statistical Area (MSA) along with Manatee County. According to the Bureau of Economic and Business Research at the University of Florida, the 2018 population of Sarasota County was 417,442 and is projected to be 509,002 by 2040 and 522,595 by 2045.

Based upon the latest survey by the U.S. Census Bureau, the population of Sarasota County has increased 16.4 percent from 2000 to 2010 compared to the State of Florida which increased 17.6 percent. The population of the County differs significantly from the State. The largest age group, at 36.1 percent, are persons 65 years and older. The State average for this age group is 20.1 percent. The average household size is 2.11 and the average household income is $59,013 as of 2016. The American Community Survey done by the U.S. Census Bureau shows 92.6 percent of the County residents

were high school graduates and 33.1 percent had a bachelor's degree or higher. Persons without federally mandated health insurance, under age 65 years are 15.7 percent.

The District recognizes that the continued enhancement of the local economy is of mutual benefit to both the District and the County and that an excellent system of public education is a significant factor in attracting new business and industry to the County. The County's unemployment rate has decreased to 3.7 percent in June 2018 from 3.9 percent in June 2017. In addition, sales tax revenues along with property values continue to rise with median home sales prices of $279,500 in June 2018 from $275,000 in June 2017. The District remains Sarasota County's largest employer, employing 5,788 full and part-time employees, including 3,043 teachers.

Financial Information

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

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

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

The District has a fund balance policy that specifies the unassigned fund balance in the General Fund will at a minimum be 7.5 percent of the total budgeted appropriations and transfers out. The District currently exceeds this policy with an unassigned fund balance at 11.2 percent.

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

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

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

On March 20, 2018, voters in Sarasota County voted by a 79 percent margin to continue the one-mill levy to preserve quality schools. This vote continued the tax levy that was originally passed by the voters in 2002. This vote allows the District to maintain existing programs and continues the District's commitment to quality education. This revenue source will continue until the fiscal year ended June 30, 2022.

Major Initiatives

Class Size Reduction Amendment

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

For the 2017-18 fiscal year, the District continued its efforts to meet the constitutional maximums for the three grade groupings at either the statutory school-wide or classroom-level. Based on the annual review by the Florida Department of Education, the District fully complied with the constitutional maximums in all classrooms.

Capital Outlay Program

During the 2017-18 fiscal year, the District Capital Outlay program focused primarily on the completion of the construction of Suncoast Technical College North Port, district security upgrades and renovation of Brentwood Elementary School. In October 2015, the District completed a Long-Range Growth Management Plan and an Educational

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

Accomplishments

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

Schools throughout Florida are held accountable and receive school grades based on the results of statewide assessments. The Florida Comprehensive Assessment Test (FCAT) began in fiscal year 1997-98 and transitioned to FCAT 2.0 and End of Course (EOC) Assessments in fiscal year 2010-11. Fiscal year 2013-14 marked the last year of the FCAT accountability program. Beginning in fiscal year 2014-15, Florida's assessment and accountability system was changed to Florida Standards Assessments (FSA). Reports from the Florida Department of Education reflect that this year 19 schools received a grade of 'A', 13 received a grade of 'B', and 6 received a grade of 'C'. The District has received an overall grade of 'A'.

The Florida Department of Education provides a grading report for all public schools in the state and for each of the 67 school districts as part of their school accountability report. The District has again received an 'A' grade and ranks fourth in the state in terms of student achievement for the 2017-18 fiscal year. The District is also one of two school districts to have received a grade of 'A' every year since 2004.

The District met or exceeded National and Florida averages for 2018 high school graduates on college admission examinations. A comparison of the average scores is reflected in the table below.

Examination	Sarasota	National	Florida
ACT Composite	21.9	20.8	19.9
SAT:			
Reading and Writing	603	549	547
Math	589	546	523

Sixty percent of Sarasota District teachers have earned Master's degrees or higher.
The School Board of Sarasota County has 31 teachers that have successfully completed the rigorous and time-intensive program of the National Board of

Professional Teaching Standards. To achieve the highly esteemed National Certification, teachers are required to provide a portfolio of information regarding teaching styles, examples of work performed by students, and successfully pass an examination.

Awards and Acknowledgements

The Government Finance Officers Association of the United States and Canada (GFOA) awarded to the District a Certificate of Achievement for Excellence in Financial Reporting and the Association of School Business Officials (ASBO) awarded an International Certificate of Excellence in Financial Reporting for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2017. This was the fourteenth consecutive year that the District has received these prestigious awards. In order to be awarded the Certificate of Achievement for Excellence in Financial Reporting and the Certificate of Excellence in Financial Reporting, the District must publish an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

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

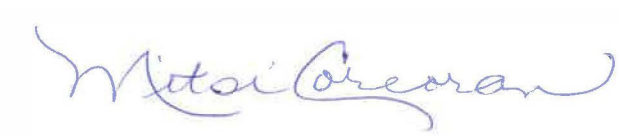
The preparation of this CAFR could not have been accomplished without the commitment and dedication of the Financial Services Department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report.

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

Respectfully submitted,



Todd Bowden
Superintendent



Mitsi Corcoran
Chief Financial Officer

LIST OF PRINCIPAL OFFICIALS – ELECTED



Mrs. Bridget Ziegler, Chair
Term expires November 2018

Ms. Jane Goodwin, Vice Chair
Term expires November 2018

Mrs. Caroline Zucker
Term expires November 2020

Mrs. Shirley Brown
Term expires November 2018

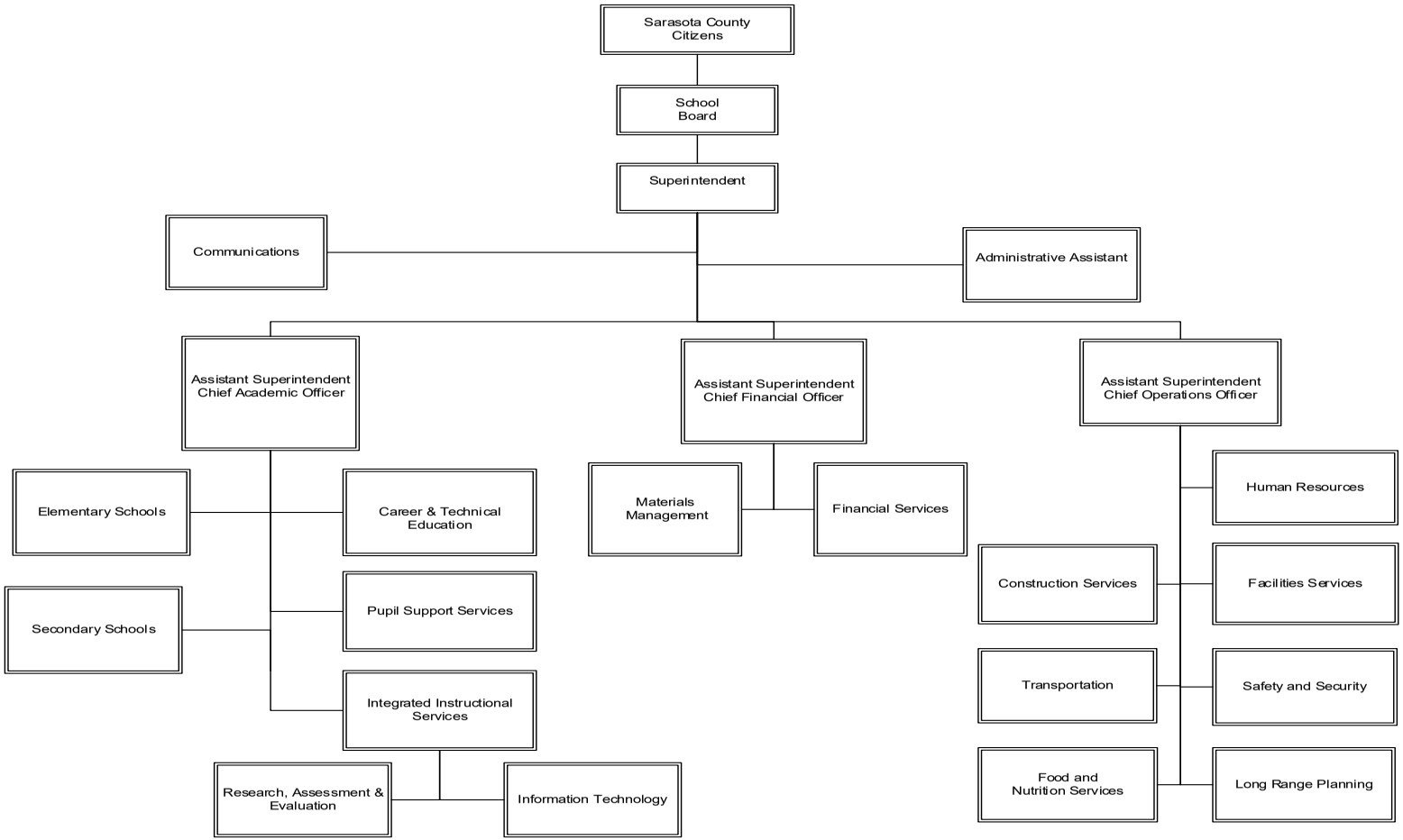
Mr. Eric Robinson
Term expires November 2020

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

LIST OF PRINCIPAL OFFICIALS – APPOINTED

Dr. Todd Bowden	**Superintendent**
Mr. Scott Lempe	**Assistant Superintendent Chief Operations Officer**
Mrs. Mitsi Corcoran	**Assistant Superintendent Chief Financial Officer**
Dr. Laura Kingsley	**Assistant Superintendent Chief Academic Officer**
Mr. Chris Renouf	**Executive Director Elementary Schools**
Mr. Steve Cantees	**Executive Director Middle and High Schools**
Mrs. Sonia Figaredo-Alberts	**Executive Director Pupil Support Services**
Dr. Natalie Roca	**Executive Director Integrated Instructional Services**
Dr. Ron Dipillo	**Executive Director Career and Technical Education**
Mr. Roy Sprinkle	**Executive Director Human Services**
Mr. Joe Binswanger	**Director Information Technology**
Mrs. Tracey Beeker	**Director Communications**

The School Board of Sarasota County, Florida
Organizational Chart
June 30, 2018



ASSOCIATION OF SCHOOL BUSINESS OFFICIALS INTERNATIONAL

The Certificate of Excellence in Financial Reporting
is presented to

The School Board of Sarasota County, Florida

for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2017.

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

CERTIFICATE OF EXCELLENCE IN FINANCIAL REPORTING

Charles E. Peterson, Jr., SFO, RSBA, MBA
President

John D. Musso, CAE
Executive Director



Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

School Board of Sarasota County

Florida

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2017

Christopher P. Morrill

Executive Director/CEO

School Board of Sarasota County, Florida

SARASOTA
County Schools

Comprehensive Annual Financial Statement Report

For the Fiscal Year Ended June 30, 2018

FINANCIAL SECTION

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AUDITOR GENERAL
STATE OF FLORIDA

Sherrill F. Norman, CPA
Auditor General

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Sarasota County District School Board, as of and for the fiscal year ended June 30, 2018, 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 school internal funds, which represent 8 percent of the assets and 19 percent of the liabilities of the aggregate remaining fund information. In addition, 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 opinions, insofar as they relate to the amounts included for the school internal funds and the aggregate discretely presented component units, are 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Sarasota County District School Board, as of June 30, 2018, 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.

Emphasis of Matter

As discussed in Note 1. to the financial statements, the District implemented Governmental Accounting Standards Board Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which is a change in accounting principle that addresses accounting and financial reporting for other postemployment benefits. This affects the comparability of amounts reported for the 2017-18 fiscal year with amounts reported for the 2016-17 fiscal year. Our opinion is not modified with respect to this matter.

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's Total OPEB Liability and Related Ratios**, **Schedule of the District's Proportionate Share of The Net Pension Liability – Florida Retirement System Pension Plan**, **Schedule of District Contributions – Florida Retirement System Pension Plan**, **Schedule of the District's Proportionate Share of The Net Pension Liability – Health Insurance Subsidy Pension Plan**, and **Schedule of District Contributions – Health Insurance Subsidy 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 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 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 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 our report dated December 4, 2018, 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 the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Respectfully submitted,



Sherrill F. Norman, CPA
Tallahassee, Florida
December 4, 2018
Audit Report No. 2019-074

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

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

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2017-18 fiscal year are as follows:

- General revenues totaled $529,453,978, or 90 percent of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions totaled $57,647,583, or 10 percent. Total revenues increased by $14,862,583 from $572,238,978 in fiscal year 2016-17 to $587,101,561 in fiscal year 2017-18. The change is primarily attributed to the increase in the state funding of the Best and Brightest Teacher Scholarship Program and through property tax revenues.

- Expenses totaled $575,158,293, only $57,647,583 of these expenses were offset by program specific charges, with the remainder paid from general revenues. Total revenues exceeded total expenses by $11,943,268. Total expenses increased $47,622,842 or 9 percent, from $527,535,451 in fiscal year 2016-17. This change is primarily attributed to an average 3.75 percent negotiated salary settlement, increased benefits costs, temporary electric rate increases, security upgrades and Hurricane Irma related expenditures.

- The expenses in the District's proprietary funds increased by $2,530,966 from $50,803,403 in fiscal year 2016-17 to $53,334,369 in fiscal year 2017-18. Charges for services revenues increased by $2,234,944 from $54,286,605 in fiscal year 2016-2017 to $56,521,549 in fiscal year 2017-18. This change is primarily attributed to an increase in self-insured medical claims as a result of an increased number of participants.

- The unassigned fund balance of the General Fund, representing the net current financial resources available for general appropriation by the Board, totaled $49,391,090 at June 30, 2018 or 11.2 percent of General Fund total budgeted appropriations and transfers out.

OVERVIEW OF THE FINANCIAL STATEMENTS

The basic financial statements consist of three components:

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

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

GOVERNMENT- WIDE FINANCIAL STATEMENTS

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

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

- Governmental activities – This represents most of the District's services including its educational programs: basic, vocational, adult and exceptional education. Support functions such as transportation and administration are also included. Local property taxes and the State's education finance program provide most of the resources that support these activities.

- Component units – The District presents ten separate legal entities in this report. Although legally separate organizations, the component units are included in this report because they meet the criteria for inclusion provided by generally accepted accounting principles. Nine of these organizations are charter schools. Financial information for these component units is reported separately from the financial information presented for the primary government. The Financing Corporation for the School Board of Sarasota County (Corporation), although also legally separate, was formed to facilitate financing for the acquisition of facilities and equipment. Due to the substantive economic relationship between the Board and the Corporation, the Corporation is included as an integral part of the primary government. Please refer to Note 1 to the basic financial statements for more information on the District's component units.

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

FUND FINANCIAL STATEMENTS

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

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

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

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

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

GOVERNMENT- WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position and provides a perspective of the District as a whole. The following is a summary of the District's net position as of June 30, 2018, compared to net position as of June 30, 2017:

Net Position, End of Year

	Governmental Activities			
	6/30/2018	6/30/2017	Increase (Decrease)	Percentage Change
Current and other assets	$ 274,315,848	$ 265,972,580	$ 8,343,268	
Capital assets, net	981,356,900	978,358,976	2,997,924	
Total assets	1,255,672,748	1,244,331,556	11,341,192	1%
Deferred outflows of resources	139,088,138	91,787,569	47,300,569	
Total deferred outflows	139,088,138	91,787,569	47,300,569	52%
Other liabilities	61,501,771	63,419,344	(1,917,573)	
Long-term liabilities, current	40,107,521	39,784,935	322,586	
Long-term liabilities, noncurrent	456,501,440	401,278,696	55,222,744	
Total liabilities	558,110,732	504,482,975	53,627,757	11%
Deferred inflows of resources	32,940,521	22,002,327	10,938,194	
Total deferred inflows	32,940,521	22,002,327	10,938,194	50%
Net investment in capital assets	831,134,795	816,565,183	14,569,612	
Restricted	100,681,123	104,981,610	(4,300,487)	
Unrestricted	(128,106,285)	(111,912,970)	(16,193,315)	
Total net position	$ 803,709,633	$ 809,633,823	$ (5,924,190)	-1%

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

As a result of implementing GASB 68, *Accounting and Financial Reporting for Pensions* and GASB 75*, Accounting and Financial Reporting for Postemployment Benefits (OPEB) Other Than Pensions,* the unrestricted portion of the District's net position as of June 30, 2018 and June 30, 2017 reflects a negative balance. The net pension and OPEB liabilities and deferred outflows and inflows related to pensions and OPEB represents more than 100 percent of the negative unrestricted net position. Thus, the unrestricted net position excluding pensions and OPEB as of June 30, 2018 and June 30, 2017 is $62,380,839 and $48,539,291 respectively.

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

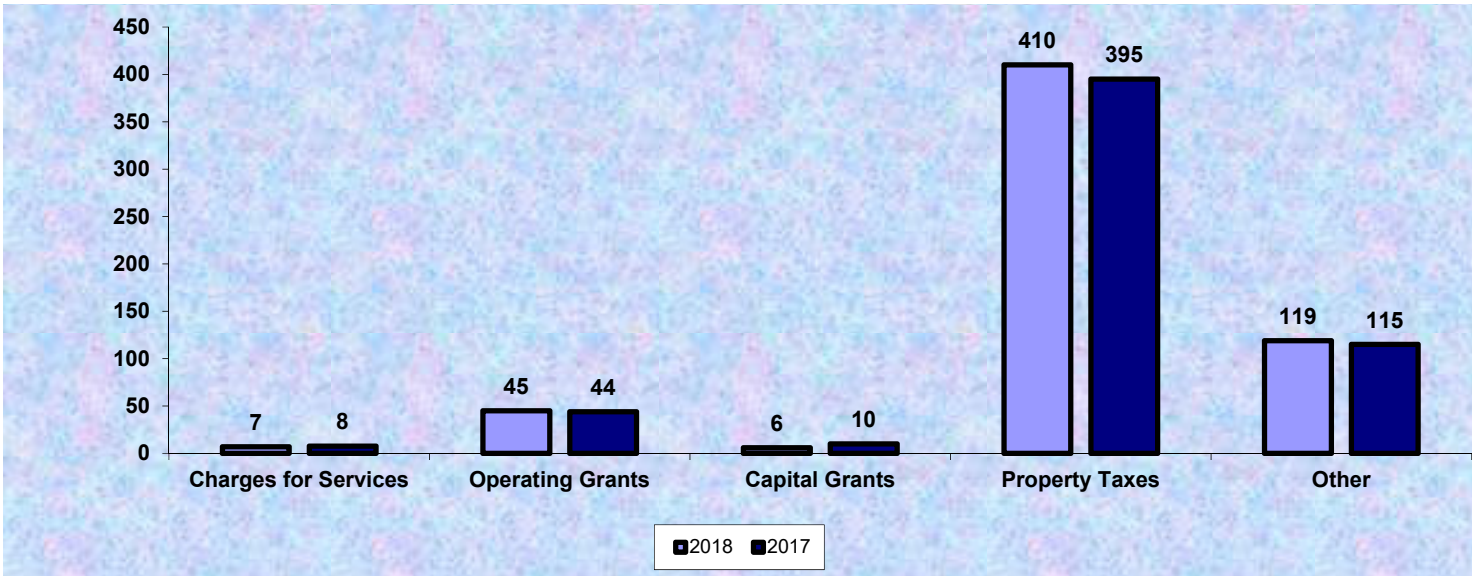
The key elements of the changes in the District's net position for the fiscal years ended June 30, 2018, and June 30, 2017, are shown in the following table and graphs:

Changes in Net Position from Operating Results

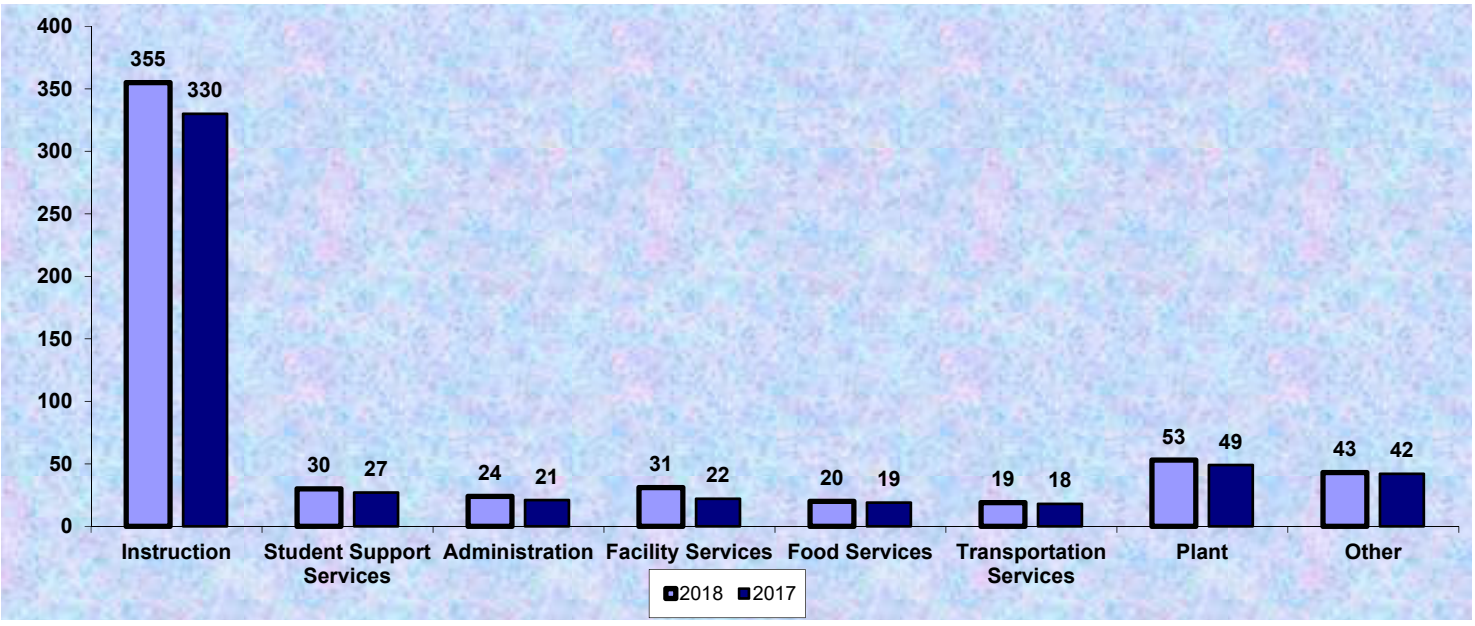
	Governmental Activities			
	6/30/2018	6/30/2017	Increase (Decrease)	Percentage Change
Revenues:				
Program revenues				
Charges for services	$ 7,264,383	$ 7,537,556	$ (273,173)	-4%
Operating grants and contributions	44,662,620	43,711,318	951,302	2%
Capital grants and contributions	5,720,580	9,729,270	(4,008,690)	-41%
General revenues				
Property taxes - general	325,234,264	315,616,843	9,617,421	3%
Property taxes - capital projects	85,447,804	79,833,647	5,614,157	7%
Local sales taxes	19,890,827	18,810,036	1,080,791	6%
Grants and contributions not restricted to specific programs	83,132,274	81,540,851	1,591,423	2%
Miscellaneous	12,819,395	14,551,372	(1,731,977)	-12%
Unrestricted investment earnings	2,929,414	908,085	2,021,329	223%
Total revenues	587,101,561	572,238,978	14,862,583	3%
Expenses:				
Instruction	354,712,133	329,898,711	24,813,422	8%
Student support services	29,906,129	27,147,514	2,758,615	10%
Instructional media services	5,794,752	3,653,084	2,141,668	59%
Instruction and curriculum development services	3,931,181	3,487,191	443,990	13%
Instructional staff training services	4,651,341	4,478,484	172,857	4%
Instruction related technology	4,920,427	5,740,468	(820,041)	-14%
Board	1,557,029	1,148,680	408,349	36%
General administration	2,871,103	2,665,551	205,552	8%
School administration	21,176,512	18,191,723	2,984,789	16%
Facility services - non-capitalized	31,070,638	22,274,456	8,796,182	39%
Fiscal services	2,094,829	2,169,566	(74,737)	-3%
Food services	20,255,948	19,447,812	808,136	4%
Central services	6,884,275	6,300,563	583,712	9%
Student transportation services	19,237,414	18,061,854	1,175,560	7%
Operation of plant	36,840,850	33,510,809	3,330,041	10%
Maintenance of plant	15,791,450	15,881,826	(90,376)	-1%
Administrative technology services	2,880,835	3,185,164	(304,329)	-10%
Community services	4,221,778	3,585,836	635,942	18%
Interest on long-term debt	6,359,669	6,706,159	(346,490)	-5%
Total expenses	575,158,293	527,535,451	47,622,842	9%
Change in net position	11,943,268	44,703,527	(32,760,259)	-73%
Beginning net position	809,633,823	764,930,296	44,703,527	
GASB 75 adjustment (A)	(17,867,458)	-	(17,867,458)	
Beginning net position-restated	791,766,365	764,930,296	26,836,069	
Ending net position	$ 803,709,633	$ 809,633,823	$ (5,924,190)	

(A) Represents the adjustment to beginning net position due to the implementation of GASB 75.

Revenues by Source – Governmental Activities – in Millions of Dollars



Expenses – Governmental Activities – in Millions of Dollars



Overall total revenues increased by $14,862,583, or 3 percent from the fiscal year ended June 30, 2017. The change was primarily attributed to an increase in the state funding of the Best and Brightest Teacher Scholarship Program and property tax revenues.

Total expenses increased by $47,622,842, or 9 percent from the fiscal year ended June 30, 2017. The change is primarily attributed to an average 3.75 percent negotiated salary settlement, increased benefits costs, temporary electric rate increases, security upgrades, and expenses related to Hurricane Irma.

In total, net position decreased $5,924,190, which represents less than a 1 percent decrease over fiscal year 2016-2017.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The District completed the year with a total governmental fund balance of $167,816,792, an increase of $5,137,689 or 3 percent from last year's ending fund balance of $162,679,103. The increase in District fund balance is primarily attributed to revenue received from discretionary property taxes as a result of increased assessed valuation and increased impact fee and sales tax collections.

Major Governmental Funds

General Fund

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

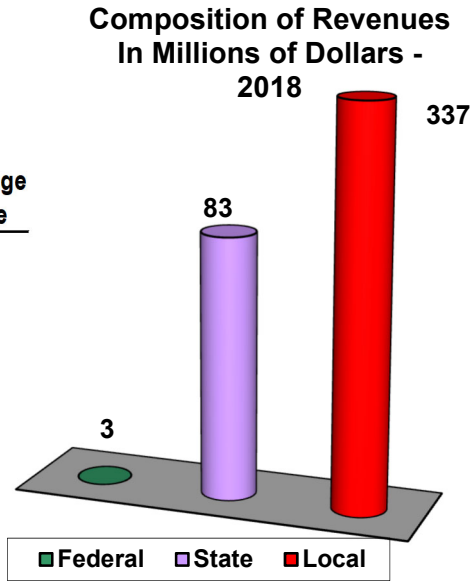
	6/30/2018	6/30/2017	Increase	Change
Revenue	$ 422,578,881	$ 410,888,225	$ 11,690,656	3%
Other financing sources	19,080,599	20,265,857	(1,185,258)	-6%
Beginning fund balance	73,434,844	58,877,796	14,557,048	25%
Total	$ 515,094,324	$ 490,031,878	$ 25,062,446	5%
Expenditures	439,514,442	416,019,124	23,495,318	6%
Other financing uses	577,910	577,910	-	0%
Ending fund balance	75,001,972	73,434,844	1,567,128	2%
Total	$ 515,094,324	$ 490,031,878	$ 25,062,446	5%

The District's General Fund ending fund balance increased by $1,567,128 or 2 percent. This increase is primarily attributed to revenue received from discretionary property taxes as a result of increased assessed valuation. It should be noted that $2,229,929 of ending fund balance has been encumbered for specific projects.

Revenues – Overall revenues increased by $11,690,656 or 3 percent as follows:

Revenues By Source - General Fund

	6/30/2018	6/30/2017	Increase (Decrease)	Percentage Change
Federal	$ 2,682,294	$ 2,538,453	$ 143,841	6%
State	83,335,594	81,695,364	1,640,230	2%
Local	336,560,993	326,654,408	9,906,585	3%
Total	$ 422,578,881	$ 410,888,225	$ 11,690,656	3%



Federal sources increased by $143,841, or 6 percent, mainly attributed to an increase in Medicaid program revenue.

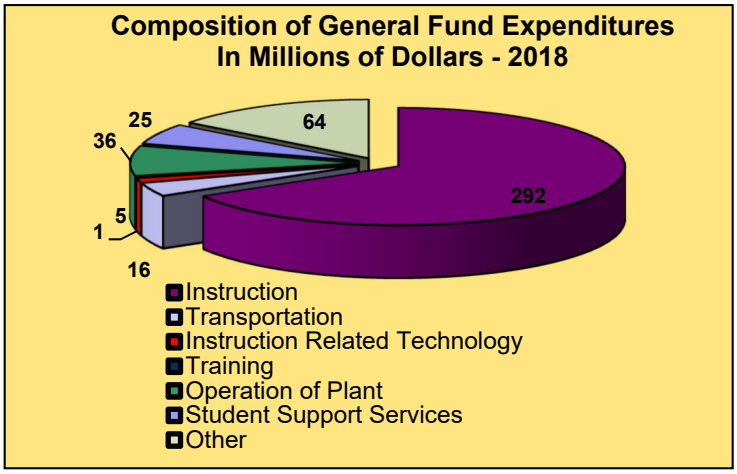
State sources increased by $1,640,230, or 2 percent, mainly attributed to the increase in the state funding of the Best and Brightest Teacher Scholarship Program.

Local sources increased by $9,906,585, or 3 percent, mainly as a result of an increase in property tax revenue.

Expenditures - Total General Fund expenditures increased by $23,495,318, 6 percent, primarily attributed to an average 3.75 percent negotiated salary settlement, increased benefits costs, temporary electric rate increases and Hurricane Irma related expenditures.

Expenditures By Function - General Fund

	6/30/2018	6/30/2017	Increase (Decrease)	Percentage Change
Instruction	$ 292,003,604	$ 277,874,488	$ 14,129,116	5%
Student support services	25,185,279	23,782,595	1,402,684	6%
Instructional staff training services	1,354,313	1,005,239	349,074	35%
Student transportation services	16,082,897	15,556,478	526,419	3%
Operation of plant	36,252,427	33,555,362	2,697,065	8%
Instruction related technology	4,821,687	5,727,479	(905,792)	-16%
Other	63,814,235	58,517,483	5,296,752	9%
Total	$ 439,514,442	$ 416,019,124	$ 23,495,318	6%



Debt Service – Other Debt Service Fund

An overall analysis of the District's Other Debt Service Fund is presented below. Expenditures increased from $23,869,428 to $25,011,482 for the fiscal year ended June 30, 2018 primarily due to addition of a new capital lease. There is a corresponding increase in transfers of $1,152,477 from the Capital Projects – Local Capital Improvement Tax fund.

	6/30/2018	6/30/2017	Increase (Decrease)	Percentage Change
Revenue	$ 39,390	$ 38,899	$ 491	1%
Other financing sources	25,009,184	23,856,707	1,152,477	5%
Beginning fund balance	1,119,262	1,093,084	26,178	2%
Total	$ 26,167,836	$ 24,988,690	$ 1,179,146	5%
Expenditures	$ 25,011,482	$ 23,869,428	$ 1,142,054	5%
Ending fund balance	1,156,354	1,119,262	37,092	3%
Total	$ 26,167,836	$ 24,988,690	$ 1,179,146	5%

Capital Projects – Local Capital Improvement Tax Fund

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

	6/30/2018	6/30/2017	Increase (Decrease)	Percentage Change
Revenue	$ 86,393,881	$ 80,206,151	$ 6,187,730	8%
Beginning fund balance	36,208,260	33,297,826	2,910,434	9%
Total	$ 122,602,141	$ 113,503,977	$ 9,098,164	8%
Expenditures	$ 37,147,908	$ 34,303,692	$ 2,844,216	8%
Other financing uses	44,350,589	42,992,025	1,358,564	3%
Ending fund balance	41,103,644	36,208,260	4,895,384	14%
Total	$ 122,602,141	$ 113,503,977	$ 9,098,164	8%

During the fiscal year 2017-18, revenue in the Capital Projects – Local Capital Improvement Tax Fund increased by $6,187,730 or 8 percent. Expenditures increased by $2,844,216, or 8 percent, primarily due to renovations at Brentwood Elementary School, completion of Suncoast Technical College North Port, District security upgrades and a new statutory requirement that increased payments to charter schools. Of the total fund balance, $24,896,031 has been encumbered for specific projects.

Capital Projects – Other Capital Projects Fund

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

	6/30/2018	6/30/2017	Increase (Decrease)	Percentage Change
Revenue	$ 29,662,601	$ 30,244,238	$ (581,637)	-2%
Other financing sources	11,623,156	10,535,376	1,087,780	10%
Beginning fund balance	28,388,747	26,353,468	2,035,279	8%
Total	$ 69,674,504	$ 67,133,082	$ 2,541,422	4%
Expenditures	$ 40,608,356	$ 36,504,477	$ 4,103,879	11%
Other financing uses	1,179,422	2,239,858	(1,060,436)	-47%
Ending fund balance	27,886,726	28,388,747	(502,021)	-2%
Total	$ 69,674,504	$ 67,133,082	$ 2,541,422	4%

Other financing uses decreased by $1,060,436 due to state pass-through funding to charter schools being reduced. It should be noted that $10,477,188 of fund balance has been encumbered for specific projects.

GENERAL FUND BUDGETARY HIGHLIGHTS

During the fiscal year, the District revised its budget and brought two amendments to the Board. These amendments were needed to adjust revenues and direct resources where needed. The Board approves the final amendment to the budget after year-end. The original 2017-18 budget was prepared on a conservative basis as the State of Florida had experienced multiple years of revenue shortfalls and corresponding prorations of state funding were imposed on school districts. Budgeted expenditures increased $1,168,604 from the original budget due to salaries and benefit increases. Actual expenditures were $1,854,612 below the final amended expenditure budget.

CAPITAL ASSETS AND LONG-TERM DEBT

At June 30, 2018, the District had $981,356,900 invested in a broad range of capital assets, including land, improvements, buildings, and equipment; net of accumulated depreciation. This amount represents a net increase (including additions, deductions and depreciation) of $2,997,924, or less than 1 percent, from last fiscal year due primarily to the completion of construction at Suncoast Technical College North Port.

	Governmental Activities			
	6/30/2018	6/30/2017	Change	Percentage Change
Capital assets not being depreciated:				
Land	$ 36,942,046	$ 36,942,046	$ -	0%
Land improvements	78,828,986	77,416,807	1,412,179	2%
Construction in progress	33,131,957	32,742,239	389,718	1%
Capital assets being depreciated:				
Improvements other than buildings	77,637,585	70,964,566	6,673,019	9%
Buildings and fixed equipment	1,049,636,884	1,029,878,189	19,758,695	2%
Furniture, fixtures and equipment and Audio visual materials	59,821,818	57,866,223	1,955,595	3%
Motor vehicles	35,770,064	34,414,032	1,356,032	4%
Equipment under capital leases	40,830,411	45,992,767	(5,162,356)	-11%
Computer software	12,427,195	13,092,877	(665,682)	-5%
Total Capital Assets	1,425,026,946	1,399,309,746	25,717,200	2%
Less accumulated depreciation	(443,670,046)	(420,950,770)	(22,719,276)	5%
Total Capital Assets, net	$ 981,356,900	$ 978,358,976	$ 2,997,924	0%

Detailed information regarding the District's capital asset balances and activity for the fiscal year ended June 30, 2018, is provided in Note 5 to the basic financial statements.

Long-Term Debt

At June 30, 2018, the District had $156,415,572 in bonds payable, obligations under capital leases, and certificates of participation versus $168,882,275 last fiscal year, a decrease of 7 percent. A summary of the long-term debt obligations are listed in the following table:

	6/30/2018	6/30/2017	Increase (Decrease)	Percentage Change
Obligations under capital leases	$ 26,166,405	$ 25,623,097	$ 543,308	2%
State school bonds	4,590,851	6,166,436	(1,575,585)	-26%
Qualified zone academy bonds	1,299,696	1,299,696	-	0%
Certificates of participation	124,358,620	135,793,046	(11,434,426)	-8%
Total	$ 156,415,572	$ 168,882,275	$ (12,466,703)	-7%

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

The District maintained the following ratings for their outstanding Certificates of Participation:

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

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

ECONOMIC FACTORS

The unemployment rate in June 2018 for Sarasota County was 3.7 percent, which is a decrease of 0.2 percent from June 2017. The State's average unemployment rate in June 2018 was 3.9 percent. Florida's unemployment rate has decreased 0.4 percent while the nation's unemployment rate has decreased 0.3 percent from the prior year.

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

In fiscal year 2017-18, taxable property values increased 7 percent from the prior year to $58.9 billion. It is anticipated that property values will continue to increase next year as real property sales have increased with average home prices continuing to rise over the prior year.

During the current fiscal year, unassigned fund balance of the General Fund totaled $49,391,090. It is anticipated that the unassigned fund balance at June 30, 2019, will be in excess of the Board required minimum of 7.5 percent of total appropriations and transfers out.

REQUESTS FOR INFORMATION

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

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BASIC FINANCIAL STATEMENTS

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SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Statement of Net Position
June 30, 2018

	Primary Government	Component Units
	Governmental Activities	Charter Schools
Assets		
Cash and cash equivalents	$ 145,614,180	$ 9,224,836
Restricted cash	501,215	1,758,873
Investments	119,839,740	127,213
Accounts receivable	691,460	190,553
Interest receivable	248,676	-
Deposits receivable	75,000	-
Due from other agencies	4,185,399	47,306
Due from related parties	-	132,787
Prepaid items	1,993,327	557,796
Inventories	1,166,851	-
Other	-	250,984
Capital assets:		
Nondepreciable	148,902,989	10,504,692
Depreciable, net	832,453,911	29,219,694
Total assets	1,255,672,748	52,014,734
Deferred outflows of resources		
Pensions	129,801,044	3,974,242
Other postemployment benefits	3,093,627	-
Loss on refunding	6,193,467	-
Total deferred outflows of resources	139,088,138	3,974,242
Liabilities		
Accounts payable and other current liabilities	34,895,798	3,290,523
Due to other agencies	8,680,824	-
Due to related parties	-	9,603
Matured debt payable	11,095,000	-
Matured interest payable	2,201,549	-
Accrued interest payable	179,580	-
Unearned revenue	4,449,020	15,274
Portion due within one year:		
Notes payable	-	622,059
Bonds payable	641,000	678,626
Obligations under capital leases	9,906,839	51,663
Certificates of participation payable	11,580,000	-
Liability for compensated absences	9,508,702	2,000
Estimated insurance claims payable	5,993,203	-
Early retirement incentive payable	75,030	-
Net pension liability	2,402,747	-
Portion due in more than one year:		
Notes payable	-	5,688,978
Bonds payable	5,249,547	22,008,101
Interest rate swap	-	252,844
Obligations under capital leases	16,259,566	110,091
Certificates of participation payable	112,778,620	-
Liability for compensated absences	27,817,146	51,009
Estimated insurance claims payable	6,358,034	-
Early retirement incentive payable	-	-
Other postemployment benefits payable	25,060,074	-
Net pension liability	262,978,453	7,734,415
Total liabilities	558,110,732	40,515,186
Deferred inflows of resources		
Pensions	30,114,243	1,021,445
Other postemployment benefits	2,826,278	-
Total deferred inflows of resources	32,940,521	1,021,445
Net position		
Net investment in capital assets	831,134,795	11,222,795
Restricted for:		
Capital projects	68,974,878	305,706
Debt service	20,638,014	1,353,682
Food service	2,028,884	-
State categorical programs	8,937,354	-
Other purposes	101,993	186,396
Unrestricted	(128,106,285)	1,383,766
Total net position	$ 803,709,633	$ 14,452,345

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

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Statement of Activities
For the Fiscal Year Ended June 30, 2018

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Primary government:				
Governmental activities:				
Instruction	$ 354,712,133	$ 2,241,244	$ 23,394,213	$ -
Student support services	29,906,129	-	3,531,459	-
Instructional media services	5,794,752	-	-	-
Instruction and curriculum development services	3,931,181	-	566,390	-
Instructional staff training services	4,651,341	-	2,472,443	-
Instruction related technology	4,920,427	-	-	-
Board	1,557,029	-	-	-
General administration	2,871,103	-	593,940	-
School administration	21,176,512	-	-	-
Facility services - non-capitalized	31,070,638	-	-	2,140,196
Fiscal services	2,094,829	-	10,127	-
Food services	20,255,948	4,520,614	14,084,208	-
Central services	6,884,275	-	-	-
Student transportation services	19,237,414	228,010	9,840	-
Operation of plant	36,840,850	-	-	-
Maintenance of plant	15,791,450	-	-	-
Administrative technology services	2,880,835	-	-	-
Community services	4,221,778	274,515	-	-
Interest on long-term debt	6,359,669	-	-	3,580,384
Total primary government	$ 575,158,293	$ 7,264,383	$ 44,662,620	$ 5,720,580
Component units:				
Charter schools	$ 60,964,966	$ 747,862	$ 1,363,857	$ 1,166,526
Total component units	$ 60,964,966	$ 747,862	$ 1,363,857	$ 1,166,526

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
Miscellaneous
Unrestricted investment earnings
Total general revenues

Change in net position

Net position, beginning of year
Adjustment to beginning net position
Net position, beginning of year restated

Net position, end of year

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

Net (Expense) Revenue and Changes in Net Position	
Primary Government	Component Units
Governmental Activities	Charter Schools
$ (329,076,676)	$ -
(26,374,670)	-
(5,794,752)	-
(3,364,791)	-
(2,178,898)	-
(4,920,427)	-
(1,557,029)	-
(2,277,163)	-
(21,176,512)	-
(28,930,442)	-
(2,084,702)	-
(1,651,126)	-
(6,884,275)	-
(18,999,564)	-
(36,840,850)	-
(15,791,450)	-
(2,880,835)	-
(3,947,263)	-
(2,779,285)	-
(517,510,710)	-
	(57,686,721)
	(57,686,721)
325,234,264	-
85,447,804	-
19,890,827	-
83,132,274	56,468,893
12,819,395	4,096,088
2,929,414	-
529,453,978	60,564,981
11,943,268	2,878,260
809,633,823	11,574,085
(17,867,458)	-
791,766,365	11,574,085
$ 803,709,633	$ 14,452,345

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Balance Sheet
Governmental Funds
June 30, 2018

	General Fund	Debt Service- Other Debt Service	Capital Projects Funds: Local Capital Improvement Tax	Capital Projects Funds: Other Capital Projects
Assets				
Cash and cash equivalents	$ 52,242,841	$ 12,233,807	$ 33,563,016	$ 22,748,417
Restricted cash	-	-	501,215	-
Investments	40,141,166	1,156,354	11,136,588	10,284,197
Accounts receivable	353,060	-	107,087	-
Interest receivable	19,636	-	43,320	40,004
Due from other funds	1,091,091	232,997	-	-
Due from other agencies	1,795,915	-	38,745	535,449
Prepaid items	8,965,331	-	14,958	534
Inventories	751,485	-	-	-
Total assets	$ 105,360,525	$ 13,623,158	$ 45,404,929	$ 33,608,601
Liabilities and fund balances				
Liabilities:				
Salaries and wages payable	$ 18,058,878	$ -	$ 20,904	$ -
Payroll deductions and withholdings payable	845,710	-	-	-
Accounts payable	2,025,464	232,997	714,637	2,037,409
Construction contracts payable	12,946	-	2,615,440	1,700,868
Deposits payable	11,700	-	-	-
Due to other funds	737,107	-	948,548	1,870
Due to other agencies	8,666,748	-	1,756	-
Matured debt payable	-	11,095,000	-	-
Matured interest payable	-	1,138,807	-	-
Unearned revenue	-	-	-	1,981,728
Total liabilities	30,358,553	12,466,804	4,301,285	5,721,875
Fund Balances:				
Nonspendable	9,716,816	-	14,958	534
Restricted	8,989,385	1,156,354	41,088,686	27,886,192
Assigned	6,904,681	-	-	-
Unassigned	49,391,090	-	-	-
Total fund balances	75,001,972	1,156,354	41,103,644	27,886,726
Total liabilities and fund balances	$ 105,360,525	$ 13,623,158	$ 45,404,929	$ 33,608,601

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

Nonmajor Governmental Funds	Total Governmental Funds
$ 4,983,601	$ 125,771,682
-	501,215
19,661,240	82,379,545
-	460,147
-	102,960
736,956	2,061,044
1,764,378	4,134,487
512,644	9,493,467
415,366	1,166,851
$ 28,074,185	$ 226,071,398
$ 2,084,088	$ 20,163,870
-	845,710
483,551	5,494,058
3,194	4,332,448
-	11,700
373,665	2,061,190
12,314	8,680,818
-	11,095,000
1,062,742	2,201,549
1,386,535	3,368,263
5,406,089	58,254,606
928,010	10,660,318
21,740,086	100,860,703
-	6,904,681
-	49,391,090
22,668,096	167,816,792
$ 28,074,185	$ 226,071,398

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SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
June 30, 2018

Total fund balances - governmental funds	$ 167,816,792
Amounts reported for governmental activities in the statement of net position are different because:	
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources, and therefore, are not reported as assets in governmental funds.	981,356,900
The loss on refunding is the difference between old and new debt and is reported in the statement of net position as deferred outflows of resources and amortized over the life of the debt in the statement of activities, but not reported in governmental funds.	6,193,467
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.	(179,580)
Long-term liabilities, including bonds payable, are not due and payable in the current period, and therefore, are not reported in the funds. Long-term liabilities at year-end consist of:	
Bonds payable	(5,890,547)
Obligations under capital leases	(26,166,405)
Certificates of participation payable	(124,358,620)
Liability for compensated absences (net of $52,150 related to the internal service funds)	(37,273,698)
Early retirement incentive payable	(75,030)
Other Postemployment healthcare benefits payable	(25,060,074)
On the statement of net position, the District's proportionate share of the net pension liability of the cost-sharing defined benefit pension plans in which the District participates is reported as a noncurrent liability. Additionally, deferred outflows and deferred inflows related to pensions and other postemployment benefits plan are also reported in accordance with GASB Statement No. 68 and 75.	
Net pension liability	(265,381,200)
Deferred outflows related to pensions	129,801,044
Deferred inflows related to pensions	(30,114,243)
Deferred outflows related to other post employment benefits plan	3,093,627
Deferred inflows related to other post employment benefits plan	(2,826,278)
Internal service funds are used by the District to charge the costs of certain activities such as insurance to individual funds. The assets and liabilities of internal service funds are included in governmental activities in the statement of net position.	32,773,478
Total net position of governmental activities	$ 803,709,633

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

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Fiscal Year Ended June 30, 2018

	General Fund	Debt Service-Other Debt Service	Capital Projects Funds: Local Capital Improvement Tax	Capital Projects Funds: Other Capital Projects
Revenues				
Federal direct	$ 410,711	$ -	$ -	$ -
Federal through state and local	2,271,583	-	-	-
State sources	83,335,594	-	-	1,319,829
Local sources:				
Property taxes levied for operational purposes	325,234,264	-	-	-
Property taxes levied for capital projects	-	-	85,447,804	-
Sales tax collections	-	-	-	19,890,827
Charges for services	2,743,769	-	-	-
Impact fee collections	-	-	-	7,071,303
Other local revenue	8,582,960	39,390	946,077	1,380,642
Total revenues	422,578,881	39,390	86,393,881	29,662,601
Expenditures				
Current:				
Instruction	292,003,604	-	-	-
Student support services	25,185,279	-	-	-
Instructional media services	5,732,015	-	-	-
Instruction and curriculum development services	3,165,091	-	-	-
Instructional staff training services	1,354,313	-	-	-
Instruction related technology	4,821,687	-	-	-
Board	1,549,980	-	-	-
General administration	2,023,703	-	-	-
School administration	20,513,341	-	-	-
Facility services - non-capitalized	142,122	-	12,353,490	8,458,286
Fiscal services	2,022,009	-	-	-
Food services	95,781	-	-	-
Central services	6,197,496	-	-	-
Student transportation services	16,082,897	-	-	-
Operation of plant	36,252,427	-	-	-
Maintenance of plant	15,430,159	-	-	-
Administrative technology services	2,819,235	-	-	-
Community services	3,152,009	-	-	-
Capital outlay:				
Facilities acquisition and construction	-	-	17,423,260	32,150,070
Charter school local capital improvement	-	-	7,371,158	-
Other capital outlay	971,294	-	-	-
Debt service:				
Principal	-	21,986,611	-	-
Interest	-	3,014,371	-	-
Dues and fees	-	10,500	-	-
Total expenditures	439,514,442	25,011,482	37,147,908	40,608,356
Excess (deficiency) of revenues over (under) expenditures	(16,935,561)	(24,972,092)	49,245,973	(10,945,755)
Other financing sources (uses)				
Inception of capital leases	-	-	-	11,623,156
Payments to refunded escrow agent	-	-	-	-
Loss recoveries	561	-	3,521	-
Transfers in	19,080,038	25,009,184	-	-
Transfers out	(577,910)	-	(44,354,110)	(1,179,422)
Total other financing sources (uses)	18,502,689	25,009,184	(44,350,589)	10,443,734
Net change in fund balances	1,567,128	37,092	4,895,384	(502,021)
Fund balance - beginning	73,434,844	1,119,262	36,208,260	28,388,747
Fund balance - ending	$ 75,001,972	$ 1,156,354	$ 41,103,644	$ 27,886,726

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

Nonmajor Governmental Funds	Total Governmental Funds
$ 3,107,716	$ 3,518,427
34,602,141	36,873,724
2,753,308	87,408,731
-	325,234,264
-	85,447,804
-	19,890,827
4,520,615	7,264,384
-	7,071,303
2,949,571	13,898,640
47,933,351	586,608,104
15,236,695	307,240,299
3,866,947	29,052,226
877	5,732,892
648,236	3,813,327
3,165,305	4,519,618
-	4,821,687
-	1,549,980
621,923	2,645,626
637	20,513,978
204,888	21,158,786
10,127	2,032,136
19,921,138	20,016,919
155,155	6,352,651
27,941	16,110,838
468	36,252,895
-	15,430,159
-	2,819,235
959,515	4,111,524
-	49,573,330
-	7,371,158
782,515	1,753,809
1,407,000	23,393,611
2,351,791	5,366,162
9,661	20,161
49,370,819	591,653,007
(1,437,468)	(5,044,903)
-	11,623,156
(866,736)	(866,736)
-	4,082
2,215,302	46,304,524
(770,992)	(46,882,434)
577,574	10,182,592
(859,894)	5,137,689
23,527,990	162,679,103
$ 22,668,096	$ 167,816,792

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended June 30, 2018

Net change in fund balances - total governmental funds		$ 5,137,689
Amounts reported for governmental activities in the statement of activities are different because:		
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceed depreciation expense in the current period.		
Capital Outlay	$ 51,327,139	
Less, Depreciation Expense	(47,844,394)	
		3,482,745
The loss on disposal of capital assets during the current period is reported in the statement of activities. In the government funds, the costs of these assets was recognized as an expenditure in the year purchased. Thus the change in net position differs from the change in fund balances by the undepreciated cost of the disposed assets.		(484,821)
Extinguishment of debt is not recorded in the governmental funds, but decreases long-term liabilities in the statement of net position.		
Capital Leases		188,237
Debt issued provides current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position.		
Capital Leases Issued		(11,623,156)
Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount of repayments.		
Certificates of Participation	$ 11,095,000	
State School Bonds	1,407,000	
Capital Leases	10,891,611	
		23,393,611
Premiums on new debt issues and losses on debt refundings are reported when issued as expenditures and other financing sources in the governmental funds, but are deferred and amortized as expenses over the life of the debt in the statement of activities.		
Unamortized Loss on Debt Refunding:		
Current Year	$ 6,193,467	
Less, Prior Year	(6,221,746)	
Net Change in Deferred Loss on Refunding		(28,279)
Unamortized Premiums:		
Prior Year	$ 1,795,482	
Less, Current Year	(1,287,471)	
Net Decrease in Revenue from Unamortized Premiums		508,011
The net change in the liability for early retirement benefits is reported in the government-wide statements but not in the governmental funds until due.		78,348
Interest on long-term debt is recognized as an expenditure in the governmental funds when due, but is recognized as interest accrues in the statement of activities.		
Prior Year	$ 101,250	
Less, Current Year	(179,580)	
Net Reduction in Expenses from Accrued Interest Payable		(78,330)
In the statement of activities, the cost of compensated absences is measured by the amounts earned during the year, while in the governmental funds expenditures are recognized based on the amounts actually paid for leave used. This is the net amount of vacation and sick leave earned in excess of the amount used in the current period, net of $29,579 recorded in the internal service funds.		(1,855,220)
Internal service funds are used by management to charge the cost of insurance to individual funds. The net revenue of internal service funds is reported with governmental activities.		5,391,838
Governmental funds report District pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned net of employee contributions is reported as a pension expense.		
FRS Pension Contribution	$ 15,874,706	
HIS Pension Contribution	4,274,441	
FRS Pension Expense	(28,951,098)	
HIS Pension Expense	(7,362,737)	
		(16,164,688)
The net change in the liability for postemployment healthcare benefits is reported in the government-wide statements, but not in the governmental fund statements		3,997,283
Change in net position of governmental activities		$ 11,943,268

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

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
General Fund
For the Fiscal Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
	Original	Final	Amounts	(Negative)
Revenues				
Federal direct	$ 409,475	$ 409,475	$ 410,711	$ 1,236
Federal through state and local	2,413,160	2,108,813	2,271,583	162,770
State sources	80,689,416	78,662,405	83,335,594	4,673,189
Local sources:				
Property taxes levied for operational purposes	322,590,595	322,590,595	325,234,264	2,643,669
Charges for services	4,544,002	4,923,991	2,743,769	(2,180,222)
Other local revenue	9,816,164	9,595,533	8,582,960	(1,012,573)
Total revenues	420,462,812	418,290,812	422,578,881	4,288,069
Expenditures				
Current:				
Instruction	294,995,712	293,825,899	292,003,604	1,822,295
Student support services	25,163,051	25,187,181	25,185,279	1,902
Instructional media services	3,896,731	5,750,000	5,732,015	17,985
Instruction and curriculum development services	3,177,133	3,165,100	3,165,091	9
Instructional staff training services	1,063,587	1,354,500	1,354,313	187
Instruction related technology	6,059,930	4,821,699	4,821,687	12
Board	1,170,288	1,550,550	1,549,980	570
General administration	1,909,303	2,024,000	2,023,703	297
School administration	19,325,017	20,524,177	20,513,341	10,836
Facility services - non-capitalized	63,675	142,184	142,122	62
Fiscal services	2,269,490	2,022,050	2,022,009	41
Food services	51,422	95,790	95,781	9
Central services	6,105,175	6,197,500	6,197,496	4
Student transportation services	16,459,452	16,082,900	16,082,897	3
Operation of plant	35,505,818	36,252,450	36,252,427	23
Maintenance of plant	16,724,932	15,430,178	15,430,159	19
Administrative technology services	3,355,903	2,819,500	2,819,235	265
Community services	2,903,831	3,152,102	3,152,009	93
Capital outlay:				
Other capital outlay	-	971,294	971,294	-
Total expenditures	440,200,450	441,369,054	439,514,442	1,854,612
Deficiency of revenues under expenditures	(19,737,638)	(23,078,242)	(16,935,561)	6,142,681
Other financing sources (uses)				
Loss recoveries	-	-	561	561
Transfers in	19,883,915	19,655,175	19,080,038	(575,137)
Transfers out	(577,910)	(577,910)	(577,910)	-
Total other financing sources (uses)	19,306,005	19,077,265	18,502,689	(574,576)
Net change in fund balance	$ (431,633)	$ (4,000,977)	1,567,128	$ 5,568,105
Fund balance - beginning			73,434,844	
Fund balance - ending			$ 75,001,972	

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

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Statement of Fund Net Position
Proprietary Funds
June 30, 2018

	Governmental Activities Internal Service Funds
Assets	
Current assets	
Cash and cash equivalents	$ 19,842,498
Investments	37,460,195
Accounts receivable	231,313
Interest receivable	145,716
Deposits receivable	75,000
Due from other funds	146
Due from other agencies	50,912
Prepaid items	15,206
Total current assets	57,820,986
Total assets	57,820,986
Liabilities	
Current liabilities	
Salaries and wages payable	79
Accounts payable	4,047,933
Due to other agencies	6
Unearned revenue	8,596,103
Estimated insurance claims payable	5,993,203
Total current liabilities	18,637,324
Long-term liabilities	
Liability for compensated absences	52,150
Estimated insurance claims payable	6,358,034
Total long-term liabilities	6,410,184
Total liabilities	25,047,508
Net position	
Unrestricted	32,773,478
Total net position	$ 32,773,478

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

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2018

	Governmental Activities Internal Service Funds
Operating revenues	
Charges for services	$ 56,521,549
Other operating revenues	1,348,803
Total operating revenues	57,870,352
Operating expenses	
Salaries	414,792
Employee benefits	108,915
Purchased services	3,969,460
Materials and supplies	3,747
Insurance claims	48,759,217
Other	78,238
Total operating expenses	53,334,369
Operating income	4,535,983
Nonoperating revenues	
Loss recoveries	315
Investment income	277,630
Income before transfers	4,813,928
Transfers in	577,910
Change in net position	5,391,838
Total net position - beginning	27,381,640
Total net position - ending	$ 32,773,478

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

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2018

	Governmental Activities Internal Service Funds
Cash flows from operating activities	
Cash receipts from interfund services provided	$ 56,982,312
Cash payments to suppliers	(3,721,279)
Cash payments to employees	(492,614)
Cash payments for insurance claims	(48,979,152)
Cash receipts from other operating revenues	1,338,758
Net cash provided by operating activities	5,128,025
Cash flows from noncapital financing activities	
Transfer from other funds	577,910
Net cash provided by noncapital financing activities	577,910
Cash flows from investing activities	
Investment income received	184,281
Purchase of investments	(22,091,596)
Net cash used by investing activities	(21,907,315)
Net decrease in cash	(16,201,380)
Cash and cash equivalents - beginning of year	36,043,878
Cash and cash equivalents - end of year	$ 19,842,498
Reconciliation of operating income to net cash provided by operating activities	
Operating income	$ 4,535,983
Adjustments to reconcile operating income to net cash provided by operating activities:	
Change in assets and liabilities	
Decrease in accounts receivable	131,216
Decrease in due from other funds	2,899
(Increase) in due from other agencies	(4,170)
(Increase) in prepaid items	(1,308)
(Decrease) in salaries and wages payable	(79)
Increase in accounts payable	252,136
Increase in due to other agencies	2
Increase in unearned revenue	401,702
Increase in liability for compensated absences	29,579
(Decrease) in estimated insurance claims payable	(219,935)
Total adjustments	592,042
Net cash provided by operating activities	$ 5,128,025
Noncash investing, capital and financing activities:	
Net (decrease) in fair value of investments	$ (414,746)

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

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Statement of Fiduciary Assets and Liabilities
Fiduciary Funds
June 30, 2018

	Agency Funds School Internal Accounts
Assets	
Cash and cash equivalents	$ 6,782,586
Accounts receivable, net of allowance of $106,958	225,290
Inventories	348,428
Total assets	$ 7,356,304
Liabilities	
Accounts payable and other	$ 109,823
Internal accounts payable	7,246,481
Total liabilities	$ 7,356,304

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

➢ Reporting Entity

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

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

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

- Blended Component Unit The Financing Corporation for the School Board of Sarasota County (Corporation), was founded to facilitate financing for the acquisition of facilities and equipment as further discussed in Note 8. Due to the substantive economic relationship between the Board and the Corporation, the financial activities of the Corporation are included in the accompanying basic financial statements. Separate financial statements for the Corporation are not published.

- Discretely Presented Component Units The component units' columns in the government-wide financial statements include the financial data of the District's other component units. For financial reporting purposes, 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. The component units are as follows:

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Island Village Montessori Charter School, Inc., Sarasota Suncoast Academy, Inc., Student Leadership Academy of Venice, Inc., Imagine School at North Port, Inc., Sarasota Military Academy, Inc, Sarasota School of Arts and Sciences, Inc., Sarasota Academy of the Arts, Inc., and Suncoast School for Innovative Studies, Inc., (charter schools) are separate not-for-profit corporations organized pursuant to Chapter 617, Florida Statutes, and Section 1002.33, Florida Statutes. Imagine School at Sarasota, LLC, doing business as Imagine School at Palmer Ranch is organized as a limited liability company pursuant to Chapter 605, Florida Statutes, and Section 1002.33, Florida Statutes. The Board is responsible for the prudent use of the public funds received for providing an appropriate educational program for its targeted enrollment. The financial data reported on the accompanying statements was derived from the charter schools' audited financial statements for the fiscal year ended June 30, 2018. Audits of the charter schools for the fiscal year ended June 30, 2018, were conducted by independent certified public accountants and are filed at the District's administrative office at 1960 Landings Boulevard, Sarasota, FL 34231.

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

- **Basis of Presentation**

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

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

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

- General Fund - to account for all financial resources not required to be accounted for in another fund, and for certain revenues from the State that are legally restricted to be expended for specific current operating purposes.

- Debt Service – Other Debt Service Fund – to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs on the long-term certificates of participation and capital leases.

- Capital Projects – Local Capital Improvement Tax Fund - to account for the financial resources generated by the local capital improvement tax levy to be used for educational capital outlay needs, including new construction, and renovation and remodeling projects.

- Capital Projects – Other Capital Projects Fund – to account for the financial resources such as sales tax proceeds, impact fees, and certificates of participation, which are used for capital outlay needs.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

- Internal Service Funds - to account for the District's individual self-insurance programs.

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

➢ Basis of Accounting

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

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

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

- **New Pronouncements**

Governmental Accounting Standards Board (GASB) Statement No. 75. The District implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which replaces GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended. This Statement addresses accounting and financial reporting for postemployment benefits other than pensions (OPEB) provided to employees of state and local government employers; establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expenses; requires governments to report a liability, deferred outflows of resources, deferred inflows of resources, and expenses on the face of the financial statement for the OPEB that they provide; and requires more extensive note disclosures and supplementary information about a government's OPEB liability.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

As a result of this change, beginning net position has been restated as follows.

Description		Amount
Beginning Net Position Prior to Restatement		$ 809,633,823
OPEB Plan Liability	$16,212,260	
Deferred Outflow of Resources	$ (1,557,183)	
Deferred Inflow of Resources	3,212,381	
Net Adjustment to Beginning Net Position		(17,867,458)
Beginning Net Position as Restated		$ 791,766,365

- **Use of Estimates**

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

- **Deposits and Investments**

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

Cash deposits are held by banks qualified as public depositories under Florida law. All deposits are insured by the Federal Depository Insurance Corporation and collateralized with securities held in Florida's multiple financial institution collateral pool as required by Chapter 280, Florida Statutes. The statement of cash flows considers cash and cash equivalents

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

as those accounts used as demand deposit accounts and all highly liquid investments with an original maturity of 90 days or less.

Investments consist of amounts placed in the SBA debt service accounts for investment of debt service moneys, with SBA for participation in the Florida PRIME investment pool created by Sections 218.405, Florida Statutes, and those made locally. The investment pool operates under investment guidelines established by Section 215.47 Florida Statutes.

The District's investments in Florida PRIME and the Florida Education Investment Trust Fund (FEITF), which the SBA and the FEITF indicate are Securities and Exchange Commission Rule 2a7-like external investment pools, as of June 30, 2018, and operate as a qualifying external investment pool.

Investments held locally consist of money market mutual funds, commercial paper, corporate notes, United States Treasury notes and strips, and obligations of United States are reported at fair value. The District categorizes its fair value measurements within the fair value hierarchy established in accordance with generally accepted accounting principles. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are other observable inputs; Level 3 inputs are significant unobservable inputs. Types and amounts of investments held by the District at June 30, 2018 are further described in Note 3.

- **Inventories and Prepaid Items**

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- **Capital Assets**

Expenditures for capital assets acquired or constructed for general District purposes are reported in the governmental fund that financed the acquisition or construction. The capital assets so acquired are reported in the government-wide statement of net position but are not reported in the governmental fund financial statements. Capital assets are defined by the District as those costing more than $1,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed.

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

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- **Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate section, *Deferred Outflows of Resources*, represents a consumption of net position that applies to a future period and so will not be recognized as an expense until then. The District has three types of items that meet this criterion - those related to the loss on refunding which is the difference between reacquisition price and net carrying amount of old debt, those related to pension plans which are further discussed in Note 18, State Retirement Programs and those related to OPEB as further discussed in Note 20.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate section *Deferred Inflows of Resources*, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District has two types of items that meet this criterion - those related to pension plans which are further discussed in Note 18, State Retirement Programs and those related to OPEB as further discussed in Note 20.

- **Compensated Absences**

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

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

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

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

- **Long-Term Debt**

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

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

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

- **Pensions**

  In the government-wide statement of net position, liabilities are recognized for the District's proportionate share of each pension plan's net pension liability. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the FRS defined benefit plan and the HIS defined benefit plan and additions to/deductions from the FRS and the HIS fiduciary net position have been determined on the same basis as they are reported by the FRS and the HIS plans. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value. The District's retirement plans and related amounts are further described in Note 18.

- **State Revenue Sources**

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

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

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

A schedule of revenue from State sources for the 2017-18 fiscal year is further described in Note 16.

- **District Property Taxes**

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

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

The Board adopted the 2017 tax levy on September 19, 2017. 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.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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

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

Millage rates and taxes levied for the current year are further described in Note 17.

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

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

- **Federal Revenue Sources**

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

2. BUDGETARY COMPLIANCE AND ACCOUNTABILITY

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

- Budgets are prepared, public hearings are held, and original budgets are adopted annually for all governmental fund types in accordance with procedures and time intervals prescribed by law and SBE rules.

- Appropriations are controlled at the function level within each fund (e.g., instruction, student support services, and school administration) and may be amended by resolution at any Board meeting prior to the due date for the annual financial report.

- Budgets are prepared using the same modified accrual basis as is used to account for governmental funds.

- Budgetary information is integrated into the accounting system and, to facilitate budget control, budget balances are encumbered when purchase orders are issued.

- Appropriations lapse at fiscal year-end and encumbrances outstanding are honored from the subsequent year's appropriations.

- The reported budgetary data consists of the original budget as well as the final appropriated budget after amendments approved by the Board.

3. INVESTMENTS

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

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

3. INVESTMENTS (continued)

- "NAV" - Investments in Florida Education Investment Trust Fund represent $15,337,240 in pooled investment programs (the "Program"). No specific investments are assigned to the District, rather the value of the District's investment is equal to the total fund net asset value times the District's units as a percentage of total units outstanding.

  Any dividends or interest of the Program are reinvested. In addition, the District may withdraw either a portion of or its entire investment at any time in the Program. The District investment in The Wells Fargo Government Money Market Fund may not be withdrawn. There were no unfunded commitments related to the Program as of June 30, 2018.

- Amortized Cost - Florida PRIME is a 2a7-like pool, which is not registered with the SEC as an investment company, but nevertheless has a policy that it will, and does, operate as a qualifying external investment pool. Thus, this pool operates essentially as a money market fund. Florida PRIME has a Standard & Poor's rating of AAAm at June 30, 2018 and is recorded at amortized cost.

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

3. INVESTMENTS (continued)

At June 30, 2018, the District had the following investments:

			Fair Value Measurement Using		
	Maturities	6/30/2018	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
Investments by fair value level					
State Board of Administration:					
Debt Service Accounts	6 Months	$ 98,964	$ 98,964	$ -	$ -
Obligations of US Agencies and Instrumentalities	Nov 2018-June 2021[3]	$ 17,540,165	$ -	$ 17,540,165	$ -
United States Treasury Strip	5/15/2027[4]	17,527,933	-	17,527,933	-
United States Treasury Notes	Oct 2018-June2021	37,994,951	-	37,994,951	-
Municipal Bonds	Aug 2018 -April 2021	1,502,174	-	838,757	663,417
Commercial Paper	Aug 2018 -Sept 2018	29,858,228	-	29,858,228	-
Corporate Notes	July 2018-June2021	13,282,982	-	13,282,982	-
Total investments by fair value level		117,805,397	$ 98,964	$ 117,043,016	$ 663,417
Instruments measured at the net asset value (NAV)					
Wells Fargo Government Money Market	32 Day Average[1][2]	9,932,948			
FL Education Investment Trust Fund	32 Day Average[1]	15,337,240			
Total Investments measured at NAV		25,270,188			
Investments at amortized cost					
State Board of Administration:					
Florida PRIME	30 Day Average[1]	114,039,454			
Total Investments		$ 257,115,039			

[1] Investments are reported as cash equivalents.

[2] Includes cash totaling $2,034,342 held under a paying agent agreement for investment purposes for the 2010A Qualified School Construction Bonds (See Note 8).

[3] Includes FNMA Discount Note totaling $1,156,064 held under a paying agent agreement for the Qualified Zone Academy Bonds (See Note 9).

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

➢ Interest Rate Risk

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

Florida PRIME had weighted average days to maturity (WAM) of 30 days and FEITF had a WAM of 32 days at June 30, 2018. A *portfolio's* WAM reflects the average maturity in days based on final maturity or reset date,

3. INVESTMENTS (continued)

in the case of floating rate instruments. WAM measures the sensitivity of the portfolio to interest rate changes.

- **Credit Risk**

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

The District's investments in the SBA Debt Service Accounts are to provide for debt service payments on bond debt issued by the SBE for the benefit of the District. The District relies on policies developed by SBA for managing interest rate risk and credit risk on this account. Disclosures for the Debt Service Accounts are included in the notes to financial statements of the State's Comprehensive Annual Financial Report**.**

As of June 30, 2018, the District's investments in the Florida PRIME, the Wells Fargo Government Money Market Fund, and the Florida Education Investment Trust Fund were rated AAAm by Standard & Poor's.

Obligations of United States Agencies and Instrumentalities totaling $17,540,165 and United States Treasury Notes totaling $37,994,951 were rated AA+ by Standard & Poor's.

Commercial paper was rated A-1 by Standard & Poor's.

Corporate notes ratings ranged from AAA to BBB+ by Standard & Poor's.

The District's investment in Obligations of United States Agencies and Instrumentalities – FNMA Discount Note totaling $1,156,064 is authorized under a forward delivery agreement with the Qualified Zone Academy Bonds paying agent. The forward delivery agreement authorizes the investment of the sinking fund amounts in certain eligible securities, including, without limitation, the Federal National Mortgage Association (FNMA), Federal Home Loan Mortgage Corporation and Federal Farm Credit Banks. The eligible securities must have a maturity date that is on or before November 16, 2021.

3. INVESTMENTS (continued)

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

- **Custodial Credit Risk**

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

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

The District's $1,156,064 investment in a FNMA discount note and the District's $17,527,933 investment in the U.S. Treasury Strip were held in a custody account by the paying agent.

- **Concentration of Credit Risk**

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

3. INVESTMENTS (continued)

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

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

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

NRSRO - Nationally Recognized Statistical Rating Organization

4. RECEIVABLES

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

All receivable balances are expected to be received within the subsequent year.

Due from other agencies at June 30, 2018, are shown below:

Florida Department of Education	$	1,317,006
Agency For Health Care Administration		1,253,311
Sarasota County Government		421,473
US Department of Agriculture		313,074
Sarasota County Tax Collector		185,472
City of Sarasota		140,100
City of North Port		111,760
Manatee County School Board		67,195
US Department of Education		64,154
Florida Retirement System		61,853
City of Venice		45,315
Sarasota County Fire Department		44,151
SWFWMD Grant		41,245
Sarasota Military Academy		37,646
State of Florida		30,798
JROTC Navy		19,661
Nokomis Fire Department		7,839
Florida Department of Agriculture		7,500
Imagine North Port		6,982
Town of Longboat Key		4,064
Sarasota Bay Estuary		2,500
US Department of Commerce		2,300
	$	4,185,399

5. CHANGES IN CAPITAL ASSETS

Changes in capital assets are presented in the table below.

	Balance 7/1/2017	Additions	Deletions	Balance 6/30/2018
GOVERNMENTAL ACTIVITIES				
Capital Assets Not Being Depreciated:				
Land	$ 36,942,046	$ -	$ -	$ 36,942,046
Land Improvements	77,416,807	1,412,179	-	78,828,986
Construction in Progress	32,742,239	17,442,291	17,052,573	33,131,957
Total Capital Assets Not Being Depreciated	147,101,092	18,854,470	17,052,573	148,902,989
Capital Assets Being Depreciated:				
Improvements Other Than Buildings	70,964,566	6,714,198	41,179	77,637,585
Buildings and Fixed Equipment	1,029,878,189	19,758,695	-	1,049,636,884
Furniture, Fixtures, and Equipment and Audio Visual Materials	57,866,223	8,771,257	6,815,662	59,821,818
Motor Vehicles	34,414,032	2,468,602	1,112,570	35,770,064
Equipment Under Capital Leases	45,992,767	11,623,156	16,785,512	40,830,411
Computer Software	13,092,877	189,334	855,016	12,427,195
Total Capital Assets Being Depreciated	1,252,208,654	49,525,242	25,609,939	1,276,123,957
Less Accumulated Depreciation for:				
Improvements Other Than Buildings	(38,248,186)	(3,066,339)	39,120	(41,275,405)
Buildings and Fixed Equipment	(297,596,512)	(24,516,238)	-	(322,112,750)
Furniture, Fixtures, and Equipment and Audio Visual Materials	(36,825,723)	(5,441,759)	6,435,641	(35,831,841)
Motor Vehicles	(21,351,175)	(2,723,612)	1,086,946	(22,987,841)
Equipment Under Capital Leases	(20,927,357)	(10,874,546)	16,708,395	(15,093,508)
Computer Software	(6,001,817)	(1,221,900)	855,016	(6,368,701)
Total Accumulated Depreciation	(420,950,770)	(47,844,394)	25,125,118	(443,670,046)
Total Capital Assets Being Depreciated, Net	831,257,884	1,680,848	484,821	832,453,911
Governmental Activities Capital Assets, Net	$ 978,358,976	$ 20,535,318	$ 17,537,394	$ 981,356,900

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

5. CHANGES IN CAPITAL ASSETS (continued)

Depreciation expense was charged to functions as follows:

Function	Amount
GOVERNMENTAL ACTIVITIES	
Instruction	$ 41,546,148
Student Support Services	5,242
Instructional Media Services	10,911
Instruction and Curriculum Development Services	740
Instructional Staff Training Services	9,172
Instructional Related Technology	1,441
General Administration	167,407
School Administration	49,847
Facility Services - non capitalized	2,462,399
Food Services	136,036
Central Services	359,551
Student Transportation Services	2,866,536
Operation of Plant	94,997
Maintenance of Plant	120,722
Administrative Technology Services	7,191
Community Services	6,054
Total Depreciation Expense - Governmental Activities	$ 47,844,394

6. ACCOUNTS PAYABLE AND OTHER CURRENT LIABILITIES

Accounts payable and other current liabilities at June 30, 2018, are shown below:

Salary and Wages Payable	$ 20,163,949
Payroll Deductions and Withholdings Payable	845,710
Accounts Payable	9,541,991
Construction Contracts Payable	4,332,448
Deposits Payable	11,700
	$ 34,895,798

7. OBLIGATIONS UNDER CAPITAL LEASES

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

Asset Description	Asset Balance
Equipment:	
Copier Equipment	$ 803,071
Computer Equipment	40,027,340
	$ 40,830,411

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

Fiscal Year Ending June 30	Total
2019	$ 10,687,003
2020	8,300,200
2021	5,665,778
2022	2,832,570
2023	145,872
2024	72,936
Total minimum lease payments	27,704,359
Less interest	(1,537,954)
Present value of minimum payments	$ 26,166,405

The imputed interest rates range from 1.45 to 11.75 percent.

8. CERTIFICATES OF PARTICIPATION PAYABLE

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

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

8. CERTIFICATES OF PARTICIPATION PAYABLE (continued)

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

Lease principal payments in the amount of $1,968,048 are required to be deposited by the District into a sinking fund on an annual basis, and interest at the rate of 4.94 percent is paid semiannually. Sinking fund proceeds are invested and accumulate over the life of the issue, ending in a lump sum repayment to the leaseholders at maturity. The annual principal lease payment is adjusted as required based upon final investment earnings.

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

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

8. CERTIFICATES OF PARTICIPATION PAYABLE (continued)

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

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

Series 2009 Certificates of Participation

Atwater Elementary School
Sarasota County Technical Institute

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

Booker High School

Series 2010B Certificates of Participation

Booker High School
Venice High School

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

Fiscal Year Ending June 30:	Series 2009 Lease	Series 2010A Lease	Series 2010B Lease	Series 2016 Refunding	Total
2019	$ 5,642,663	$ 2,125,484	$ 5,158,850	$ 2,566,266	$ 15,493,263
2020	-	2,125,484	5,160,750	8,206,471	15,492,705
2021	-	2,125,484	-	13,368,105	15,493,589
2022	-	2,125,484	-	13,372,780	15,498,264
2023	-	2,125,484	-	13,373,627	15,499,111
2024-2027	-	51,527,940	-	19,734,483	71,262,423
Total Minimum Lease Payments	5,642,663	62,155,360	10,319,600	70,621,732	148,739,355
Add: Unamortized Premium on Debt	6,233	-	666,387	-	672,620
Less: Interest	(257,663)	(19,129,360)	(634,600)	(5,031,732)	(25,053,355)
Total Certificates of Participation	$ 5,391,233	$ 43,026,000	$ 10,351,387	$ 65,590,000	$ 124,358,620

9. BONDS PAYABLE

Bonds payable at June 30, 2018, are as follows:

Bond Type	Amount Outstanding	Interest Rates (Percent)	Annual Maturity To
State School Bonds:			
Series 2009-A	225,000	5.00	2019
Series 2010	1,290,000	3.50-5.00	2030
Series 2011-A	330,000	3.00-5.00	2023
Series 2014-A	451,000	5.00	2024
Series 2014-B	219,000	2.00-5.00	2020
Series 2017-A	1,461,000	3.00-5.00	2028
District Revenue Bonds:			
Qualified Zone Academy Bonds	1,299,696		2021
Subtotal	5,275,696		
Add: Unamortized Premium on Debt	614,851		
Total Bonds Payable	$ 5,890,547		

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

The following is a description of the bonded debt issues:

- **State School Bonds**

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

9. BONDS PAYABLE (continued)

Annual requirements to amortize all bonded debt outstanding as of June 30, 2018, are as follows:

Fiscal Year Ending June 30: State School Bonds	Total	Principal	Interest
2019	$ 820,580	$ 641,000	$ 179,580
2020	596,330	448,000	148,330
2021	491,290	362,000	129,290
2022	502,190	391,000	111,190
2023	520,040	427,000	93,040
2024-2028	1,662,000	1,442,000	220,000
2029-2030	281,000	265,000	16,000
Total	$ 4,873,430	$ 3,976,000	$ 897,430

- **Qualified Zone Academy Bonds**

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

Repayment of the original $1,299,696 financing proceeds is due in full on November 16, 2021. In connection with the financing, the District entered into a forward delivery agreement dated November 16, 2005, requiring a single deposit of $726,519 into a sinking fund. The forward delivery agreement provides for a guaranteed investment return of 3.67 percent per annum whereby the required deposit, along with accrued interest, will be sufficient to repay the debt at maturity. The invested assets accumulated pursuant to the forward delivery agreement are held under a custodial agreement until the debt matures. There is $1,156,064 in this sinking fund at June 30, 2018.

10. DEFEASED DEBT

In prior years, the Board defeased in substance certain outstanding bonds by placing a portion of the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old debt. Accordingly, the trust account assets and the liability for the in-substance defeased bonds are not included in the District's financial statements. As of June 30, 2018, the District does not have any debt considered defeased in substance.

11. CHANGES IN LONG-TERM LIABILITIES

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

Description	Balance 7/1/2017	Additions	Deductions	Balance 6/30/2018	Due in One Year
GOVERNMENTAL ACTIVITIES					
Bonds Payable	$ 7,466,132	$ -	$ 1,575,585	$ 5,890,547	$ 641,000
Obligations Under Capital Leases	25,623,097	11,623,156	11,079,848	26,166,405	9,906,839
Certificates of Participation Payable	135,793,046	-	11,434,426	124,358,620	11,580,000
Liability for Compensated Absences	35,441,049	10,921,822	9,037,023	37,325,848	9,508,702
Estimated Insurance Claims Payable	12,571,172	48,759,217	48,979,152	12,351,237	5,993,203
Early Retirement Incentive Payable	153,378	-	78,348	75,030	75,030
Other Postemployment Benefits Payable (A)	27,134,810	3,535,387	5,610,123	25,060,074	-
Net Pension Liability (B)					
Florida Retirement System	130,695,542	128,617,357	83,240,094	176,072,805	-
Health Insurance Subsidy	82,397,665	38,370,129	31,459,399	89,308,395	2,402,747
Total Governmental Activities	$ 457,275,891	$ 241,827,068	$ 202,493,998	$ 496,608,961	$ 40,107,521

(A) The beginning balance resulted from the implemtation of GASB Statement No. 75. See Note 1 to the financial statements.
(B) Total Net Pension Liablility as of June 30, 2018 is $265,381,200.

For the governmental activities, compensated absences, early retirement incentive, pensions, and other postemployment benefits are generally liquidated with resources of the General Fund. The estimated insurance claims are generally liquidated with resources of the internal service funds as discussed in Note 21.

12. DEFERRED OUTFLOW / INFLOW OF RESOURCES

The components of deferred inflow and outflow are:

	Beginning Balance	Change	Ending Balance
Pension Related Deferred Outflows			
Florida Retirement System	$ 68,089,319	$ 33,895,996	$ 101,985,315
Health Insurance Subsidy	17,476,504	10,339,225	27,815,729
Total	85,565,823	44,235,221	129,801,044
Other Deferred Outflows			
Deferred Amount on Refunding	6,221,746	(28,279)	6,193,467
Other Postemployment Benefits (A)	1,557,183	1,536,444	3,093,627
Total	7,778,929	1,508,165	9,287,094
Total Deferred Outflows	$ 93,344,752	$ 45,743,386	$ 139,088,138
Pension Related Deferred Inflows			
Florida Retirement System	$ (14,452,034)	$ (1,595,125)	$ (16,047,159)
Health Insurance Subsidy	(7,550,293)	(6,516,791)	(14,067,084)
Total	(22,002,327)	(8,111,916)	(30,114,243)
Other Postemployment Benefits Deferred Inflows (A)	(3,212,381)	386,103	(2,826,278)
Total	(3,212,381)	386,103	(2,826,278)
Total Deferred Inflows	$ (25,214,708)	$ (7,725,813)	$ (32,940,521)

(A) The beginning balance resulted from the implemenation of GASB Statement No. 75. See Note 1 to the financial statements.

13. FUND BALANCE REPORTING

There are two major types of fund balances, nonspendable and spendable. Nonspendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, and principal (corpus) of an endowment fund. The District does not have any nonspendable funds related to endowments. The District has inventories totaling $1,166,851 and prepaid items totaling $9,493,467 that are considered nonspendable.

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

- Restricted: The portion of fund balance on which constraints have been placed by creditors, grantors, contributors, laws or regulations of other governments, constitutional provisions, or enabling legislation. Restricted fund balance places the most binding level of constraint on the use of fund balance. The District classifies most of its fund balances other than General Fund as restricted, as well as unspent State categorical and earmarked education funding that are legally or otherwise restricted. The District's restricted fund balance total is $100,860,703 and represents $8,937,354 for categorical programs; $101,993 for grants; $2,028,884 for food service; $20,817,594 for debt service; and $68,974,878 for capital projects.

- Committed: The portion of fund balance that can only be used for specific purposes pursuant to constraints imposed by formal action of the highest level of decision-making authority (i.e., resolution that is approved by a majority vote of the Board at a public meeting).

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

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

13. FUND BALANCE REPORTING (continued)

an authorized government body or official, but the constraint imposed does not satisfy the criteria to be classified as restricted or committed. This category includes any remaining positive amounts, for governmental funds other than the General Fund, not classified as nonspendable, restricted, or committed. The District also classifies amounts as assigned that are constrained to be used for a specific purpose based on actions of the Superintendent and the Chief Financial Officer as authorized by Board Policy 7.101 and not included in other categories. The District's assigned fund balance total is $6,904,681 and represents $4,339,574 in district projects and $2,565,107 school operating budget carryforwards.

- Unassigned: The portion of fund balance that is the residual classification for the General Fund. The General Fund is the only fund that reports a positive unassigned fund balance. This balance represents amounts that have not been assigned to other funds and that have not been restricted, committed, or assigned for specific purposes. The unassigned fund balance in the General Fund is $49,391,090.

The District has adopted Board Policy 7.101 that the unassigned fund balance in the General Fund will be, at a minimum, 7.5 percent of the total budgeted appropriations and transfers out. The District currently exceeds this policy with an unassigned fund balance at 11.2 percent.

The following is a schedule of fund balances by category at June 30, 2018:

	Major Funds					
	General	Debt Service - Other Debt Service	Capital Projects - Local Capital Improvement Tax	Capital Projects - Other Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
Fund Balances						
Nonspendable:						
Inventories	$ 751,485	$ -	$ -	$ -	$ 415,366	$ 1,166,851
Prepaid items	8,965,331	-	14,958	534	512,644	9,493,467
Spendable:						
Restricted:						
Categorical Programs	8,937,354	-	-	-	-	8,937,354
Grants	52,031	-	-	-	49,962	101,993
Special Revenue - Food Service	-	-	-	-	2,028,884	2,028,884
Debt Service	-	1,156,354		-	19,661,240	20,817,594
Capital Projects	-	-	41,088,686	27,886,192	-	68,974,878
Assigned:						
School Operations:						-
District Projects	4,339,574	-	-	-	-	4,339,574
School Carryforwards	2,565,107	-	-	-	-	2,565,107
Unassigned	49,391,090	-	-	-	-	49,391,090
Total Fund Balances	$ 75,001,972	$ 1,156,354	$ 41,103,644	$ 27,886,726	$ 22,668,096	$ 167,816,792

14. CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS

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

The following is a schedule of encumbrances at June 30, 2018:

Major Funds				
General	Capital Projects - Local Capital Improvement	Capital Funds - Other Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
$ 2,229,929	$ 24,896,031	$ 10,477,188	$ 280,803	$ 37,883,951

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

Project Name	Contract Amount	Completed To Date	Balance Committed
Bay Haven	$ 1,383,475	$ 212,322	$ 1,171,153
Booker High	435,346	32,196	403,150
Booker Middle	625,263	373,403	251,860
Brentwood	12,678,303	3,245,623	9,432,680
Emma E Booker	826,181	475,877	350,304
Englewood	250,000	-	250,000
Glenallen	1,089,082	111,343	977,739
Gocio	377,737	28,656	349,081
Lamarque	565,468	533,991	31,477
Laurel Nokomis	812,812	524,705	288,107
McIntosh	641,345	-	641,345
North Port High	173,993	-	173,993
Oak Park	1,108,439	528,066	580,373
Pineview	18,436,154	14,445,702	3,990,452
Riverview	229,273	152,173	77,100
Sarasota High	30,298,013	30,195,357	102,656
Sarasota Middle	961,906	622,953	338,953
Suncoast Technical College -NP	1,932,054	1,657,776	274,278
Southside	354,259	35,691	318,568
Tatum	144,456	30,949	113,507
Taylor Ranch	896,298	75,160	821,138
Tuttle	386,239	30,977	355,262
Venice High	934,480	927,108	7,372
Venice Middle	10,849,735	7,147,289	3,702,446
District Wide	112,113	34,646	77,467
Total	$ 86,502,424	$ 61,421,963	$ 25,080,461

15. INTERFUND RECEIVABLES, PAYABLES, AND TRANSFERS

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

Funds	Interfund Receivables	Interfund Payables
Major Funds:		
General	$ 1,091,091	$ 737,107
Capital Projects:		
Local Capital Improvement Tax	-	948,548
Other Capital Projects	-	1,870
Debt Service:		
Other Debt Service	232,997	-
Nonmajor Governmental Funds	736,956	373,665
Internal Service Funds	146	-
Total	$ 2,061,190	$ 2,061,190

Interfund receivables and payables are temporary loans of cash between funds allowable under Section 1011.09(2), Florida Statutes, for a period of less than 13 months. The temporary loans do not restrict, impede, or limit implementation or fulfillment of the original purposes for which the monies were received in the fund providing the advancement. All amounts will be repaid within the 2018-19 fiscal year.

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

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

Funds	Interfund Transfers In	Interfund Transfers Out
Major Funds:		
General	$ 19,080,038	$ 577,910
Debt Service:		
Other Debt Service	25,009,184	-
Capital Projects:		
Local Capital Improvement Tax	-	44,354,110
Other Capital Projects	-	1,179,422
Nonmajor Governmental Funds	2,215,302	770,992
Internal Service Funds	577,910	-
Total	$ 46,882,434	$ 46,882,434

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

16. SCHEDULE OF STATE REVENUE SOURCES

The following is a schedule of the District's State revenue for the 2017-18 fiscal year:

Source:	Amount
Categorical educational program - Class size reduction	$ 47,718,662
Florida education finance program	20,583,775
Workforce development program	7,175,316
School recognition	2,532,478
Motor vehicle license tax (capital outlay & debt service)	1,848,378
Charter school capital outlay	1,179,422
Best and Brightest Teacher Scholarship	4,460,121
Public education capital outlay	770,992
Discretionary Lottery Funds	79,472
Sales Tax Distribution	446,500
Mobile home license tax	249,448
Food service supplement	161,185
Performance based incentives	2,169
Miscellaneous	200,813
Total	$ 87,408,731

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

17. PROPERTY TAXES

The following is a summary of millages and taxes levied on the 2017 tax roll for the 2017-18 fiscal year:

Funds	Millage Rates	Taxes Levied
General Fund		
Nonvoted School Tax:		
Required Local Effort	3.961	$ 232,960,504
Basic Discretionary Local Effort	0.748	43,992,542
Voted Tax:		
Operating	1.000	58,813,558
Capital Projects Funds		
Nonvoted Tax:		
Local Capital Improvements	1.500	88,220,337
Total	7.209	$ 423,986,941

18. STATE RETIREMENT PROGRAMS

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

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

The District's pension expense totaled $36,313,835 for the fiscal year ended June 30, 2018.

FRS Pension Plan.

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

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

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

18. STATE RETIREMENT PROGRAMS (continued)

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

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

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

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

18. STATE RETIREMENT PROGRAMS (continued)

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
Special Risk Class	
Service on and after October 1, 1974	3.00
Elected County Officers	3.00
Senior Management Service Class	2.00

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

18. STATE RETIREMENT PROGRAMS (continued)

Contributions. The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates during the 2017-18 fiscal year were as follows:

	Percent of Gross Salary	
Membership Class	Employee	Employer (A)
FRS, Regular	3.00	7.92
FRS, Special Risk	3.00	23.27
FRS, Elected County Officers	3.00	45.5
FRS, Senior Management Service	3.00	22.71
FRS, DROP	0.00	13.26
FRS, Reemployed Retiree	(B)	(B)

Notes: (A) Employer rates include 1.66 percent for the postemployment health insurance subsidy. Also, employer rates, other than for DROP participants, include 0.06 percent for administrative costs of the Investment Plan.

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

The District's contributions to the Plan totaled $15,874,706 for the fiscal year ended June 30, 2018.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2018, the District reported a liability of $176,072,805 for its proportionate share of the Plan's net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017. The District's proportionate share of the net pension liability was based on the District's 2016-17 fiscal year contributions relative to the 2016-17 fiscal year contributions of all participating members. At June 30, 2017, the District's proportionate share was 0.595256252 percent, which was an increase of 0.077651755 percent from its proportionate share measured as of June 30, 2016.

18. STATE RETIREMENT PROGRAMS (continued)

For the fiscal year ended June 30, 2018, the District recognized pension expense of $28,951,098 related to the Plan. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 16,159,246	$ 975,353
Change of assumptions	59,172,893	-
Net difference between projected and actual earnings on FRS pension plan investments	-	4,363,524
Changes in proportion and differences between District FRS contributions and proportionate share of FRS contributions	10,778,470	10,708,282
District FRS contributions subsequent to the measurement date	15,874,706	-
Total	$ 101,985,315	$ 16,047,159

The deferred outflows of resources related to pensions, totaling $15,874,706, resulting from District contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30	Amount
2019	$ 8,760,973
2020	23,907,664
2021	16,413,340
2022	3,083,449
2023	12,751,862
Thereafter	5,146,162
Total	$ 70,063,450

Actuarial Assumptions. The total pension liability in the July 1, 2017 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60 percent
Salary Increases	3.25 percent, average, including inflation
Investment rate of return	7.10 percent, net of pension plan investment expense, including inflation

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

18. STATE RETIREMENT PROGRAMS (continued)

The actuarial assumptions used in the July 1, 2017, valuation were based on the results of an actuarial experience study for the period July 1, 2008, through June 30, 2013.

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

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	3.0%	3.0%	1.8%
Fixed Income	18.0%	4.5%	4.4%	4.2%
Global Equity	53.0%	7.8%	6.6%	17.0%
Real Estate (Property)	10.0%	6.6%	5.9%	12.8%
Private Equity	6.0%	11.5%	7.8%	30.0%
Strategic investments	12.0%	6.1%	5.6%	9.7%
Total	100.00%			
Assumed inflation - Mean			2.6%	1.9%

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

Discount Rate. The discount rate used to measure the total pension liability was 7.10 percent. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. The discount rate used in the 2017 valuation was updated from 7.6 percent to 7.1 percent.

18. STATE RETIREMENT PROGRAMS (continued)

Sensitivity of the District's Proportionate Share of the Net Position Liability to Changes in the Discount Rate. The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.10 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 (6.10 percent) or 1-percentage-point higher (8.10 percent) than the current rate:

	1% Decrease (6.10%)	Current Discount Rate (7.10%)	1% Increase (8.10%)
District's proportionate share of the net pension liability	$ 318,681,143	$ 176,072,805	$ 57,675,212

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

Payables to the Pension Plan. At June 30, 2018, the District reported a payable of $2,572,545 for the outstanding amount of contributions to the Plan required for the fiscal year ended June 30, 2018.

HIS Pension Plan

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

Benefits Provided. For the fiscal year ended June 30, 2018, eligible retirees and beneficiaries received a monthly HIS payment of $5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of $30 and a maximum HIS payment of $150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

18. STATE RETIREMENT PROGRAMS (continued)

Contributions. The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended June 30, 2018, the contribution rate was 1.66 percent of payroll pursuant to section 112.363, Florida Statues. The District contributed 100 percent of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

The District's contributions to the HIS Plan totaled $4,274,441 for the fiscal year ended June 30, 2018.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2018, the District reported a net pension liability of $89,308,395 for its proportionate share of the HIS Plan's net pension liability. The current portion of the net pension liability is the District's proportionate share of benefit payments expected to be paid within one year, net of the District's proportionate share of the pensions plan's fiduciary net position available to pay that amount. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016, and updated procedures were used to determine liabilities as of July 1, 2017.

The District's proportionate share of the net pension liability was based on the District's 2016-17 fiscal year contributions relative to the total 2016-17 fiscal year contributions of all participating members. At June 30, 2017, the District's proportionate share was 0.835246364 percent, which was an increase of 0.128248559 percent from its proportionate share measured as of June 30, 2016.

18. STATE RETIREMENT PROGRAMS (continued)

For the fiscal year ended June 30, 2018, the District recognized pension expense of $7,362,737 related to the HIS Plan. In addition, the District reported deferred outflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ -	$ 185,954
Change of assumptions	12,553,690	7,722,592
Net difference between projected and actual earnings on HIS pension plan investments	49,528	-
Changes in proportion and differences between District HIS contributions and proportionate share of HIS contributions	10,938,070	6,158,538
District HIS contributions subsequent to the measurement date	4,274,441	-
Total	$ 27,815,729	$ 14,067,084

The deferred outflows of resources related to pensions, totaling $4,274,441, resulting from District contributions to the HIS Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2019.

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

Fiscal Year Ending June 30	Amount
2019	$ 2,033,340
2020	2,023,968
2021	2,019,469
2022	1,640,605
2023	1,060,527
Thereafter	696,295
Total	$ 9,474,204

Actuarial Assumptions. The total pension liability in the July 1, 2016, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60 percent
Salary Increases	3.25 percent, average, including inflation
Municipal Bond Rate	3.58 percent

18. STATE RETIREMENT PROGRAMS (continued)

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

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

Discount Rate. The discount rate used to measure the total pension liability was 3.58 percent, which is an increase from 0.73 percent used at the preceding measurement date. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 3.58 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 (2.58 percent) or 1-percentage-point higher (4.58 percent) than the current rate:

	1% Decrease (2.58%)	Current Discount Rate (3.58%)	1% Increase (4.58%)
District's proportionate share of the net pension liability	$ 101,912,705	$ 89,308,395	$ 78,809,701

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

Payables to the Pension Plan. At June 30, 2018, the District reported a payable of $754,902 for the outstanding amount of contributions to the HIS Plan required for the fiscal year ended June 30, 2018.

18. STATE RETIREMENT PROGRAMS (continued)

FRS-Defined Contribution Plan. Pursuant to Section 121.4501, Florida Statutes, the Florida Legislature created a defined contribution program called the Florida Retirement System Investment Plan (Investment Plan), which is administered by the SBA. The Investment Plan is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report. Employees may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. Employees in the Investment Plan vest in their own contributions immediately and, after one year of service, in employer contributions and investment earnings. District employees participating in DROP are not eligible to participate in the program. This program is self-directed by the employee. The employees have the responsibility of selecting how their funds are invested within the approved set of investment choices and may take their funds when they leave the FRS. Employer and employee contributions are defined by law, but the ultimate benefit depends in part on the performance of investment funds. The Investment Plan is funded by employer and employee contributions that are based on the same salary and membership class (Regular Class, Elected County Officers, etc.) as the FRS defined benefit plan. Contributions are directed to the individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of Investment Plan members. Allocations to the investment member's accounts during the 2017-18 fiscal year were as follows:

Class	Percent of Gross Compensation
FRS, Regular	6.30
FRS, Elected County Officers	11.34

If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the 5-year period, the employee will regain control over their account. If the employee does not return within the 5-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2018, 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.

18. STATE RETIREMENT PROGRAMS (continued)

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

There were 1,031 District participants in the Investment Plan during the 2017-18 fiscal year. The District's Investment Plan pension expense totaled $2,572,541.

19. SPECIAL TERMINATION BENEFITS

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

The District reported a liability of $75,030 in the Statement of Net Position representing the present value of the estimated future payments for life insurance premiums for the remaining 83 employees who elected to retire during the 1992-93 and 1993-94 fiscal years and participate in the program.

20. OTHER POSTEMPLOYMENT BENEFITS

The District follows GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, for reporting the employers' OPEB Plan liability.

Plan Description. The Other Postemployment Benefits (OPEB) Plan is a single-employer defined benefit plan administered by the District. Pursuant to the provisions of Section 112.0801, Florida Statutes, former employees who retire from the District and their eligible dependents may continue to participate in one of four self insured comprehensive plans for medical and prescription drug coverage. The District subsidizes the premium rates paid by retirees by allowing them to participate in the OPEB Plan at reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the OPEB Plan on average than those of active employees. The District does not provide any explicit subsidies for retiree coverage. Retirees are not required to enroll in the Federal Medicare programs parts A and B for their primary coverage as soon as they are eligible. A retiree may also participate in the District's life insurance program that provides $5,000 coverage reducing to $2,500 at age 70. The OPEB Plan does not issue a stand-alone report, and is not included in the report of a public employee retirement system or other entity. The OPEB Plan contribution requirements of the District and OPEB Plan members are established and may be amended through recommendations of the Insurance Committee and action from the Board. The District has not advance-funded or established a funding methodology for the annual OPEB expense or the net OPEB Plan liability, and the OPEB Plan is financed on a pay-as-you-go basis. No assets are accumulated in a trust that meets all of the criteria in GASB Statement No. 75, paragraph 4. A copy of the actuarial report provided by AON Hewitt dated August 14, 2018 is available in the District's Finance Department.

Benefits Provided. The OPEB Plan provides healthcare and life insurance benefits for retirees and their dependents. The OPEB Plan only provides an implicit subsidy as described above. The plan also provides all retirees with life insurance benefits as described above.

Employees Covered by Benefit Terms. The following table provides a summary of the number of participants in the plan as of the measurement date:

	Healthcare	Life Insurance
Inactive Plan Members	500	2,269
Active Plan Members	4,897	4,897
Total Plan Members	5,397	7,166

20. OTHER POSTEMPLOYMENT BENEFITS (continued)

Total OPEB Liability. The District's total OPEB liability of $25,060,074 was measured as of June 30, 2017, and was determined by an actuarial valuation as of July 1, 2017.

Changes in the Total OPEB Plan Liability. The following table shows the change in the District's OPEB Plan liability.

Description	Amount
Service Cost	$ 1,204,463
Interest on the Total OPEB Plan Liability	773,741
Differences Between Expected and Actual Experience	1,557,183
Changes of Assumptions	(3,212,381)
Benefit Payments	(2,397,742)
Net Change in Total OPEB Plan Liability	(2,074,736)
Total OPEB Liability at 6/30/2017, as restated	27,134,810
Total OPEB Liability at 6/30/2018	$ 25,060,074

Actuarial Valuation Date. For employee and retiree population purposes, June 30, 2017, was the most recent actuarial valuation date. For development of per capita cost purposes and for valuation purposes, July 1, 2017, was used as the effective date of OPEB Plan provisions.

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

20. OTHER POSTEMPLOYMENT BENEFITS (continued)

The total OPEB liability actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary Increases	4.50 percent
Discount Rate	3.58 percent
Healthcare Cost Trend Rates	Pre-65 trend starts at 8.4 percent and age 65+ trend starts at 8.7 percent for fiscal year 2018 both gradually decreasing to an ultimate trend of 4.5 percent in fiscal year 2026.
Benefit-related costs	Retiree medical premiums assumed to grow at the same trend as pre-65 claims.

The demographic actuarial assumptions for retirement, disability incidence, and withdrawal used in the June 30, 2017, valuation were based on the results of an actuarial experience study for the period January 1, 2010, through December 31, 2014, adopted by the FRS.

Base rates from the Society of Actuaries (SOA) RP-2014 mortality study were used for this population, projected from 2006 using scale MP-2016. This mortality assumption reflects current expectations for pensioners in the United States.

Discount Rate. There are no invested plan assets held in trust to finance the OPEB Plan liability. The discount rate used equals the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA rating as of the measurement date. For the purpose of the OPEB Plan valuation, the municipal bond rate was 3.58 percent (based on the daily rate closest to but not later than the measurement date of the “Bond Buyer GO 20-Bond Municipal Bond Index”). The discount rate was 2.85 percent as of the beginning of the measurement period.

20. OTHER POSTEMPLOYMENT BENEFITS (continued)

Sensitivity of the District's Total OPEB Liability to Changes in the Discount Rate. The following presents the District's OPEB liability calculated using the discount rate of 3.58 percent, as well as what the OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.58 percent) or 1-percentage-point higher (4.58 percent) than the current rate:

	1% Decrease (2.58%)	Current Discount Rate (3.58%)	1% Increase (4.58%)
OPEB Liability	$ 29,605,721	$ 25,060,074	$ 21,441,236

Sensitivity of the District's Total OPEB Liability to the Healthcare Cost Trend Rate Assumption. Regarding the sensitivity of the total OPEB liability, calculated using the assumed trend rates as well as what the OPEB total liability would be if it were calculated using a trend rate that is one percent lower or one percent higher:

	1 % Decrease (7.4%/7.7% down to 3.5%)	Current Healthcare Cost Trend Rate Assumption (8.4%/8.7%)	1 % Increase (9.4%/9.7% down to 5.5%)
OPEB Liability	$ 21,466,406	$ 25,060,074	$ 29,770,059

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. The District's annual OPEB expense totaled $1,779,262 for the fiscal year ended June 30, 2018. At June 30, 2018, the District reported deferred outflows and inflows of resources related to OPEB from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences Between Expected and and Actual Experiences	$ 1,370,022	$ -
Change of assumptions	-	2,826,278
District contributions subsequent to the measurement date	1,723,605	-
Total	$ 3,093,627	$ 2,826,278

20. OTHER POSTEMPLOYMENT BENEFITS (continued)

Of the total amount reported as deferred outflows of resources related to OPEB, $1,723,605 resulting from contributions (benefits paid) subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the total OPEB liability in the year ended June 30, 2019. Other amounts reported as deferred outflow of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30	Amortization
2019	$ (198,942)
2020	(198,942)
2021	(198,942)
2022	(198,942)
2023	(198,942)
Thereafter	(461,546)
	$ (1,456,256)

21. RISK MANAGEMENT PROGRAMS

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

The District is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Workers' compensation, automobile liability, and general liability coverage, certain dental benefits and effective January 1, 2018, medical benefits contained within the District's cafeteria plan, are being provided on a self-insured basis up to specified limits.

The District has contracted with an insurance administrator to administer the workers' compensation, medical benefit and dental benefit self-insurance programs, including the processing, investigation, and payment of claims. The District has entered into an insurance agreement for their medical benefit program to provide stop loss coverage on specific medical and prescription drug claims in excess of $550,000 with unlimited specific annual or lifetime maximum eligible expenses per covered person including retirees. The District has entered into an insurance agreement for their workers' compensation plan to provide specific excess coverage of claim amounts above the stated amount on an individual claim basis and aggregate excess coverage up to $25 million.

21. RISK MANAGEMENT PROGRAMS (continued)

For automobile and general liability coverage the District depends on the Florida Sovereign Immunity Act, Section 768.28, Florida Statutes, to limit its potential tort liability to $200,000 per person or $300,000 per occurrence.

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

A liability in the amount of $12,185,800 for the workers' compensation, the general liability, the automobile liability, the dental liability, and the health insurance funds was actuarially determined to cover estimated incurred but not reported insurance claims payable at June 30, 2018, and is net of excess insurance recoverable on unpaid claims. A liability in the amount of $165,437 relates to the District's cafeteria plan fund. Non-incremental claims expense has been included as part of the liabilities.

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

Fiscal Year	Beginning of Fiscal Year Liability	Claims and Changes in Estimates	Claims Payments	Balance at Fiscal Year End
2015-2016	$ 8,689,404	$ 22,470,016	$ (18,882,343)	$ 12,277,077
2016-2017	12,277,077	46,884,577	(46,590,482)	12,571,172
2017-2018	12,571,172	48,759,217	(48,979,152)	12,351,237

22. LITIGATION

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

23. CONTINGENCY

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

24. SUBSEQUENT EVENTS

The District has evaluated subsequent events from July 1, 2018 through December 04, 2018, in connection with the preparation of these financial statements, which is the date the financial statements were available to be issued. No subsequent events occurred which would have a material impact on the District's financial statements.

SCHOOL BOARD OF SARASOTA COUNTY, Florida
Required Supplementary Information
Schedule of Changes in the District's Total OPEB Liability and Related Ratios
Last 10 Fiscal Years

		2018
Service Cost	$	1,204,463
Interest on the Total OPEB Liability		773,741
Difference Between Expected and Actual Experiences		1,557,183
Changes of Assumptions		(3,212,381)
Benefit Payments		(2,397,742)
Net Change in Total OPEB Liability		(2,074,736)
Total OPEB Liability, Beginning, as Restated		27,134,810
Total OPEB Liability, Ending	$	25,060,074
Covered-Employee Payroll	$	249,725,528
Total OPEB Liability as a Percentage of Covered-Employee Payroll		10.04%

Notes to Required Supplementary Information - Other Postemployment Benefits:

Changes of Assumptions. In 2017 the municipal bond rate used to determine total OPEB liability was increased from 2.85 percent to 3.58 percent.

Data for the above schedule is not available prior to the 2017-2018 fiscal year. Additional years will be displayed as it becomes available.

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

	2017	2016	2015	2014	2013
District's proportion of the FRS net pension liability	0.595256252%	0.517604497%	0.615478062%	0.630530916%	0.620589978%
District's proportionate share of the FRS net pension liability (3)	$ 176,072,805	$ 130,695,542	$ 79,497,246	$ 38,471,658	$ 106,831,156
District's covered payroll (2)	$ 266,505,637	$ 218,283,032	$ 240,187,608	$ 237,587,546	$ 231,843,140
District's proportionate share of the FRS net pension liability as a percentage of its covered payroll	66.07%	59.87%	33.10%	16.19%	46.08%
FRS Plan fiduciary net position as a percentage of the total pension liability	83.89%	84.88%	92.00%	96.09%	88.54%

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

(2) Covered payroll includes all salaries and wages paid to employees enrolled in the FRS Defined Benefit Plan and Defined Contribution Plan to comply with GASB Statement No. 82.

(3) Changes of Assumptions. In 2017 the long-term expected rate of return was decreased from 7.6 percent to 7.1 percent, and the active member mortality assumption was updated.

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

	2018	2017	2016	2015	2014
Contractually required FRS contribution	$ 15,874,706	$ 15,495,986	$ 12,622,611	$ 15,005,878	$ 13,811,303
FRS contributions in relation to the contractually required contribution	(15,874,706)	(15,495,986)	(12,622,611)	(15,005,878)	(13,811,303)
FRS contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
District's covered payroll (2)	$ 257,518,853	$ 266,505,637	$ 218,283,032	$ 240,187,608	$ 237,587,546
FRS contributions as a percentage of covered payroll	6.16%	5.81%	5.78%	6.25%	5.81%

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

(2) Covered payroll includes all salaries and wages paid to employees enrolled in the FRS Defined Benefit Plan and Defined Contribution Plan to comply with GASB Statement No. 82.

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

	2017	2016	2015	2014	2013
District's proportion of the HIS net pension liability	0.835246364%	0.706997805%	0.791444173%	0.799648048%	0.797990362%
District's proportionate share of the HIS net pension liability (3)	$ 89,308,395	$ 82,397,665	$ 80,714,856	$ 74,769,044	$ 69,475,553
District's covered payroll (2)	$ 266,505,637	$ 218,283,032	$ 240,187,608	$ 237,587,546	$ 231,843,140
District's proportionate share of the HIS net pension liability as a percentage of its covered payroll	33.51%	37.75%	33.60%	31.47%	29.97%
HIS Plan fiduciary net position as a percentage of the total pension liability	1.64%	97.00%	0.50%	0.99%	1.78%

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

(2) Covered payroll includes all salaries and wages paid to employees enrolled in the FRS Defined Benefit Plan and Defined Contribution Plan to comply with GASB Statement No. 82.

(3) Changes of Assumptions. In 2017 the municipal bond rate used to determine total pension liability was increased from 2.85 percent to 3.58 percent.

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

	2018	2017	2016	2015	2014
Contractually required HIS contribution	$ 4,274,441	$ 4,420,365	$ 3,623,814	$ 3,025,392	$ 2,739,325
HIS contributions in relation to the contractually required contribution	(4,274,441)	(4,420,365)	(3,623,814)	(3,025,392)	(2,739,325)
HIS contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -
District's covered payroll (2)	$ 257,518,853	$ 266,505,637	$ 218,283,032	$ 240,187,608	$ 237,587,546
HIS contributions as a percentage of covered payroll	1.66%	1.66%	1.66%	1.26%	1.15%

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

(2) Covered payroll includes all salaries and wages paid to employees enrolled in the FRS Defined Benefit Plan and Defined Contribution Plan to comply with GASB Statement No. 82.

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

Nonmajor Governmental Funds

Special Revenue Funds

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

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

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

Debt Service Funds

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

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

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

(continued)

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

Nonmajor Governmental Funds (continued)

Capital Projects Fund

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

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

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

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2018

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Cash and cash equivalents	$ 3,920,859	$ 1,062,742	$ -	$ 4,983,601
Investments	-	19,661,240	-	19,661,240
Due from other funds	736,956	-	-	736,956
Due from other agencies	1,764,378	-	-	1,764,378
Prepaid items	512,644	-	-	512,644
Inventories	415,366	-	-	415,366
Total assets	$ 7,350,203	$ 20,723,982	$ -	$ 28,074,185
Liabilities and fund balances				
Liabilities:				
Salaries and wages payable	$ 2,084,088	$ -	$ -	$ 2,084,088
Accounts payable	483,551	-	-	483,551
Construction contracts payable	3,194	-	-	3,194
Due to other funds	373,665	-	-	373,665
Due to other agencies	12,314	-	-	12,314
Matured interest payable	-	1,062,742	-	1,062,742
Unearned revenue	1,386,535	-	-	1,386,535
Total liabilities	4,343,347	1,062,742	-	5,406,089
Fund balances:				
Nonspendable	928,010	-	-	928,010
Restricted	2,078,846	19,661,240	-	21,740,086
Total fund balances	3,006,856	19,661,240	-	22,668,096
Total liabilities and fund balances	$ 7,350,203	$ 20,723,982	$ -	$ 28,074,185

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2018

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Federal direct	$ 1,158,681	$ 1,949,035	$ -	$ 3,107,716
Federal through state and local	34,602,141	-	-	34,602,141
State sources	161,185	1,631,349	960,774	2,753,308
Local Sources:				
Charges for services	4,520,615	-	-	4,520,615
Other local revenue	3,242,716	(293,145)	-	2,949,571
Total revenues	43,685,338	3,287,239	960,774	47,933,351
Expenditures				
Current:				
Instruction	15,236,695	-	-	15,236,695
Student support services	3,866,947	-	-	3,866,947
Instructional media services	877	-	-	877
Instruction and curriculum development services	648,236	-	-	648,236
Instructional staff training services	3,165,305	-	-	3,165,305
General administration	621,923	-	-	621,923
School administration	637	-	-	637
Facility services - non-capitalized	-	-	204,888	204,888
Fiscal Services	10,127	-	-	10,127
Food services	19,921,138	-	-	19,921,138
Central services	155,155	-	-	155,155
Student transportation services	27,941	-	-	27,941
Operation of plant	468	-	-	468
Community services	959,515	-	-	959,515
Capital outlay:				
Other capital outlay	782,515	-	-	782,515
Debt service:				
Principal	-	1,407,000	-	1,407,000
Interest	-	2,351,791	-	2,351,791
Dues and fees	-	8,169	1,492	9,661
Total expenditures	45,397,479	3,766,960	206,380	49,370,819
Excess (deficiency) of revenues over (under) expenditures	(1,712,141)	(479,721)	754,394	(1,437,468)
Other financing sources (uses)				
Payments to refunded bond escrow agent	-	(866,736)	-	(866,736)
Transfers in	-	2,215,302	-	2,215,302
Transfers out	-	-	(770,992)	(770,992)
Total other financing sources (uses)	-	1,348,566	(770,992)	577,574
Net change in fund balances	(1,712,141)	868,845	(16,598)	(859,894)
Fund balance - beginning	4,718,997	18,792,395	16,598	23,527,990
Fund balance - ending	$ 3,006,856	$ 19,661,240	$ -	$ 22,668,096

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2018

	Food Service Fund	Contracted Programs Fund	Total Nonmajor Special Revenue Funds
Assets			
Cash and cash equivalents	$ 2,899,611	$ 1,021,248	$ 3,920,859
Due from other funds	-	736,956	736,956
Due from other agencies	320,574	1,443,804	1,764,378
Prepaid items	491,087	21,557	512,644
Inventories	415,366	-	415,366
Total assets	$ 4,126,638	$ 3,223,565	$ 7,350,203
Liabilities and fund balances			
Liabilities:			
Salaries and wages payable	$ 523,447	$ 1,560,641	$ 2,084,088
Accounts payable	29,854	453,697	483,551
Due to other funds	362,765	10,900	373,665
Due to other agencies	3,125	9,189	12,314
Construction contracts payable	-	3,194	3,194
Unearned revenue	272,110	1,114,425	1,386,535
Total liabilities	1,191,301	3,152,046	4,343,347
Fund balances:			
Nonspendable	906,453	21,557	928,010
Restricted	2,028,884	49,962	2,078,846
Total fund balances	2,935,337	71,519	3,006,856
Total liabilities and fund balances	$ 4,126,638	$ 3,223,565	$ 7,350,203

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Special Revenue Funds
For the Fiscal Year Ended June 30, 2018

	Food Service Fund	Contracted Programs Fund	Total Nonmajor Special Revenue Funds
Revenues			
Federal direct	$ -	$ 1,158,681	$ 1,158,681
Federal through state and local	13,847,375	20,754,766	34,602,141
State sources	161,185	-	161,185
Local Sources:			
Charges for services	4,520,615	-	4,520,615
Other local revenue	152,411	3,090,305	3,242,716
Total revenues	18,681,586	25,003,752	43,685,338
Expenditures			
Current:			
Instruction	-	15,236,695	15,236,695
Student support services	-	3,866,947	3,866,947
Instructional media services	-	877	877
Instruction and curriculum development services	-	648,236	648,236
Instructional staff training services	-	3,165,305	3,165,305
General administration	-	621,923	621,923
School administration	-	637	637
Fiscal services	-	10,127	10,127
Food services	19,921,138	-	19,921,138
Central services	-	155,155	155,155
Student transportation services	-	27,941	27,941
Operation of plant	-	468	468
Community services	-	959,515	959,515
Capital outlay:			
Other capital outlay	312,369	470,146	782,515
Total expenditures	20,233,507	25,163,972	45,397,479
Deficiency of revenues under expenditures	(1,551,921)	(160,220)	(1,712,141)
Fund balance - beginning	4,487,258	231,739	4,718,997
Fund balance - ending	$ 2,935,337	$ 71,519	$ 3,006,856

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Combining Balance Sheet
Nonmajor Debt Service Funds
June 30, 2018

	State Board of Education Bonds Fund	ARRA Economic Stimulus Fund	Total Nonmajor Debt Service Funds
Assets			
Cash and cash equivalents	$ -	$ 1,062,742	$ 1,062,742
Investments	98,964	19,562,276	19,661,240
Total assets	$ 98,964	$ 20,625,018	$ 20,723,982
Liabilities and fund balances			
Liabilities:			
Matured interest payable	$ -	$ 1,062,742	$ 1,062,742
Total liabilities	-	1,062,742	1,062,742
Fund balances:			
Restricted for debt service	98,964	19,562,276	19,661,240
Total fund balances	98,964	19,562,276	19,661,240
Total liabilities and fund balances	$ 98,964	$ 20,625,018	$ 20,723,982

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Debt Service Funds
For the Fiscal Year Ended June 30, 2018

	State Board of Education Bonds Fund	ARRA Economic Stimulus Fund	Total Nonmajor Debt Service Funds
Revenues			
Federal direct	$ -	$ 1,949,035	$ 1,949,035
State sources	1,631,349	-	1,631,349
Local Sources:			
Net decrease in fair value of investments	-	(293,145)	(293,145)
Total revenues	1,631,349	1,655,890	3,287,239
Expenditures			
Debt service:			
Principal	1,407,000	-	1,407,000
Interest	226,307	2,125,484	2,351,791
Dues and fees	1,169	7,000	8,169
Total expenditures	1,634,476	2,132,484	3,766,960
Deficiency of revenues under expenditures	(3,127)	(476,594)	(479,721)
Other financing sources (uses)			
Payments to refunded escrow agent	(866,736)	-	(866,736)
Transfers in	-	2,215,302	2,215,302
Total other financing sources (uses)	(866,736)	2,215,302	1,348,566
Net change in fund balance	(869,863)	1,738,708	868,845
Fund balance - beginning	968,827	17,823,568	18,792,395
Fund balance - ending	$ 98,964	$ 19,562,276	$ 19,661,240

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2018

	Public Education Capital Outlay (PECO) Fund	Capital Outlay and Debt Service Fund	Total Capital Projects Funds
Revenues			
State sources	$ 770,992	$ 189,782	$ 960,774
Total revenues	770,992	189,782	960,774
Expenditures			
Current:			
Facility services - non-capitalized	-	204,888	204,888
Debt service:			
Dues and fees	-	1,492	1,492
Total expenditures	-	206,380	206,380
Excess (deficiency) of revenues over (under) expenditures	770,992	(16,598)	754,394
Other financing uses			
Transfers out	(770,992)	-	(770,992)
Total other financing uses	(770,992)	-	(770,992)
Net change in fund balance	-	(16,598)	(16,598)
Fund balance - beginning	-	16,598	16,598
Fund balance - ending	$ -	$ -	$ -

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Food Service - Nonmajor Special Revenue Fund
For the Fiscal Year Ended June 30, 2018

	Food Service			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Federal through state and local:				
Food service	$ 13,689,927	$ 13,973,675	$ 13,847,375	$ (126,300)
Total federal through state and local	13,689,927	13,973,675	13,847,375	(126,300)
State sources:				
Food service	162,582	161,185	161,185	-
Total state sources	162,582	161,185	161,185	-
Local sources:				
Food service	4,984,377	4,520,615	4,520,615	-
Interest income	23,145	29,417	29,417	-
Other local sources	53,956	122,994	122,994	-
Total local sources	5,061,478	4,673,026	4,673,026	-
Total revenues	18,913,987	18,807,886	18,681,586	(126,300)
Expenditures				
Current:				
Food services	20,398,258	20,085,889	19,921,138	164,751
Capital outlay:				
Other capital outlay	-	312,369	312,369	-
Total expenditures	20,398,258	20,398,258	20,233,507	164,751
Deficiency of revenues under expenditures	$ (1,484,271)	$ (1,590,372)	(1,551,921)	$ 38,451
Fund balance - beginning			4,487,258	
Fund balance - ending			$ 2,935,337	

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Contracted Programs - Nonmajor Special Revenue Fund
For the Fiscal Year Ended June 30, 2018

	Contracted Programs			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Federal direct	$ 1,175,623	$ 1,158,681	$ 1,158,681	$ -
Federal through state and local	21,715,303	20,754,766	20,754,766	-
Local Sources:				
Other local revenue	2,874,068	3,090,305	3,090,305	-
Total revenues	25,764,994	25,003,752	25,003,752	-
Expenditures				
Current:				
Instruction	16,596,304	15,236,695	15,236,695	-
Student support services	2,842,610	3,866,947	3,866,947	-
Instructional media services	-	877	877	-
Instruction and curriculum development services	910,662	648,236	648,236	-
Instructional staff training services	3,168,395	3,165,305	3,165,305	-
General administration	1,172,848	621,923	621,923	-
School administration	-	637	637	-
Fiscal services	74,080	10,127	10,127	-
Central services	218,380	155,155	155,155	-
Student transportation services	32,000	27,941	27,941	-
Operation of plant	-	468	468	-
Community services	749,715	959,515	959,515	-
Capital outlay:				
Other capital outlay	-	470,146	470,146	-
Total expenditures	25,764,994	25,163,972	25,163,972	-
Deficiency of revenues under expenditures	$ -	$ (160,220)	(160,220)	$ -
Fund balance - beginning			231,739	
Fund balance - ending			$ 71,519	

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Other Debt Service - Major Debt Service Fund
For the Fiscal Year Ended June 30, 2018

	Other Debt Service			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Local sources:				
Interest income	$ -	$ 39,390	$ 39,390	$ -
Total revenues	-	39,390	39,390	-
Expenditures				
Debt service:				
Principal	23,061,043	21,986,611	21,986,611	-
Interest	3,137,139	3,014,371	3,014,371	-
Dues and fees	10,500	10,500	10,500	-
Total expenditures	26,208,682	25,011,482	25,011,482	-
Deficiency of revenues under expenditures	(26,208,682)	(24,972,092)	(24,972,092)	-
Other financing sources				
Transfers in	26,208,682	25,009,184	25,009,184	-
Total other financing sources	26,208,682	25,009,184	25,009,184	-
Net change in fund balance	$ -	$ 37,092	37,092	$ -
Fund balance - beginning			1,119,262	
Fund balance - ending			$ 1,156,354	

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
State Board of Education Bonds - Nonmajor Debt Service Fund
For the Fiscal Year Ended June 30, 2018

	State Board of Education Bonds			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
State sources:				
CO&DS withheld for SBE Bonds	$ 1,659,916	$ 1,631,349	$ 1,631,349	$ -
Total revenues	1,659,916	1,631,349	1,631,349	-
Expenditures				
Debt service:				
Principal	1,407,000	1,407,000	1,407,000	-
Interest	252,917	226,307	226,307	-
Dues and fees	2,500	1,169	1,169	-
Total expenditures	1,662,417	1,634,476	1,634,476	-
Deficiency of revenues under expenditures	(2,501)	(3,127)	(3,127)	-
Other financing uses				
Payments to refunded escrow agent	(866,736)	(866,736)	(866,736)	-
Total other financing uses	(866,736)	(866,736)	(866,736)	-
Net change in fund balance	$ (869,237)	$ (869,863)	(869,863)	$ -
Fund balance - beginning			968,827	
Fund balance - ending			$ 98,964	

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
ARRA Economic Stimulus - Nonmajor Debt Service Fund
For the Fiscal Year Ended June 30, 2018

	ARRA Economic Stimulus			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Federal direct	$ 1,949,172	$ 1,949,035	$ 1,949,035	$ -
Local sources:				
Net decrease in fair value of investments	-	-	(293,145)	(293,145)
Total revenues	1,949,172	1,949,035	1,655,890	(293,145)
Expenditures				
Debt service:				
Interest	2,125,484	2,125,484	2,125,484	-
Dues and fees	7,000	7,000	7,000	-
Total expenditures	2,132,484	2,132,484	2,132,484	-
Deficiency of revenues under expenditures	(183,312)	(183,449)	(476,594)	(293,145)
Other financing sources				
Transfers in	2,216,967	2,215,302	2,215,302	-
Total other financing sources	2,216,967	2,215,302	2,215,302	-
Net change in fund balance	$ 2,033,655	$ 2,031,853	1,738,708	$ (293,145)
Fund balance - beginning			17,823,568	
Fund balance - ending			$ 19,562,276	

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Local Capital Improvement Tax - Major Capital Projects Fund
For the Fiscal Year Ended June 30, 2018

	Local Capital Improvement Tax			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
Local sources:				
Property taxes levied for capital projects	$ 84,758,433	$ 84,758,433	$ 85,447,804	$ 689,371
Interest income	-	946,077	946,077	-
Total local sources	84,758,433	85,704,510	86,393,881	689,371
Total revenues	84,758,433	85,704,510	86,393,881	689,371
Expenditures				
Current:				
Facility services - non-capitalized	67,704,947	27,853,490	12,353,490	15,500,000
Capital outlay:				
Facilities acquisition and construction	-	17,423,260	17,423,260	-
Charter school local capital improvement	-	7,371,158	7,371,158	-
Total expenditures	67,704,947	52,647,908	37,147,908	15,500,000
Excess of revenues over expenditures	17,053,486	33,056,602	49,245,973	16,189,371
Other financing sources (uses)				
Loss recoveries	-	3,521	3,521	-
Transfers out	(46,130,111)	(44,354,110)	(44,354,110)	-
Total other financing sources (uses)	(46,130,111)	(44,350,589)	(44,350,589)	-
Net change in fund balance	$ (29,076,625)	$ (11,293,987)	4,895,384	$ 16,189,371
Fund balance - beginning			36,208,260	
Fund balance - ending			$ 41,103,644	

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Other Capital Projects - Major Capital Projects Fund
For the Fiscal Year Ended June 30, 2018

	Other Capital Projects			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
State sources:				
Charter school capital outlay funding	$ 1,402,267	$ 1,179,422	$ 1,179,422	$ -
Miscellaneous state revenue	-	140,407	140,407	-
Local sources:				
Sales tax collections	19,844,823	19,850,827	19,890,827	40,000
Impact fee collections	3,500,000	7,071,303	7,071,303	-
Interest income	100,000	288,749	288,749	-
Miscellaneous local revenue	1,323,475	1,091,893	1,091,893	-
Total revenues	26,170,565	29,622,601	29,662,601	40,000
Expenditures				
Current:				
Facility services - non-capitalized	49,578,313	13,458,286	8,458,286	5,000,000
Capital outlay:				
Facilities acquisition and construction	-	32,150,070	32,150,070	-
Total expenditures	49,578,313	45,608,356	40,608,356	5,000,000
Deficiency of revenues under expenditures	(23,407,748)	(15,985,755)	(10,945,755)	5,040,000
Other financing sources (uses)				
Inception of capital leases	-	11,623,156	11,623,156	-
Transfer out	(1,402,267)	(1,179,422)	(1,179,422)	-
Total other financing sources (uses)	(1,402,267)	10,443,734	10,443,734	-
Net change in fund balance	$ (24,810,015)	$ (5,542,021)	(502,021)	$ 5,040,000
Fund balance - beginning			28,388,747	
Fund balance - ending			$ 27,886,726	

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Public Education Capital Outlay - Nonmajor Capital Projects Fund
For the Fiscal Year Ended June 30, 2018

	Public Education Capital Outlay			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
State sources:				
Public Education Capital Outlay	$ 777,187	$ 770,992	$ 770,992	$ -
Total revenues	777,187	770,992	770,992	-
Other financing uses				
Transfer out	(777,187)	(770,992)	(770,992)	-
Total other financing uses	(777,187)	(770,992)	(770,992)	-
Excess of revenues over expenditures	$ -	$ -	-	$ -
Fund balance - beginning			-	
Fund balance - ending			$ -	

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Capital Outlay and Debt Service - Nonmajor Capital Projects Fund
For the Fiscal Year Ended June 30, 2018

	Capital Outlay and Debt Service			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
State sources:				
CO&DS Distribution	$ 122,638	$ 189,782	$ 189,782	$ -
Total revenues	122,638	189,782	189,782	-
Expenditures				
Current:				
Facility services - non-capitalized	137,736	204,888	204,888	-
Debt service:				
Dues and fees	1,500	1,492	1,492	-
Total expenditures	139,236	206,380	206,380	-
Deficiency of revenues under expenditures	$ (16,598)	$ (16,598)	(16,598)	$ -
Fund balance - beginning			16,598	
Fund balance - ending			$ -	

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SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

Internal Service Funds

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

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

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

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

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

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Combining Schedule of Fund Net Position
Internal Service Funds
June 30, 2018

	Workers' Compensation Insurance	General & Automobile Liability Insurance
Assets		
Current Assets		
Cash and cash equivalents	$ 2,011,760	$ 2,079,538
Investments	10,259,982	5,142,098
Accounts receivable	-	-
Interest receivable	39,910	20,002
Deposits receivable	75,000	-
Due from other funds	-	-
Due from other agencies	-	-
Prepaid items	874	11,666
Total current assets	12,387,526	7,253,304
Total assets	12,387,526	7,253,304
Liabilities		
Current liabilities		
Salaries and wages payable	79	-
Accounts payable	5,066	2,139
Due to other agencies	6	-
Unearned revenue	-	-
Estimated insurance claims payable	2,320,877	461,889
Total current liabilities	2,326,028	464,028
Long-term liabilities		
Liability for compensated absences	8,607	3,786
Estimated insurance claims payable	5,428,665	929,369
Total long-term liabilities	5,437,272	933,155
Total liabilities	7,763,300	1,397,183
Net position		
Unrestricted	4,624,226	5,856,121
Total net position	$ 4,624,226	$ 5,856,121

Cafeteria Plan			Internal Service
Dental Insurance	Cafeteria	Health Insurance	Funds Total
$ 1,640,551	$ 1,105,566	$ 13,005,083	$ 19,842,498
-	-	22,058,115	37,460,195
-	-	231,313	231,313
-	-	85,804	145,716
-	-	-	75,000
146	-	-	146
50,912	-	-	50,912
823	626	1,217	15,206
1,692,432	1,106,192	35,381,532	57,820,986
1,692,432	1,106,192	35,381,532	57,820,986
-	-	-	79
-	1,186	4,039,542	4,047,933
-	-	-	6
-	-	8,596,103	8,596,103
163,000	165,437	2,882,000	5,993,203
163,000	166,623	15,517,645	18,637,324
20,016	8,932	10,809	52,150
-	-	-	6,358,034
20,016	8,932	10,809	6,410,184
183,016	175,555	15,528,454	25,047,508
1,509,416	930,637	19,853,078	32,773,478
$ 1,509,416	$ 930,637	$ 19,853,078	$ 32,773,478

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Combining Schedule of Revenues, Expenses and Changes in Fund Net Position
Internal Service Funds
For the Fiscal Year Ended June 30, 2018

	Workers' Compensation Insurance	General & Automobile Liability Insurance
Operating revenues		
Charges for services	$ 2,708,075	$ -
Other operating revenues	-	-
Total operating revenues	2,708,075	-
Operating expenses		
Salaries	175,699	38,734
Employee benefits	38,989	10,922
Purchased services	599,769	58,665
Materials and supplies	285	-
Insurance claims	2,308,423	495,002
Other	208	-
Total operating expenses	3,123,373	603,323
Operating income (loss)	(415,298)	(603,323)
Nonoperating revenues		
Loss recoveries	-	315
Investment income	53,977	39,881
Income (loss) before transfers	(361,321)	(563,127)
Transfers in	-	577,910
Change in net position	(361,321)	14,783
Total net position - beginning	4,985,547	5,841,338
Total net position - ending	$ 4,624,226	$ 5,856,121

Cafeteria Plan		Internal Service
Dental Insurance	Cafeteria	Health Insurance	Funds Total
$ 2,750,171	$ 205,223	$ 50,858,080	$ 56,521,549
-	-	1,348,803	1,348,803
2,750,171	205,223	52,206,883	57,870,352
62,756	48,890	88,713	414,792
16,858	13,987	28,159	108,915
225,272	34,028	3,051,726	3,969,460
-	3,462	-	3,747
2,624,354	-	43,331,438	48,759,217
-	-	78,030	78,238
2,929,240	100,367	46,578,066	53,334,369
(179,069)	104,856	5,628,817	4,535,983
-	-	-	315
23,100	15,768	144,904	277,630
(155,969)	120,624	5,773,721	4,813,928
-	-	-	577,910
(155,969)	120,624	5,773,721	5,391,838
1,665,385	810,013	14,079,357	27,381,640
$ 1,509,416	$ 930,637	$ 19,853,078	$ 32,773,478

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Combining Schedule of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2018

	Workers' Compensation Insurance	General & Automobile Liability Insurance
Cash flows from operating activities		
Cash receipts from interfund services provided	$ 2,708,075	$ -
Cash payments to suppliers	(603,972)	(58,821)
Cash payments to employees	(210,997)	(48,544)
Cash payments for insurance claims	(2,308,189)	(464,252)
Cash receipts from other operating revenues	67,985	-
Net cash provided (used) by operating activities	(347,098)	(571,617)
Cash flows from noncapital financing activities		
Transfers from other funds	-	577,910
Net cash provided by noncapital financing activities	-	577,910
Cash flows from investing activities		
Interest income received	48,741	37,572
Purchase of investments	(22,303)	(11,178)
Net cash provided (used) by investing activities	26,438	26,394
Net increase (decrease) in cash	(320,660)	32,687
Cash and cash equivalents - beginning of year	2,332,420	2,046,851
Cash and cash equivalents- end of year	$ 2,011,760	$ 2,079,538
Reconciliation of operating income (loss) to net cash provided (used) by operating activities		
Operating income (loss)	$ (415,298)	$ (603,323)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Change in assets and liabilities		
Decrease in accounts receivable	67,985	-
Decrease in due from other funds	-	-
(Increase) in due from other agencies	-	-
(Increase) decrease in prepaid items	(262)	(576)
Increase (decrease) in salaries and benefits payable	22	-
Increase (decrease) in accounts payable	(3,709)	(156)
Increase in due to other agencies	2	-
Increase in unearned revenue	-	-
Increase in liability for compensated absences	3,929	1,688
Increase (decrease) in estimated insurance claims payable	233	30,750
Total adjustments	68,200	31,706
Net cash provided (used) by operating activities	$ (347,098)	$ (571,617)
Noncash investing, capital and financing activities:		
Net (decrease) in fair value of investments	$ (95,805)	$ (48,015)

Cafeteria Plan		Health Insurance	Internal Service Funds Total
Dental Insurance	Cafeteria		
$ 2,746,001	$ 205,223	$ 51,323,013	$ 56,982,312
(225,272)	(39,178)	(2,794,036)	(3,721,279)
(64,534)	(57,958)	(110,581)	(492,614)
(2,619,354)	(2,918)	(43,584,439)	(48,979,152)
-	-	1,270,773	1,338,758
(163,159)	105,169	6,104,730	5,128,025
-	-	-	577,910
-	-	-	577,910
23,100	15,768	59,100	184,281
-	-	(22,058,115)	(22,091,596)
23,100	15,768	(21,999,015)	(21,907,315)
(140,059)	120,937	(15,894,285)	(16,201,380)
1,780,610	984,629	28,899,368	36,043,878
$ 1,640,551	$ 1,105,566	$ 13,005,083	$ 19,842,498
$ (179,069)	$ 104,856	$ 5,628,817	$ 4,535,983
-	-	63,231	131,216
1,044	-	1,855	2,899
(4,170)	-	-	(4,170)
(102)	(97)	(271)	(1,308)
-	(101)	-	(79)
-	(1,688)	257,689	252,136
-	-	-	2
-	-	401,702	401,702
14,138	5,117	4,707	29,579
5,000	(2,918)	(253,000)	(219,935)
15,910	313	475,913	592,042
$ (163,159)	$ 105,169	$ 6,104,730	$ 5,128,025
$ -	$ -	$ (270,926)	$ (414,746)

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

Agency Funds

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

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

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Statement of Changes in Fiduciary Assets and Liabilities
Fiduciary Funds
For the Fiscal Year Ended June 30, 2018

	School Internal Accounts			
	Beginning Balance	Additions	Deductions	Ending Balance
Assets				
Cash and cash equivalents	$ 6,536,232	$ 14,474,542	$ 14,228,188	$ 6,782,586
Accounts receivable, net of allowance of $106,958	305,224	225,290	305,224	225,290
Inventories	343,997	348,428	343,997	348,428
Total assets	$ 7,185,453	$ 15,048,260	$ 14,877,409	$ 7,356,304
Liabilities				
Accounts payable and other	$ 99,190	$ 109,823	$ 99,190	$ 109,823
Internal accounts payable	7,086,263	14,938,437	14,778,219	7,246,481
Total liabilities	$ 7,185,453	$ 15,048,260	$ 14,877,409	$ 7,356,304

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SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

Discretely Presented Component Units

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

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

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Combining Statement of Net Position
Component Units - Charter Schools
June 30, 2018

	Island Village Montessori Charter School, Inc.	Sarasota Suncoast Academy, Inc.	Student Leadership Academy of Venice, Inc.	Imagine School at North Port, Inc.	Imagine School at Palmer Ranch
Assets					
Cash and cash equivalents	$ 2,143,198	$ 933,439	$ 278,327	$ 1,744,285	$ 93,454
Restricted cash	-	-	-	-	-
Investments	-	-	-	-	-
Accounts receivable	-	5,715	402	-	16,545
Due from other agencies	-	675	-	-	18,332
Due from related parties	-	-	-	-	102,183
Prepaid items	37,921	335,303	30,088	10,468	68,403
Other	107,150	-	600	20,716	-
Capital assets:					
Land	829,116	-	-	106,016	-
Land Improvements	9,280	-	-	-	-
Construction In Process	-	-	-		-
Improvements Other Than Buildings	-	23,105	-	1,054,595	-
Leasehold Improvements	-	1,389,196	989,552	-	-
Buildings and Fixed Equipment	5,609,412	-	-	2,214,468	-
Furniture, Fixtures and Equipment	1,795,198	735,898	699,999	1,031,613	236,524
Motor Vehicles	38,815	58,500	-	392,874	223,141
Capital Lease	-	-	-	-	-
Less Accumulated Depreciation	(3,284,010)	(1,216,431)	(855,787)	(2,053,165)	(288,105)
Total assets	7,286,080	2,265,400	1,143,181	4,521,870	470,477
Deferred outflows of resources					
Pensions	-	-	490,519	-	-
Total deferred outflows of resources	-	-	490,519	-	-
Liabilities					
Salaries and wages payable	185,247	86,380	-	580,777	230,113
Due to related parties	-	-	-	9,603	-
Accounts payable	62,752	305,001	195,772	106,570	400
Other	-	-	-	2,500	-
Unearned revenue					
Noncurrent liabilities:					
Portion due within one year:					
Notes payable	221,936	-	-	179,979	90,661
Bonds payable	-	-	-	-	-
Obligations under capital leases	-	24,466	-	-	16,419
Liability for compensated absences	-	-	2,000	-	-
Portion due after one year:					
Notes payable	3,439,623	-	-	1,743,016	105,507
Bonds payable	-	-	-	-	-
Interest rate swap	-	-	-	-	-
Obligations under capital leases	-	30,484	-	-	59,607
Liability for compensated absences	-	-	18,151	-	-
Net pension liability	-	-	1,156,344	-	-
Total liabilities	3,909,558	446,331	1,372,267	2,622,445	502,707
Deferred inflows of resources					
Pensions	-	-	164,639	-	-
Total deferred inflows of resources	-	-	164,639	-	-
Net position					
Net investment in capital assets	1,336,252	935,318	833,764	1,253,547	76,945
Restricted for capital projects	-	-	-	-	-
Restricted for debt service	-	-	-	-	-
Restricted for other purposes	-	-	-	-	-
Unrestricted	2,040,270	883,751	(736,970)	645,878	(109,175)
Total net position	$ 3,376,522	$ 1,819,069	$ 96,794	$ 1,899,425	$ (32,230)

Sarasota Military Academy, Inc.	Sarasota School of Arts and Sciences, Inc.	Sarasota Academy of the Arts, Inc.	Suncoast School for Innovative Studies, Inc.	Total Component Units
$ 1,464,834	$ 2,052,619	$ 248,635	$ 266,045	$ 9,224,836
-	1,659,388	99,485	-	1,758,873
127,213	-	-	-	127,213
111,948	-	13,624	42,319	190,553
28,299	-	-	-	47,306
30,604	-	-	-	132,787
-	35,169	4,797	35,647	557,796
50,000	750	-	71,768	250,984
8,398,300	652,565	474,603	-	10,460,600
-	-	-	-	9,280
-	34,812	-	-	34,812
115,977	-	-	-	1,193,677
-	-	-	293,446	2,672,194
13,560,206	8,879,822	205,451	-	30,469,359
2,501,048	1,647,577	64,178	563,334	9,275,369
768,199	281,255	31,287	8,710	1,802,781
-	48,000	5,630	-	53,630
(4,956,917)	(2,881,800)	(79,650)	(631,451)	(16,247,316)
22,199,711	12,410,157	1,068,040	649,818	52,014,734
3,483,723	-	-	-	3,974,242
3,483,723	-	-	-	3,974,242
-	181,931	68,743	68,274	1,401,465
-	-	-	-	9,603
736,070	44,234	36,965	8,632	1,496,396
-	330,682	-	59,480	392,662
15,274				15,274
92,688	21,591	15,204	-	622,059
503,626	175,000	-	-	678,626
-	9,600	1,178	-	51,663
-	-	-	-	2,000
121,174	-	279,658	-	5,688,978
12,165,597	9,842,504	-	-	22,008,101
252,844	-	-	-	252,844
-	20,000	-	-	110,091
18,307	-	14,551	-	51,009
6,578,071	-	-	-	7,734,415
20,483,651	10,625,542	416,299	136,386	40,515,186
856,806	-	-	-	1,021,445
856,806	-	-	-	1,021,445
7,531,166	(1,384,873)	406,637	234,039	11,222,795
-	305,706	-	-	305,706
-	1,353,682	-	-	1,353,682
86,911	-	99,485	-	186,396
(3,275,100)	1,510,100	145,619	279,393	1,383,766
$ 4,342,977	$ 1,784,615	$ 651,741	$ 513,432	$ 14,452,345

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Combining Statement of Activities
Component Units - Charter Schools
For the Fiscal Year Ended June 30, 2018

	Island Village Montessori Charter School, Inc.	Sarasota Suncoast Academy, Inc.	Student Leadership Academy of Venice, Inc.	Imagine School at North Port, Inc.	Imagine School at Palmer Ranch
Expenses:					
Instruction	$ 3,736,749	$ 2,913,831	$ 1,531,776	$ 5,448,058	$ 2,501,745
Student support services	132,149	-	141,946	72,462	107
Instructional media services	-	6,530	35,724	58,957	-
Instructional curriculum development services	-	-	-	130,584	66,168
Instructional staff training services	-	19,967	404	14,462	952
Instruction related technology	-	12,479	-	168,362	32,147
Board	-	148,295	13,900	14,500	10,587
General administration	42,561	-	40,085	953,434	613,579
School administration	1,102,869	469,696	519,710	826,205	569,631
Facility services - non-capitalized	-	1,418,629	-	-	-
Fiscal services	124,674	75,000	20,450	111,119	74,362
Food services	-	26,631	8,525	1,962	155,445
Central services	-	-	-	1,966	1,612
Student transportation services	278,267	44,857	66,800	214,700	85,621
Operation of plant	586,151	580,699	439,377	2,114,818	1,516,367
Maintenance of plant	161,546	133,319	56,219	187,839	60,238
Community services	-	68,464	-	350,544	296,494
Interest on long-term debt	100,670	6,185	102	85,061	9,499
Unallocated depreciation	351,951	201,900	-	221,055	39,138
Total expenses	6,617,587	6,126,482	2,875,018	10,976,088	6,033,692
Program Revenues:					
Charges for services	75,594	68,550	-	153,731	388,429
Operating grants and contributions	22,875	82,768	-	26,029	146,689
Capital grants and contributions	-	107,718	-	210,213	85,896
Total program revenues	98,469	259,036	-	389,973	621,014
Net program expense	(6,519,118)	(5,867,446)	(2,875,018)	(10,586,115)	(5,412,678)
General Revenues:					
Grants and contributions not restricted to specific programs	6,888,474	5,318,336	2,911,273	9,814,344	4,820,481
Other state and local sources	68,687	865,905	23,356	1,429,877	661,211
Total general revenues	6,957,161	6,184,241	2,934,629	11,244,221	5,481,692
Change in net position	438,043	316,795	59,611	658,106	69,014
Total net position - beginning of year	2,938,479	1,502,274	37,183	1,241,319	(101,244)
Total net position - end of year	$ 3,376,522	$ 1,819,069	$ 96,794	$ 1,899,425	$ (32,230)

Sarasota Military Academy, Inc.	Sarasota School of Arts and Sciences, Inc.	Sarasota Academy of the Arts, Inc.	Suncoast School for Innovative Studies, Inc.	Total Component Units
$ 8,541,027	$ 4,187,903	$ 1,207,581	$ 2,045,820	$ 32,114,490
493,961	40,402	17,185	-	898,212
614,316	111,345	2,387	-	829,259
-	-	-	-	196,752
-	40,748	1,300	-	77,833
-	-	55,278	-	268,266
-	81,975	150	11,542	280,949
-	19,595	95,953	99,612	1,864,819
2,655,769	893,074	419,972	1,108,458	8,565,384
3,882	-	14,984	335,703	1,773,198
305,359	29,542	49,745	1,629	791,880
-	-	28,595	-	221,158
-	-	-	42,785	46,363
324,910	133,948	45,096	216,784	1,410,983
952,598	363,406	137,352	148,134	6,838,902
301,484	314,191	107,975	218,527	1,541,338
-	-	31,170	-	746,672
701,378	662,410	20,245	7,949	1,593,499
-	-	-	90,965	905,009
14,894,684	6,878,539	2,234,968	4,327,908	60,964,966
-	-	-	61,558	747,862
512,916	77,743	10,065	484,772	1,363,857
260,257	-	-	502,442	1,166,526
773,173	77,743	10,065	1,048,772	3,278,245
(14,121,511)	(6,800,796)	(2,224,903)	(3,279,136)	(57,686,721)
13,651,905	7,439,050	2,378,985	3,246,045	56,468,893
853,815	27,994	262	164,981	4,096,088
14,505,720	7,467,044	2,379,247	3,411,026	60,564,981
384,209	666,248	154,344	131,890	2,878,260
3,958,768	1,118,367	497,397	381,542	11,574,085
$ 4,342,977	$ 1,784,615	$ 651,741	$ 513,432	$ 14,452,345

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School Board of Sarasota County, Florida

SARASOTA
County Schools

Comprehensive Annual Financial Statement Report

For the Fiscal Year Ended June 30, 2018

STATISTICAL SECTION

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Statistical Section

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

Contents	Page
Financial Trends *These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.*	134
Revenue Capacity *These schedules contain information to help the reader assess the District's most significant local revenues sources, the property tax.*	148
Debt Capacity *These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the government's ability to issue additional debt in the future.*	152
Demographic and Economic Information *These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.*	157
Operating Information *These schedules contain service data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.*	160

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

	Fiscal Year			
Net position components	**June 30, 2009**	**June 30, 2010**	**June 30, 2011**	**June 30, 2012**
Primary government				
Net investment in capital assets	$ 683,452,772	$ 707,136,203	$ 712,540,799	$ 721,892,327 [a]
Restricted	101,262,108	100,813,654	112,329,674	118,612,155
Unrestricted	28,594,130	38,944,347	35,271,890	28,762,628
Total primary government net position	$ 813,309,010	$ 846,894,204	$ 860,142,363	$ 869,267,110 [a]

[a] Restated June 30, 2012 net position
[b] Decrease in Net Position in 2015 due to the implementation of GASB 68 and 71.

Source: District records

Fiscal Year					
June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018
$ 737,197,939	$ 754,873,856	$ 777,726,583	$ 794,655,165	$ 816,565,183	$ 831,134,795
107,809,491	94,797,196	84,677,632	99,819,203	104,981,610	100,681,123
25,597,385	22,701,000	(129,257,091) [b]	(129,544,072)	(111,912,970)	(128,106,285)
$ 870,604,815	$ 872,372,052	$ 733,147,124 [b]	$ 764,930,296	$ 809,633,823	$ 803,709,633

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

	Fiscal Year			
	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012
Primary Government				
Expenses				
Governmental activities:				
Instruction [a]	$ 298,584,873	$ 292,676,391	$ 296,690,439	$ 281,722,647
Student support services	28,222,953	28,441,735	28,732,840	23,967,492
Instructional media services	6,137,851	5,294,666	5,386,832	4,724,382
Instruction and curriculum development services	5,258,883	3,677,673	3,844,308	3,434,577
Instructional staff training services	7,366,429	5,137,212	5,378,038	4,969,184
Instructional related technology	2,891,781	1,396,745	1,373,380	2,368,817
Board	1,201,716	2,021,403	1,126,670	1,021,338
General administration	3,397,495	3,694,955	2,951,442	2,559,299
School administration	18,352,757	17,856,861	17,484,966	16,226,134
Facility services - non-capitalized	20,860,191	13,279,770	13,136,595	13,562,468
Fiscal services	2,225,376	2,085,840	2,051,350	2,106,502
Food services	16,059,192	15,747,007	16,391,007	15,439,526
Central services	6,841,163	6,214,941	6,455,528	6,143,183
Student transportation services	21,089,902	19,525,725	19,524,334	18,989,823
Operation of plant	36,378,916	36,822,811	35,436,543	33,328,174
Maintenance of plant	18,436,686	17,342,439	17,949,420	15,893,062
Administrative technology services	2,064,623	2,414,933	2,080,924	2,504,196
Community services	1,536,844	1,771,570	2,457,531	2,318,840
Interest on long-term debt	4,673,833	5,766,106	9,911,864	10,324,210
Total expenses	$ 501,581,464	$ 481,168,783	$ 488,364,011	$ 461,603,854
Program Revenues				
Governmental activities:				
Charges for services				
Instruction	$ 2,598,848	$ 3,070,864	$ 2,994,646	$ 3,113,655
Food	7,372,093	6,833,017	6,195,344	5,789,837
Transportation	525,511	496,302	489,684	598,078
Community Service [b]	-	-	-	-
Operating grants and contributions	15,321,080	9,967,097	10,412,253	10,690,392
Capital grants and contributions	7,639,232	6,078,399	6,549,424	5,873,206
Total program revenues	33,456,764	26,445,679	26,641,351	26,065,168
Primary government net expense	$ (468,124,700)	$ (454,723,104)	$ (461,722,660)	$ (435,538,686)

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

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

Source: District records

Fiscal Year					
June 30, 2013	**June 30, 2014**	**June 30, 2015**	**June 30, 2016**	**June 30, 2017**	**June 30, 2018**
$ 293,223,596	$ 299,703,201	$ 304,759,710	$ 317,993,211	$ 329,898,711	$ 354,712,133
22,931,811	24,326,894	24,796,691	26,177,975	27,147,514	29,906,129
4,036,099	3,196,433	6,706,553	4,505,216	3,653,084	5,794,752
3,269,677	3,359,671	3,230,349	3,350,535	3,487,191	3,931,181
4,947,478	5,031,783	4,691,992	4,105,576	4,478,484	4,651,341
3,320,282	3,475,721	3,572,269	4,924,996	5,740,468	4,920,427
819,319	1,283,234	1,104,220	946,510	1,148,680	1,557,029
2,605,606	2,751,981	3,128,034	3,189,440	2,665,551	2,871,103
16,303,070	17,338,048	17,269,900	18,031,984	18,191,723	21,176,512
13,475,579	16,972,664	16,399,611	22,209,758	22,274,456	31,070,638
1,884,311	1,998,046	2,017,043	2,013,262	2,169,566	2,094,829
15,649,443	17,193,318	17,009,351	18,101,850	19,447,812	20,255,948
6,072,463	6,523,876	6,698,741	6,128,154	6,300,563	6,884,275
18,343,827	19,415,299	18,261,021	18,157,778	18,061,854	19,237,414
33,785,539	34,507,859	33,445,833	33,634,202	33,510,809	36,840,850
14,121,895	14,784,318	14,294,204	14,933,393	15,881,826	15,791,450
3,175,384	3,719,238	3,989,386	3,679,800	3,185,164	2,880,835
2,586,369	3,555,076	3,589,142	3,304,544	3,585,836	4,221,778
9,596,005	9,262,395	8,643,739	8,788,740	6,706,159	6,359,669
$ 470,147,753	$ 488,399,055	$ 493,607,789	$ 514,176,924	$ 527,535,451	$ 575,158,293
$ 3,632,297	$ 3,570,476	$ 3,611,562	$ 2,641,709	$ 2,016,896	$ 2,241,244
5,600,358	5,190,096	4,723,056	4,639,412	4,948,140	4,520,614
599,314	596,210	238,596	259,658	221,890	228,010
-	-	492,875	204,936	350,630	274,515
11,311,262	12,602,559	12,622,205	48,213,215	43,711,318	44,662,620
5,615,947	6,299,479	5,774,799	6,021,626	9,729,270	5,720,580
26,759,178	28,258,820	27,463,093	61,980,556	60,978,144	57,647,583
$ (443,388,575)	$ (460,140,235)	$ (466,144,696)	$ (452,196,368)	$ (466,557,307)	$ (517,510,710)

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

	Fiscal Year			
	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012
Net (Expense)				
Total primary government net expense	$ (468,124,700)	$ (454,723,104)	$ (461,722,660)	$ (435,538,686)
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes				
Property taxes, levied for general purposes [a]	286,459,398	282,106,749	276,860,927	249,145,074
Property taxes, levied for capital projects	94,721,430	71,468,723	64,915,896	60,937,028
Local sales taxes	13,422,199	12,880,581	13,295,558	13,860,532
Grants and contributions				
Not restricted to specific programs	99,090,763	112,699,479	109,899,786	112,835,562
Miscellaneous	9,205,352	6,498,942	8,938,210	7,466,487
Unrestricted investment earnings	624,147	2,653,824	1,761,982	1,529,710
Total primary government	503,523,289	488,308,298	475,672,359	445,774,393
Change in Net Position	$ 35,398,589 [b]	$ 33,585,194	$ 13,949,699	$ 10,235,707

[a] Changes in property tax revenues are a product of underlying changes in property values and tax rates.
[b] Changes in Net Position in 2009 due to a large decrease in assessed taxable values and a legislative reduction in maximum capital outlay tax levy.
[c] Changes in Net Position in 2013 due to an increase in charter school payments due to enrollment growth and salary and benefits expenses from the 2011-12 reinstated furlough days and a one-time compensation adjustment.
[d] Change in Net Position in 2015 was due to the implementation of GASB 68 and 71 and increase in property tax revenues.
[e] Change in Net Position in 2016 and 2017 was due to increase in property tax revenues.
[f] Change in Net Position in 2018 was due to an increase in salary and benefit costs due to a negotiated salary settlement offset by an increase in state funding of the Best and Brightest Teacher Scholarship program and property tax revenues.

Source: District records

Fiscal Year					
June 30, 2013	**June 30, 2014**	**June 30, 2015**	**June 30, 2016**	**June 30, 2017**	**June 30, 2018**
$ (443,388,575)	$ (460,140,235)	$ (466,144,696)	$ (452,196,368)	$ (466,557,307)	$ (517,510,710)
255,168,075	272,808,869	284,782,027	305,488,678	315,616,843	325,234,264
60,632,620	63,261,086	68,078,087	73,219,437	79,833,647	85,447,804
14,752,739	15,791,473	17,293,948	18,312,133	18,810,036	19,890,827
104,701,937	105,250,969	108,386,450	73,924,680	81,540,851	83,132,274
8,123,934	3,755,476	6,756,842	9,876,880	14,551,372	12,819,395
1,346,975	1,039,599	1,378,495	3,157,732	908,085	2,929,414
444,726,280	461,907,472	486,675,849	483,979,540	511,260,834	529,453,978
$ 1,337,705 [c]	$ 1,767,237	$ 20,531,153 [d]	$ 31,783,172 [e]	$ 44,703,527 [e]	$ 11,943,268 [f]

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

	Fiscal Year			
	2009	2010	2011	2012
General Fund				
Reserved	$ 6,705,148	$ 5,178,957		
Unreserved	52,325,727	61,664,354		
Total general fund	$ 59,030,875	$ 66,843,311		
All Other Governmental Funds				
Reserved	$ 76,532,149	$ 76,245,010		
Unreserved, reported in:				
Capital projects funds	80,355,779	62,724,039		
Debt Service	-	-		
Special revenue funds	221,254	971,341		
Total all other governmental funds	$ 157,109,182	$ 139,940,390		

General Fund			
Nonspendable	$ 3,048,627	$ 3,022,373	$ 4,686,136
Restricted	4,203,910	4,463,012	3,944,117
Assigned	16,085,961	19,885,279	20,031,791
Unassigned	43,504,813	37,449,121	35,337,274
Total General Fund	$ 66,843,311	$ 64,819,785	$ 63,999,318
All Other Governmental Funds			
Nonspendable	$ 325,354	$ 460,304	$ 395,913
Restricted	133,142,006	228,682,195	176,666,571
Assigned	6,473,030	4,017,253	6,732,425
Unassigned	-	2,312,112	-
Total all other governmental funds	$ 139,940,390	$ 235,471,864 [a]	$ 183,794,909 [b]

Note: (A) Includes all governmental fund types
GASB Statement No. 54 was implemented for fiscal year 2010-2011.
Fiscal year 2009-2010 GASB 54 compliant fund balance is unaudited and shown for comparative purposes only.

[a] The increase is due to the balance of unspent proceeds related to the issuance of the Certificates of Participation, Series 2010A and 2010B.

[b] The decrease is due to decreases in per student funding, property tax revenues, and the loss of Federal Stimulus funding.

[c] The decrease is primarily attributed to increased salary and benefit expenditures from the loss of Federal Education Jobs Act funds and from the reinstatement of 2011-12 furlough days and a one-time compensation adjustment.

Source: District records

Fiscal Year					
2013	**2014**	**2015**	**2016**	**2017**	**2018**
$ 3,719,373	$ 3,625,467	$ 3,044,959	$ 5,764,339	$ 9,587,659	$ 9,716,816
2,134,839	2,551,274	1,384,125	10,691,981	10,343,577	8,989,385
6,912,566	5,270,713	7,307,149	6,302,763	6,023,599	6,904,681
40,713,975	39,435,810	33,104,480	36,118,713	47,480,009	49,391,090
$ 53,480,753	$ 50,883,264	$ 44,840,713	$ 58,877,796	$ 73,434,844	$ 75,001,972
$ 518,145	$ 482,990	$ 285,958	$ 563,422	$ 792,344	$ 943,502
129,791,129	99,989,018	84,329,189	82,497,218	88,451,915	91,871,318
6,773,852	6,797,498	6,804,589	-	-	-
-	-	-	-	-	-
$ 137,083,126 [c]	$ 107,269,506	$ 91,419,736	$ 83,060,640	$ 89,244,259	$ 92,814,820

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

	Fiscal Year			
	2009	2010	2011	2012
Revenues				
Federal sources:				
Federal grants	$ 23,337,833	$ 47,811,371	$ 48,044,321	$ 37,528,633
Food services	8,402,604	9,810,993	10,245,493	10,520,402
Total federal sources	31,740,437	57,622,364	58,289,814	48,049,035
State sources:				
Florida education finance program	10,604,605	6,005,237	3,093,335	17,015,914
Public education capital outlay	3,093,362	784,890	2,149,547	-
Food services	155,255	156,104	166,759	169,990
State grants and other	75,451,244	62,382,285	63,098,786	62,850,215
Total state sources	89,304,466	69,328,516	68,508,427	80,036,119
Local sources:				
Ad valorem taxes	381,180,828	353,575,472	341,776,823	310,082,102
Food service sales	7,372,093	10,327,655	6,214,575	5,811,913
Interest and other income	660,303	809,681	745,590	1,429,854
Other revenues	26,347,457	20,662,975	26,062,544	25,645,504
Total local sources	415,560,681	385,375,783	374,799,532	342,969,373
Total revenues	$ 536,605,584	$ 512,326,663	$ 501,597,773	$ 471,054,527

Note: (A) Includes all governmental fund types.

Source: District records

Fiscal Year					
2013	**2014**	**2015**	**2016**	**2017**	**2018**
$ 28,100,534	$ 28,014,773	$ 27,787,365	$ 27,430,354	$ 26,721,768	$ 26,544,776
11,145,812	12,429,723	12,451,231	13,246,184	13,410,204	13,847,375
39,246,346	40,444,496	40,238,596	40,676,538	40,131,972	40,392,151
17,138,970	19,283,432	20,307,095	18,598,374	21,506,285	20,583,775
-	-	730,373	777,187	4,156,515	770,992
165,450	172,836	170,974	166,526	160,987	161,185
63,506,692	61,897,910	62,457,310	62,897,589	63,962,633	65,892,779
80,811,112	81,354,178	83,665,752	82,439,676	89,786,420	87,408,731
315,800,695	336,069,955	352,860,114	378,708,115	395,450,490	410,682,068
5,621,262	5,230,946	4,723,056	4,662,835	5,020,583	4,643,609
1,201,855	974,909	1,246,687	2,857,768	646,762	2,651,784
28,331,418	31,414,929	30,809,526	34,115,948	40,701,122	40,829,761
350,955,230	373,690,739	389,639,383	420,344,666	441,818,957	458,807,222
$ 471,012,688	$ 495,489,413	$ 513,543,731	$ 543,460,880	$ 571,737,349	$ 586,608,104

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

	Fiscal Year			
	2009	2010	2011	2012
Expenditures:				
Instruction	$ 268,425,220	$ 265,811,151	$ 266,581,120	$ 253,298,629
Student support services	28,073,008	28,407,978	28,493,209	23,697,895
Instructional media services	6,132,968	5,296,556	5,359,753	4,696,872
Instruction and curriculum development services	5,188,321	3,630,588	3,788,923	3,376,568
Instructional staff training services	7,308,599	5,110,661	5,340,332	4,923,975
Instruction related technology	2,856,419	1,375,951	1,363,247	2,301,684
Board	1,181,284	2,005,951	1,111,754	1,005,310
General administration	3,087,799	3,396,131	2,653,620	2,277,193
School administration	18,362,541	27,072,936	17,381,348	16,067,921
Facility services - non-capitalized	20,353,217	3,493,719	12,490,422	12,803,351
Fiscal services	2,199,020	2,070,591	2,025,671	2,078,746
Food services	15,958,579	15,699,502	16,218,563	15,232,938
Central services	6,325,951	5,717,568	5,995,234	5,565,215
Student transportation services	18,032,493	17,127,826	17,258,729	16,669,533
Operation of plant	36,208,129	36,725,942	35,189,729	33,045,743
Maintenance of plant	17,756,455	16,840,599	17,444,372	15,510,396
Administrative technology services	2,020,762	2,392,633	2,069,903	2,469,166
Community services	1,505,642	1,762,846	2,442,909	2,294,407
Capital Outlay:				
Facilities acquisition and construction	76,790,460	51,016,090	68,170,877	81,726,760
Other capital outlay	26,471,971	-	231,822	911,219
Debt Service:				
Principal	15,470,158	21,156,712	16,209,613	18,398,319
Interest and fiscal charges	4,425,405	6,073,650	10,356,962	10,187,808
Total expenditures	$ 584,134,401	$ 522,185,581	$ 538,178,112	$ 528,539,648
Debt service as a percentage of noncapital expenditures[a]	3.98%	5.77%	5.48%	6.41%

[a] The percentage calculation only includes principal and interest.

Source: District records

Fiscal Year					
2013	**2014**	**2015**	**2016**	**2017**	**2018**
$ 263,409,471	$ 269,857,115	$ 279,137,225	$ 282,745,603	$ 293,039,782	$ 307,240,299
22,796,479	24,264,846	25,655,367	26,220,551	27,250,541	29,052,226
4,029,572	3,202,524	6,808,597	4,520,833	3,678,680	5,732,892
3,240,384	3,345,644	3,335,041	3,354,421	3,493,397	3,813,327
4,896,582	4,989,989	4,776,234	4,079,366	4,448,291	4,519,618
3,300,941	3,467,956	3,687,874	4,929,740	5,754,174	4,821,687
816,281	1,281,964	1,114,914	945,580	1,154,365	1,549,980
2,345,566	2,515,371	2,979,669	3,028,922	2,508,920	2,645,626
16,226,354	17,313,523	17,862,844	18,045,224	18,224,122	20,513,978
11,998,111	15,286,991	14,753,121	20,054,401	19,960,401	21,158,786
1,870,902	1,992,715	2,091,942	2,017,672	2,177,017	2,032,136
15,532,507	17,081,034	17,146,209	17,973,961	19,439,295	20,016,919
5,610,756	6,113,262	6,475,311	5,746,112	5,943,872	6,352,651
16,034,187	17,017,521	16,210,486	15,539,110	15,589,262	16,110,838
33,605,632	34,371,988	33,994,410	33,584,074	33,555,362	36,252,895
13,844,931	14,579,869	14,389,522	14,832,133	15,806,393	15,430,159
3,102,763	3,642,831	3,999,646	3,654,680	3,168,921	2,819,235
2,566,324	3,544,119	3,660,407	3,311,442	3,582,045	4,111,524
79,619,254	59,890,757	51,900,047	46,634,963	54,096,140	49,573,330
985,366	1,699,615	2,417,246	2,823,879	1,247,140	9,124,967
20,110,615	21,481,477	22,668,538	18,460,021	21,809,640	23,393,611
9,836,543	9,288,125	8,633,642	7,941,009	6,778,262	5,386,323
$ 535,779,521	$ 536,229,236	$ 543,698,292	$ 540,443,697	$ 562,706,022	$ 591,653,007
6.57%	6.47%	6.39%	5.34%	5.45%	5.32%

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

	Fiscal Year			
	2009	2010	2011	2012
Excess (deficiency) of revenues over (under) expenditures	$ (47,528,817)	$ (9,858,918)	$ (36,580,339)	$ (57,485,121)
Other Financing Sources (Uses)				
Long-term debt issued	75,625,000	-	114,841,000	-
Premium on sale of bonds	119,854	-	5,528,547	-
Inception of capital leases	10,562,139	-	10,254,654	5,163,158
Refunding bonds issued	-	1,860,000	-	550,000
Refunding certificates of participation	-	186,454	145,198	84,160
Payments to refunded escrow agent	-	(2,029,565)	-	(632,525)
Sale of capital assets	13,043	1,762,564	10,000	373,873
Loss recoveries	42,350	86,780	12,861	11,880
Transfers in	40,772,772	48,333,427	49,578,490	47,359,586
Transfers out	(41,313,942)	(48,998,608)	(50,277,302)	(47,909,865)
Total other financing sources (uses)	85,821,216	1,201,052	130,093,448	5,000,267
Net change in fund balances	$ 38,292,399	$ (8,657,866)	$ 93,513,109	$ (52,484,854)

Source: District records

Fiscal Year					
2013	**2014**	**2015**	**2016**	**2017**	**2018**
$ (64,766,833)	$ (40,739,823)	$ (30,154,561)	$ 3,017,183	$ 9,031,327	$ (5,044,903)
-	-	-	-	-	-
-	-	-	-	-	-
8,006,208	8,869,894	8,867,710	9,804,168	10,535,376	11,623,156
-	658,000	2,802,000	-	1,750,044	-
-	106,524	266,434	68,365,000	-	-
-	(764,920)	(3,126,542)	(68,168,044)	-	(866,736)
-	3,000	-	-	-	-
80,556	6,495	2,917	50,557	1,830	4,082
51,432,335	51,191,014	49,964,273	44,475,294	46,388,900	46,304,524
(51,982,614)	(51,741,293)	(50,514,552)	(51,866,171)	(46,966,810)	(46,882,434)
7,536,485	8,328,714	8,262,240	2,660,804	11,709,340	10,182,592
$ (57,230,348)	$ (32,411,109)	$ (21,892,321)	$ 5,677,987	$ 20,740,667	$ 5,137,689

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA **Table 8**

Assessed Value and Estimated Actual Value of Taxable Property
Last 10 Fiscal Years
(in thousands of dollars)
(Unaudited)

Fiscal Year	Assessed Value: Residential and Commercial Property	Assessed Value: Personal Property	Less: Exemptions	Total Taxable Value	Total Direct Rate[1]
2009	67,743,874	7,291,518	19,191,350	55,844,042	7.045
2010	57,691,815	6,632,664	15,025,342	49,299,137	7.427
2011	50,678,383	2,190,004	8,088,600	44,779,787	7.901
2012	47,796,116	2,069,404	7,849,112	42,016,408	7.635
2013	47,354,594	1,973,103	7,681,227	41,646,470	7.816
2014	48,972,181	2,122,290	7,518,325	43,576,146	7.970
2015	52,353,366	2,161,143	7,654,933	46,859,576	7.777
2016	56,300,468	2,334,950	8,333,521	50,301,897	7.763
2017	61,540,071	2,368,414	9,061,854	54,846,631	7.433
2018	65,662,252	2,538,854	9,387,548	58,813,558	7.209

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

[1] Per $1,000 of assessed value

Source: Sarasota County Property Appraiser

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

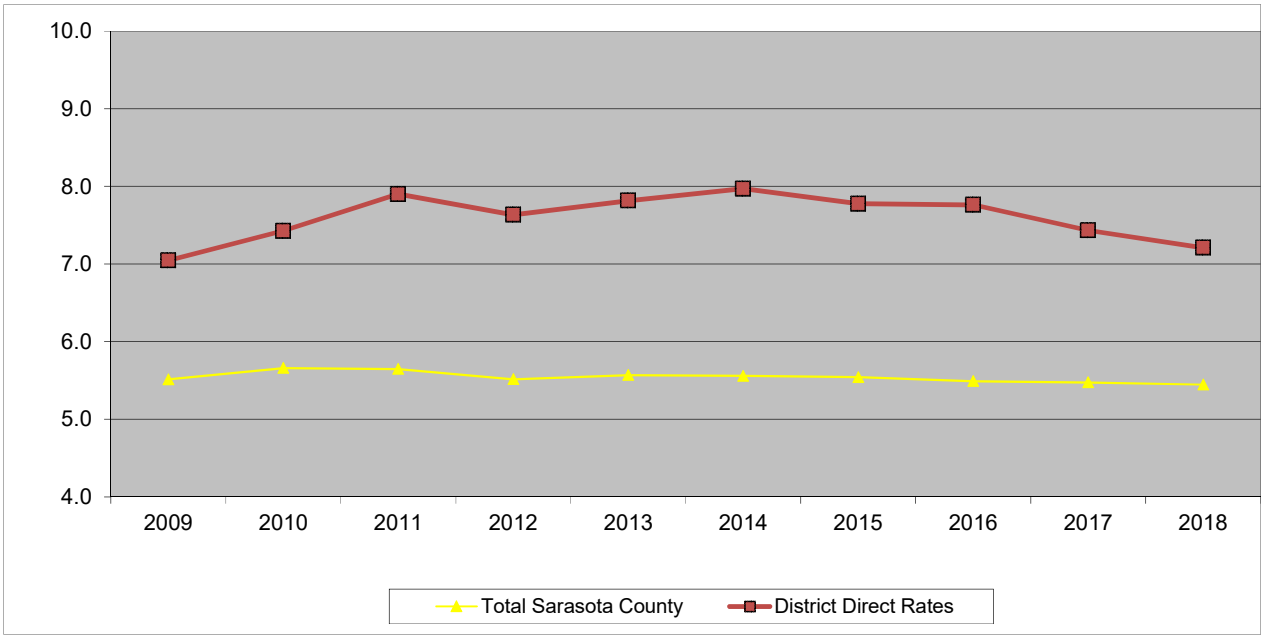
Table 9

	District Direct Rates			Overlapping Rates [1]				
Fiscal Year	General Purposes	Capital Purposes	Total	Sarasota County	City of Sarasota	City of Venice	Town of Longboat Key [2]	City of North Port
2009	5.295	1.750	7.045	5.514	3.106	2.984	1.696/2.110	2.981
2010	5.927	1.500	7.427	5.659	3.152	3.004	1.709/2.170	3.340
2011	6.401	1.500	7.901	5.649	3.198	3.004	1.958/1.958	3.340
2012	6.135	1.500	7.635	5.517	3.355	3.195	1.955/1.955	3.568
2013	6.316	1.500	7.816	5.570	3.353	3.227	1.944/1.944	3.617
2014	6.470	1.500	7.970	5.559	3.582	3.302	2.132/2.132	3.447
2015	6.277	1.500	7.777	5.543	3.561	3.292	2.449/3.087	3.597
2016	6.263	1.500	7.763	5.492	3.498	3.277	2.396/3.020	3.597
2017	5.933	1.500	7.433	5.475	3.473	3.766	2.362/2.939	3.477
2018	5.709	1.500	7.209	5.446	3.447	4.278	2.348/2.893	3.407

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

Source: Sarasota County Property Appraiser

County and School District Millages



SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA **Table 10**

Principal Property Taxpayers
Current Year and 9 Years Ago
(Unaudited)

Taxpayer	2018 [1] Taxable Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value	2009 Taxable Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value
Florida Power & Light Co.	$ 477,234,354	1	0.87 %	$ 365,632,151	1	0.69 %
TB Mall at UTC LLC	232,075,140	2	0.42	-		-
Frontier Communications of America, Inc.	143,134,512	3	0.26	-		-
Publix Super Markets Inc.	112,066,718	4	0.21	-		-
SNF Property LLC	91,139,552	5	0.17	-		-
Sarasota Doctors Hospital	85,146,670	6	0.16	99,274,085	4	0.19
Wal-Mart Stores/Sam's East, Inc.	81,506,483	7	0.15	79,391,196	7	0.15
The Glenridge on Palmer Ranch	80,133,051	8	0.15	83,410,234	5	0.16
Sarasota Shoppingtown LLC *	69,433,766	9	0.13	132,250,459	3	0.25
Comcast Cable Communications LLC	62,086,116	10	0.11	61,446,973	10	0.12
Verizon Florida LLC	-		-	269,163,004	2	0.51
Slab/Ritz Carlton Hotel Co.	-		-	80,462,382	6	0.15
Osprey S.A.	-		-	72,835,242	8	0.14
MHC Mobile Home Communities	-		-	61,692,239	9	0.12
Total	$ 1,433,956,362		2.63 %	$ 1,305,557,965		2.48 %

* In 2009 Sarasota Shoppingtown and Southgate were combined as one amount but are being reported separately now.

Source: Sarasota County Property Appraiser

(1) Prepared by Sarasota County government from data received from Sarasota County Property Appraiser.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA **Table 11**

Property Tax Levies and Collections
Last 10 Fiscal Years
(Unaudited)

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Delinquent Collections (1)	Total Fiscal Year Collections	
		Amount	Percentage of Levy		Amount (1)	Percentage of Levy
2009	386,044,194	379,560,085	98.32	1,291,417	380,851,502	98.65
2010	366,144,690	352,996,495	96.41	578,977	353,575,472	96.57
2011	353,805,097	341,469,125	96.51	307,698	341,776,823	96.60
2012	320,795,275	309,805,201	96.57	276,902	310,082,103	96.66
2013	325,508,810	315,266,543	96.85	534,152	315,800,695	97.02
2014	347,301,884	335,864,117	96.71	205,838	336,069,955	96.77
2015	364,426,920	352,515,412	96.73	344,702	352,860,114	96.83
2016	390,493,628	378,538,568	96.94	169,547	378,708,115	96.98
2017	407,675,006	394,679,759	96.81	770,731	395,450,490	97.00
2018	423,986,941	410,682,068	96.86	203,636	410,885,704	96.91

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

(1) Net of allowable discounts

Source: Sarasota County Tax Collector and District records

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA **Table 12**

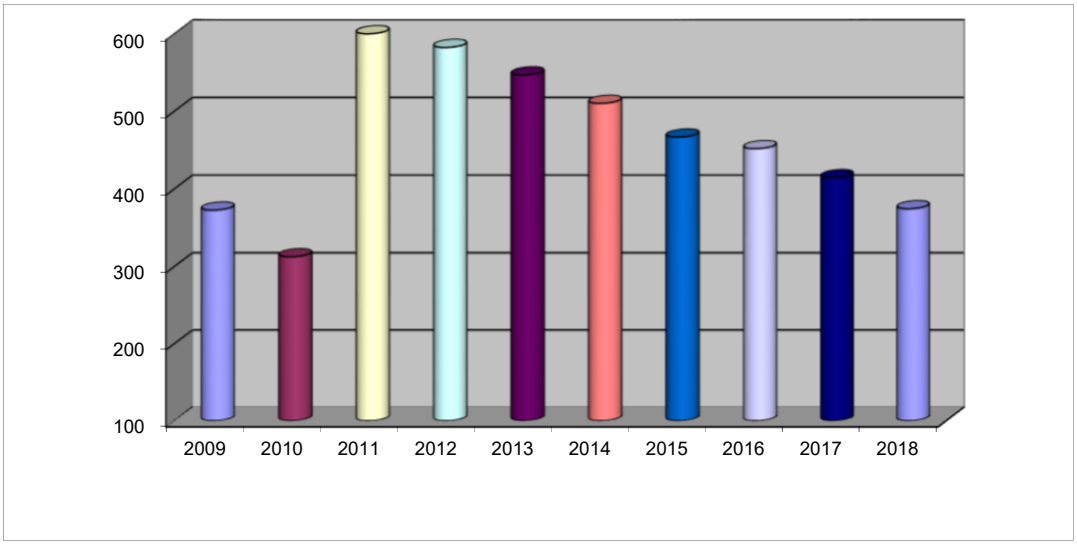
Outstanding Debt by Type
Last 10 Fiscal Years
(dollars in thousands, except per capita)
(Unaudited)

	Governmental Activities							
Fiscal Year	State Board of Education Bonds	Qualified Zone Academy Bonds	Certificates of Participation	Race Track Revenue Bonds	Capital Leases	Total Primary Government	Percentage of Personal Income [1]	Per Capita [1]
2009	13,977	1,300	117,574	1,490	10,156	144,497	0.70	373
2010	12,969	1,300	99,565	1,105	8,180	123,119	0.62	313
2011	13,763	1,300	205,941	705	15,460	237,169	1.15	622
2012	12,647	1,300	192,514	295	16,680	223,436	1.04	582
2013	11,718	1,300	178,702	-	19,035	210,755	0.95	547
2014	10,470	1,300	164,359	-	21,488	197,617	0.92	510
2015	8,966	1,300	149,467	-	23,351	183,084	0.80	467
2016	7,628	1,300	146,782	-	24,895	180,605	0.74	452
2017	6,166	1,300	135,793	-	25,623	168,882	N/A	415
2018	4,590	1,300	124,358	-	26,166	156,414	N/A	375

Note: Details regarding the District's outstanding debt can be found in the notes to the basic financial statements.
N/A = Data not currently available.
[1] Population and personal income data can be found in Table 16.

Source: District records

Debt Per Capita



SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA **Table 13**

Direct and Overlapping Governmental Activities Debt
as of June 30, 2018
(dollars in thousands)
(Unaudited)

	Debt Outstanding	Estimated Percentage Applicable to this Governmental Unit	Estimated Share of Overlapping Debt
Direct debt			
General Obligation Bonds	$ -	- %	$ -
State Board of Education (SBE) Bonds	4,590	100.00 %	4,590
Qualified Zone Academy Bonds	1,300	100.00 %	1,300
Certificates of Participation	124,358	100.00 %	124,358
Capital Leases	26,166	100.00 %	26,166
Subtotal, direct debt	$ 156,414		$ 156,414
Overlapping debt			
Overlapping debt for governmental entities within Sarasota County is not presented.			

Source: District records

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

Legal Debt Margin Calculation for Fiscal Year 2018		
Assessed value 2018 tax roll	$	58,813,558
Limit of bonded indebtedness, 10% of net assessed taxable property value		5,881,356
Amount of debt applicable to the debt limit		156,414
Legal Debt Margin	$	5,724,942

	Fiscal Year			
	2009	2010	2011	2012
Debt limit	$ 5,584,404	$ 4,929,914	$ 4,477,979	$ 4,201,641
Total debt applicable to limit	144,497	123,119	237,169	223,436
Legal debt margin	$ 5,439,907	$ 4,806,795	$ 4,240,810	$ 3,978,205
Total debt applicable as a percentage of debt limit	2.59%	2.50%	5.30%	5.32%

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

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

Fiscal Year					
2013	**2014**	**2015**	**2016**	**2017**	**2018**
$ 4,164,647	$ 4,357,615	$ 4,685,958	$ 5,030,190	$ 5,484,663	$ 5,881,356
210,755	197,617	183,084	180,605	168,882	156,414
$ 3,953,892	$ 4,159,998	$ 4,502,874	$ 4,849,585	$ 5,315,781	$ 5,724,942
5.06%	4.53%	3.91%	3.59%	3.08%	2.66%

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA **Table 15**

Pledged-Revenue Coverage

Last Ten Fiscal Years

(Unaudited)

	Race Track Revenue Bonds [1]				State Board of Education Bonds			
Fiscal Year	Racing Commission Funds	Debt Service Principal	Debt Service Interest	Coverage	Motor Vehicle License Tax	Debt Service Principal	Debt Service Interest	Coverage
2009	446,500	365,000	61,055	1.05	1,967,296	935,000	674,779	1.22
2010	446,500	385,000	50,105	1.03	1,608,606	1,000,000	588,482	1.01
2011	446,500	400,000	38,170	1.02	1,682,213	1,055,000	612,530	1.01
2012	446,500	410,000	24,970	1.03	1,711,152	1,110,000 (2)	625,411	0.99
2013	446,500	295,000	10,620	1.46	1,708,789	1,165,000	574,741	0.98
2014	-	-	-	-	1,706,997	1,215,000 (3)	520,933	0.98
2015	-	-	-	-	1,669,757	1,264,000 (4)	372,253	1.02
2016	-	-	-	-	1,612,622	1,260,000	395,147	0.97
2017	-	-	-	-	1,641,415	1,352,000 (5)	322,655	0.98
2018	-	-	-	-	1,621,630	1,407,000	226,307	0.99

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

(1) Bonds are issued by the District and secured from pari-mutuel tax proceeds distributed annually to Sarasota County from the State's Pari-Mutuel Tax Collection Trust Fund pursuant to Florida Statutes. Bonds were paid off in fiscal year 2013.

(2) Excludes $610,000 related to the refunding of the 2003A bonds.

(3) Excludes $745,000 related to the refunding of the 2004A bonds.

(4) Excludes $3,020,000 related to the refunding of the 2005B bonds.

(5) Excludes $1,710,000 related to the refunding of the 2006A and 2008A bonds.

Source: District records

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA **Table 16**

Demographic and Economic Statistics
Last 10 Fiscal Years
(Unaudited)

Calendar Year	Estimated Population[1]	Personal Income[2] (thousands of dollars)	Per Capita Personal Income	Student Membership[3]	Unemployment Rate[4]
2009	387,461	20,765,000	51,347	41,057	10.4
2010	393,608	19,887,936	52,331	41,281	12.3
2011	381,319	20,551,266	53,769	40,899	10.7
2012	383,664	21,400,975	55,422	41,076	8.7
2013	385,292	22,122,103	56,661	41,094	7.1
2014	387,140	21,494,117	54,147	41,398	5.9
2015	392,090	22,883,580	56,426	41,910	5.1
2016	399,538	24,347,014	59,013	42,354	4.5
2017	407,260	N/A	N/A	42,810	3.9
2018	417,442	N/A	N/A	42,901	3.7

N/A = Data not currently available.

Source: (1) Bureau of Economic and Business Research
(2) US Department of Commerce, Bureau of Economic Analysis
(3) The Florida Department of Education's Data Publications and Reports entitled "Membership in Florida's Public Schools Survey 2" for each respective year
(4) US Department of Labor, Bureau of Labor Statistics

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA **Table 17**

Principal Employers
Current Year and 9 Years Ago
(Unaudited)

	2018			2009		
Employer	**Employees**	**Rank**	**Percentage of Total County Employment**	**Employees**	**Rank**	**Percentage of Total County Employment**
School Board of Sarasota County, Florida	5,788	1	3.17%	5,910	1	4.11%
Sarasota Memorial Hospital	4,244	2	2.32%	3,912	2	2.72%
Sarasota County Government	3,533	3	1.93%	3,433	3	2.39%
Publix Super Markets, Inc.	2,793	4	1.53%	1,947	4	1.35%
PGT Industries	2,079	5	1.14%	1,184	6	0.82%
Venice Regional Medical Center	1,270	6	0.70%	995	7	0.69%
Sun Hydraulics Corporation	612	7	0.34%	-	-	-
Tervis	570	8	0.31%	-	-	-
Shared Services Center	442	9	0.24%	-	-	-
FCCI Insurance Group	417	10	0.23%	-	-	-
Wal-Mart	-	-	-	1,332	5	0.93%
Sarasota Family YMCA	-	-	-	910	8	0.63%
SunTrust Bank	-	-	-	819	9	0.57%
Nielsen Media Research	-	-	-	712	10	0.50%
Total	21,748		11.91%	21,154		14.71%
Total Sarasota County Employment	182,658			143,785		

Source: Economic Development Corporation Sarasota County, Florida Department of Economic Opportunity and Florida Department of Education Data Publications and Reports entitled "Staff in Florida's Public Schools survey 2" for each respective year. Florida Research and Economic Information Database Application, Labor Market Statistics.

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

	Fiscal Year			
	2009	2010	2011	2012
Supervisory				
Administrators	41	40	39	40
Consultants/supervisors of instruction	7	6	8	7
Principals	47	54	45	54
Assistant principals	61	60	53	54
Curriculum coordinators	-	5	3	60
Total supervisory	156	165	148	215
Instruction				
Elementary classroom teachers	1,126	1,188	1,158	1,151
Secondary classroom teachers	1,005	1,037	1,057	1,055
ESE teachers	514	493	498	485
Other teachers (adult)	29	36	41	40
Other professionals (instructional)	176	155	163	131
Aides	504	542	543	516
Total instructional	3,354	3,451	3,460	3,378
Student Services				
Guidance counselors	87	85	86	78
Visiting teachers/Social workers	17	15	18	17
Psychologists	22	21	22	20
Librarians	26	14	15	15
Other professionals (non-instructional)	176	182	172	167
Technicians	94	92	90	84
Total student services	422	409	403	381
Support and Administration				
Clerical/secretarial	377	360	350	277
Service workers	1,107	1,095	1,056	405
Skilled crafts	86	86	81	79
Unskilled laborers	46	52	51	43
Total support and administration	1,616	1,593	1,538	804
Total employees	5,548	5,618	5,549	4,778

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

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

Fiscal Year					
2013	**2014**	**2015**	**2016**	**2017**	**2018**
40	43	40	40	41	45
9	10	12	13	13	13
53	53	51	53	59	54
55	60	61	63	64	83
58	62	61	66	67	68
215	228	225	235	244	263
1,204	1,230	1,248	1,245	1,267	1,282
1,080	1,101	1,127	1,136	1,151	1,181
530	536	541	547	547	545
34	29	29	27	29	35
132	133	135	147	143	155
547	568	571	570	572	594
3,527	3,597	3,651	3,672	3,709	3,792
78	87	93	92	94	103
14	13	13	13	12	12
22	21	20	21	23	21
15	1	1	1	-	-
166	191	190	193	200	200
86	67	69	69	67	70
381	380	386	389	396	406
284	288	289	290	291	298
917	936	895	910	854	923
77	79	79	79	77	71
43	38	39	36	36	35
1,321	1,341	1,302	1,315	1,258	1,327
5,444	5,546	5,564	5,611	5,607	5,788

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA **Table 19**

Operating Statistics - General
Last 10 Fiscal Years
(Unaudited)

Fiscal Year	Operating Expenditures [1]	Fall Student Memberships [2]	Cost per Pupil	Percentage Change	Teaching Staff	Pupil/Teacher Ratio
2009	440,341,271	41,057	10,725	(1.11)	2,674	15.4
2010	430,432,805	41,281	10,427	(2.78)	2,754	15.0
2011	429,450,566	40,899	10,500	0.70	2,754	14.9
2012	403,329,297	41,076	9,819	(6.49)	2,731	15.0
2013	411,654,332	41,094	10,017	2.02	2,848	14.4
2014	426,913,268	41,398	10,312	2.95	2,896	14.3
2015	442,085,438	41,910	10,548	2.29	2,945	14.2
2016	444,066,293	42,354	10,485	(0.60)	2,955	14.3
2017	456,546,556	42,810	10,664	1.72	2,994	14.3
2018	480,800,397	42,901	11,207	5.09	3,043	14.1

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

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

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

Table 19
(continued)

Fiscal Year	Total Days Meals Were Served	Number of Free and Reduced Meals Served	Percentage of Free and Reduced Meals to Total Meals Served	Total Meals Served
2009	180	3,632,140	65%	5,587,908
2010	180	3,892,057	70%	5,560,082
2011	180	3,941,469	72%	5,474,263
2012	180	3,720,862	74%	5,006,232
2013	180	3,779,245	75%	5,027,574
2014	180	3,702,768	76%	4,903,344
2015	180	3,606,046	76%	4,749,288
2016	180	3,731,114	75%	4,958,110
2017	180	3,752,120	75%	5,016,594
2018	180	3,827,944	77%	4,955,261

Source: District records - Food Service Department Records

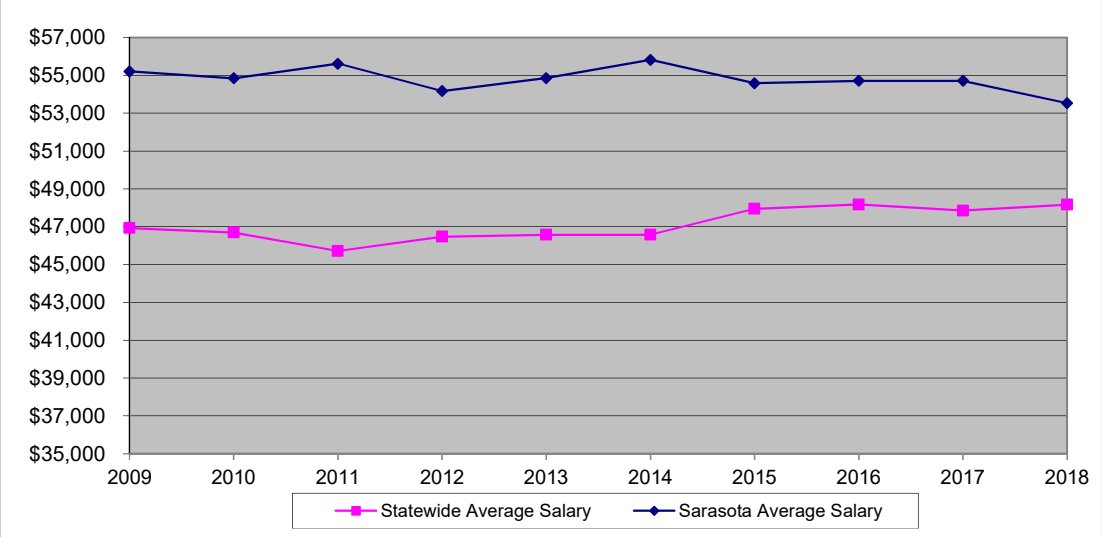
SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA **Table 20**

Teacher Salaries
Last 10 Fiscal Years
(Unaudited)

Fiscal Year	Minimum Salary[1]	Maximum Salary[1]	Sarasota Average Salary[1]	Statewide Average Salary[2]
2009	$ 38,530	$ 75,811	$ 55,213	$ 46,938
2010	38,997	75,811	54,852	46,696
2011	38,997	75,811	55,623	45,723
2012	38,599	75,037	54,170	46,479
2013	38,997	75,811	54,858	46,583
2014	38,997	75,811	55,823	46,583
2015	39,783	78,275	54,589	47,950
2016	39,783	78,275	54,715	48,179
2017	39,783	78,275	54,715	47,858
2018	43,150	84,375 [3]	53,531	48,168

Source: (1) District records
(2) Florida Department of Education
(3) Salary settlement effective 7/1/2017 consolidated longevity into base salary.
N/A Not Available

Teacher Average Salary



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

School	Fiscal Year 2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Elementary										
Alta Vista (1955)										
Square feet	122,455	122,455	122,455	122,455	122,455	122,455	143,145	141,577	141,577	141,577
Student Stations	972	967	953	953	953	953	848	848	848	848
Enrollment	689	640	624	575	563	639	634	681	661	589
Ashton (1976)										
Square feet	110,855	110,855	112,423	112,423	112,423	112,423	114,790	119,756	122,801	125,945
Student Stations	938	938	908	908	908	908	938	1,002	1,025	1,061
Enrollment	812	837	819	807	799	835	896	922	934	997
Atwater (2010)										
Square feet	-	134,578	130,501	130,501	130,501	130,501	130,501	130,501	130,501	130,501
Student Stations	-	1,066	1,028	1,028	1,028	1,028	1,028	1,028	1,028	1,028
Enrollment	-	686	672	705	711	731	717	712	696	710
Bay Haven (1926)										
Square feet	70,305	70,305	70,305	70,305	70,305	70,305	70,161	84,091	82,789	82,789
Student Stations	701	701	701	701	701	701	593	664	664	664
Enrollment	589	583	584	578	583	597	591	602	603	614
Emma Booker (1990)										
Square feet	119,105	119,105	119,105	119,105	119,105	119,105	118,290	120,672	126,809	126,809
Student Stations	882	882	882	882	882	882	917	972	977	977
Enrollment	523	490	522	513	521	519	550	556	551	539
Brentwood (1958)										
Square feet	137,040	137,040	137,040	133,899	133,899	133,899	134,499	134,499	134,559	134,559
Student Stations	1,061	1,061	1,043	1,043	1,043	1,043	1,043	1,043	1,043	1,043
Enrollment	709	674	656	651	647	640	669	720	695	680
Cranberry (2003)										
Square feet	132,377	132,377	131,474	129,122	129,122	129,122	128,340	128,340	128,340	128,340
Student Stations	1,043	1,043	985	985	985	985	957	957	957	957
Enrollment	805	810	747	747	765	756	792	772	745	718
Englewood (1958)										
Square feet	104,027	104,027	103,953	103,953	103,953	103,953	103,953	103,906	105,009	105,009
Student Stations	698	698	698	698	698	698	698	698	698	698
Enrollment	405	402	384	429	475	492	523	541	581	544
Fruitville (1941)										
Square feet	112,389	113,631	115,914	115,917	115,917	115,917	117,495	119,017	127,509	127,509
Student Stations	984	966	1,014	1,014	1,014	1,014	1,050	985	985	985
Enrollment	693	719	715	748	770	773	762	748	743	736
Garden (1974)										
Square feet	86,892	86,892	83,463	83,463	83,463	83,463	83,463	83,463	83,463	83,463
Student Stations	821	821	751	751	751	751	751	751	751	751
Enrollment	617	609	600	576	589	612	649	595	604	605
Glenallen (1984)										
Square feet	156,358	156,276	143,398	143,398	143,398	143,398	143,398	143,398	143,398	143,398
Student Stations	1,208	1,208	1,020	1,020	1,020	1,020	1,020	1,020	1,020	1,020
Enrollment	774	714	684	707	667	673	689	699	703	728
Gocio (1966)										
Square feet	119,353	119,353	119,353	120,261	120,261	120,261	118,906	119,784	112,726	112,855
Student Stations	1,111	1,111	844	844	844	844	1,069	1,015	931	931
Enrollment	736	755	749	783	762	700	668	638	646	644
Gulf Gate (2000)										
Square feet	154,265	154,265	154,265	154,265	154,265	154,265	154,264	154,265	154,265	154,265
Student Stations	913	913	913	913	913	913	913	913	913	913
Enrollment	804	735	751	767	709	752	749	724	730	716
Lakeview (1987)										
Square feet	84,776	83,967	83,967	82,395	82,395	82,395	80,094	80,094	79,310	79,310
Student Stations	940	922	922	922	922	922	886	886	868	868
Enrollment	772	697	635	648	604	575	607	588	599	608
Lamarque (2006)										
Square feet	158,548	158,185	164,485	164,485	164,485	164,485	162,113	162,113	157,397	157,397
Student Stations	1,295	1,282	1,430	1,430	1,430	1,430	1,376	1,376	1,260	1,260
Enrollment	1,055	1,044	1,013	946	870	876	805	808	810	842
Phillippi Shores (2005)										
Square feet	121,162	121,162	121,162	121,162	121,162	121,162	121,162	121,162	121,162	121,522
Student Stations	731	731	731	731	731	731	731	731	731	731
Enrollment	659	665	646	674	758	727	752	800	804	785
Southside (1926)										
Square feet	108,019	108,019	108,019	110,371	110,371	110,371	111,157	111,157	106,043	106,043
Student Stations	826	826	851	851	851	851	873	873	873	873
Enrollment	640	705	736	724	772	779	725	763	787	769
Tatum Ridge (2005)										
Square feet	129,646	129,646	129,651	129,651	129,651	129,651	128,068	128,068	124,128	125,694
Student Stations	889	889	893	893	893	893	875	807	789	825
Enrollment	849	805	754	724	685	696	669	656	673	680
Taylor Ranch (1989)										
Square feet	139,360	139,360	137,550	137,550	137,550	137,550	131,864	131,864	133,436	135,002
Student Stations	1,075	1,075	1,057	1,057	1,057	1,057	933	933	958	994
Enrollment	840	803	704	680	642	626	628	642	694	731
Toledo Blade (1992)										
Square feet	178,014	178,014	140,937	140,921	140,921	140,921	140,921	140,921	140,708	140,708
Student Stations	1,761	1,761	987	987	987	987	987	1,002	1,002	1,002
Enrollment	1,320	677	646	652	662	747	741	722	720	763
Tuttle (1998)										
Square feet	122,387	122,387	133,027	133,027	133,027	133,027	124,748	124,748	124,748	124,748
Student Stations	921	921	921	921	921	921	967	967	967	967
Enrollment	697	629	626	661	671	680	703	695	772	732
Venice (2005)										
Square feet	131,371	131,371	131,371	131,371	131,371	131,371	131,315	131,315	131,315	131,315
Student Stations	828	828	784	784	784	784	784	784	784	784
Enrollment	682	609	603	597	577	601	592	585	576	578
Wilkinson (2005)										
Square feet	144,395	144,862	144,862	144,862	144,862	144,862	144,862	144,862	144,862	144,862
Student Stations	786	786	786	786	786	786	786	786	786	786
Enrollment	572	553	529	502	506	513	480	434	474	485

School	Fiscal Year 2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Middle										
Booker (1992)										
Square feet	209,394	209,394	209,394	209,394	209,394	209,394	209,363	208,432	247,164	247,164
Student Stations	2,013	2,014	1,810	1,810	1,810	1,810	2,011	2,022	2,022	2,022
Enrollment	890	887	854	645	810	848	850	781	798	789
Brookside (1999)										
Square feet	208,812	208,812	208,812	208,812	208,812	208,812	208,678	208,678	208,678	208,678
Student Stations	1,649	1,649	1,484	1,484	1,484	1,484	1,649	1,649	1,649	1,649
Enrollment	1,135	1,077	1,036	898	844	820	816	833	800	750
Heron Creek (2003)										
Square feet	219,907	219,903	218,937	218,937	218,937	218,937	214,095	214,095	214,095	214,095
Student Stations	1,897	1,897	1,643	1,643	1,643	1,643	1,724	1,724	1,724	1,724
Enrollment	1,278	1,176	1,116	1,052	879	872	865	873	877	842
McIntosh (1961)										
Square feet	218,814	218,814	219,237	219,237	219,237	219,237	219,187	219,187	216,948	216,948
Student Stations	1,437	1,437	1,275	1,275	1,275	1,275	1,439	1,439	1,439	1,439
Enrollment	978	891	867	879	853	803	682	678	699	737
Sarasota (1992)										
Square feet	183,172	185,264	185,264	189,980	189,980	189,980	183,187	183,187	185,539	185,539
Student Stations	1,697	1,698	1,508	1,508	1,508	1,508	1,654	1,654	1,710	1,710
Enrollment	1,148	1,142	1,142	1,149	1,210	1,218	1,271	1,271	1,292	1,232
Venice (1984)										
Square feet	170,061	170,061	169,752	169,752	169,752	169,752	169,752	169,752	169,783	169,783
Student Stations	1,664	1,664	1,497	1,497	1,497	1,497	1,663	1,663	1,661	1,661
Enrollment	791	755	731	639	618	549	543	554	628	680
Woodland (2008)										
Square feet	211,591	250,557	227,483	227,483	227,483	227,483	227,483	227,483	227,483	227,483
Student Stations	1,567	1,567	1,410	1,410	1,410	1,410	1,567	1,567	1,567	1,567
Enrollment	719	767	669	657	752	832	858	859	821	915
High										
Booker (2011 rebuilt)										
Square feet	366,630	366,630	299,500	269,174	269,174	269,174	290,080	290,129	290,129	290,129
Student Stations	2,272	2,272	3,821	3,821	3,821	3,821	1,616	1,616	1,616	1,616
Enrollment	1,255	1,142	1,073	1,017	985	1,100	1,094	1,171	1,210	1,231
NorthPort (2001)										
Square feet	418,257	476,402	481,947	479,575	479,575	479,575	480,339	480,339	480,339	479,575
Student Stations	3,037	3,040	2,842	2,842	2,842	2,842	2,992	2,992	2,992	2,992
Enrollment	2,540	2,587	2,472	2,334	2,266	2,267	2,325	2,360	2,300	2,362
Riverview (2008 rebuilt)										
Square feet	486,698	495,696	494,051	494,051	494,051	494,051	490,804	490,804	490,866	490,758
Student Stations	3,195	2,936	2,786	2,786	2,786	2,786	2,786	2,786	2,786	2,786
Enrollment	2,532	2,670	2,742	2,640	2,638	2,560	2,492	2,491	2,547	2,595
Sarasota (1951)										
Square feet	457,612	459,673	462,600	462,600	462,600	462,600	458,594	463,382	410,249	410,249
Student Stations	3,264	3,298	2,516	2,516	2,516	2,516	3,148	3,148	2,775	2,775
Enrollment	2,373	2,235	2,018	1,965	1,968	2,016	2,129	2,086	2,128	2,118
Suncoast Polytechnical (2008)										
Square feet	72,943	78,177	78,177	78,177	78,177	78,177	78,177	78,177	78,177	78,177
Student Stations	606	606	545	545	545	545	606	606	606	606
Enrollment	150	308	436	549	525	528	541	570	567	560
Venice (2011 rebuilt)										
Square feet	364,482	364,482	550,330	541,926	541,926	541,926	417,896	412,168	415,691	415,691
Student Stations	2,919	2,941	4,854	4,854	4,854	4,854	2,207	2,207	2,207	2,207
Enrollment	2,019	1,960	1,951	1,899	1,870	1,909	1,953	2,113	2,087	2,169
Other										
Laurel Nokomis (1991)										
Square feet	216,825	216,122	215,197	221,485	221,485	221,485	205,937	205,937	210,007	210,007
Student Stations	2,237	2,237	1,963	1,963	1,963	1,963	2,013	2,008	1,926	1,926
Enrollment	1,067	1,080	1,096	1,089	988	1,014	1,030	1,076	1,152	1,138
Oak Park (1993)										
Square feet	169,171	169,171	169,171	169,171	169,171	169,171	168,345	169,913	169,913	166,769
Student Stations	706	706	666	666	666	666	716	716	716	686
Enrollment	412	428	393	349	342	333	345	301	308	307
Pineview (1993)										
Square feet	225,269	225,269	225,269	225,269	225,269	225,269	228,149	235,999	234,863	234,863
Student Stations	2,464	2,464	1,974	1,974	1,974	1,974	2,238	2,557	2,557	2,557
Enrollment	2,116	2,170	2,210	2,196	2,266	2,146	2,187	2,174	2,051	1,967
Phoenix Academy (2005)										
Square feet	26,863	26,863	26,863	26,863	26,863	-	-	-	-	-
Student Stations	288	288	288	288	288	-	-	-	-	-
Enrollment	191	193	201	181	194	-	-	-	-	-

Sources: District Records
Florida Inventory of School Houses

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

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School Board of Sarasota County, Florida

SARASOTA
County Schools

Comprehensive Annual Financial Statement Report

For the Fiscal Year Ended June 30, 2018

Federal Reports and Schedules

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*

Independent Auditor's Report on Compliance For Each Major Federal Program and Report on Internal Control Over Compliance Required by Uniform Guidance

Schedule of Expenditures of Federal Awards

Notes to Schedule of Expenditures of Federal Awards

Schedule of Findings and Questioned Costs

Summary Schedule of Prior Audit Findings – Federal Awards

AUDITOR GENERAL
STATE OF FLORIDA

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Auditor General

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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 the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Sarasota County District School Board, as of and for the fiscal year ended June 30, 2018, 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 4, 2018, included under the heading **INDEPENDENT AUDITOR'S REPORT**. Our report includes a reference to other auditors who audited the financial statements of the school internal funds and the aggregate discretely presented component units, as described in our report on the District's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

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

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

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 4, 2018
Audit Report No. 2019-074

AUDITOR GENERAL
STATE OF FLORIDA

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Auditor General

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

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

Report on Compliance for Each Major Federal Program

We have audited the Sarasota 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 each of the District's major Federal programs for the fiscal year ended June 30, 2018. The District's major Federal programs are identified in **SECTION I – SUMMARY OF AUDITOR'S RESULTS** 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 each of the District's major Federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards,* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major Federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

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

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major Federal programs for the fiscal year ended June 30, 2018.

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 each major Federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major Federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

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

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

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

Respectfully submitted,



Sherrill F. Norman, CPA
Tallahassee, Florida
December 4, 2018
Audit Report No. 2019-074

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Schedule of Expenditures of Federal Awards
For the Fiscal Year End June 30, 2018

Federal Grantor/Pass-Through Grantor/Program or Cluster	Federal CFDA Number	Pass - Through Entity Identifying Number	Passed Through to Subrecipients	Total Expenditures
Child Nutrition Cluster:				
United States Department of Agriculture:				
Florida Department of Agriculture and Consumer Services:				
School Breakfast Program	10.553	18002	$ -	$ 2,058,915
National School Lunch Program	10.555	18001, 18003	-	9,539,360
National School Lunch Program-Non Cash Assistance	10.555	18001, 18003	-	1,073,700
Summer Food Service Program for Children	10.559	17006, 17007, 18006, 18007	-	569,402
Total Child Nutrition Cluster			-	13,241,377
Student Financial Assistance Cluster:				
United States Department of Education:				
Federal Supplemental Educational Opportunity Grants	84.007	N/A	-	85,000
Federal Pell Grant Program	84.063	N/A	-	622,859
Total Student Financial Assistance Cluster			-	707,859
Special Education Cluster:				
United States Department of Education:				
Special Education - Grants to States:	84.027			
Florida Department of Education		262, 263	580,492	10,100,579
Putnam County District School Board		None	-	24,857
Project 10: Transition Education Network-University of South Florida		None	-	750
Manatee County District School Board		None	-	67,195
Total Special Education - Grants to States			580,492	10,193,381
Special Education - Preschool Grants:	84.173			
Florida Department of Education		266, 267	-	285,001
Total Special Education Cluster			580,492	10,478,382
Not Clustered				
United States Department of Agriculture:				
Team Nutrition Grants	10.574	N/A	-	17,000
Florida Department of Health:				
Child and Adult Care Food Program	10.558	4161	-	522,803
Florida Department of Agriculture and Consumer Services:				
Farm to School Grant Program	10.575	None	-	30,000
Fresh Fruit and Vegetable Program	10.582	18004	-	36,195
Total United States Department of Agriculture			-	605,998
United States Department of Commerce:				
NOAA Mission-Related Education Awards	11.008	N/A	-	12,500
United States Department of Defense:				
Army Junior Reserve Officers Training Corps	12.UNK	N/A	-	258,323
Marine Junior Reserve Officers Training Corps	12.UNK	N/A	-	75,113
Navy Junior Reserve Officers Training Corps	12.UNK	N/A	-	77,275
Total United States Department of Defense			-	410,711
United States Department of Education:				
Safe and Drug-Free Schools and Communities-National Programs	84.184	N/A	-	332,178
Arts in Education	84.351	N/A	-	261,413
Florida Department of Education:				
Adult Education - Basic Grants to States	84.002	191, 193	-	392,833
Title I Grants to Local Educational Agencies	84.010	212, 226	621,488	7,740,367
Career and Technical Education - Basic Grants to States	84.048	161	-	421,798
Education for Homeless Children and Youth	84.196	127	-	80,000
English Language Acquisition State Grants	84.365	102	-	379,895
Supporting Effective Instruction State Grants	84.367	224	21,914	1,163,312
Student Support and Academic Enrichment Program	84.424	241	-	98,179
Total United States Department of Education			643,402	10,869,975
United States Department of Homeland Security:				
Florida Division of Emergency Management:				
Disaster Grants-Public Assistance (Presidentially Declared Disasters)	97.036	Z0117	-	10,174
Total Expenditures of Federal Awards			$ 1,223,894	$ 36,336,976

The accompanying notes are an integral part of this schedule.

School Board of Sarasota County, Florida
Notes to the Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2018

Note 1 – Basis of Presentation. The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the Federal award activity of the Sarasota County District School Board under programs of the Federal Government for the fiscal year ended June 30, 2018. 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

Note 2 – Summary of Significant Accounting Policies. Expenditures reported on the Schedule 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.

Note 3 – Indirect Cost Rate. The District has not elected to use the 10 percent de minimis cost rate allowed under the Uniform Guidance.

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

SECTION I – 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 programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Type of auditor's report issued on compliance for major Federal programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No
Identification of major Federal programs:	
CFDA Numbers:	Name of Federal Program or Cluster:
10.553, 10.555, and 10.559	Child Nutrition Cluster
84.367	Supporting Effective Instruction State Grants
Dollar threshold used to distinguish between type A and type B programs:	$1,090,109
Auditee qualified as low risk auditee?	Yes

SECTION II – FINANCIAL STATEMENT FINDINGS

No matters are reported.

SECTION III – FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

No matters are reported.

PRIOR AUDIT FOLLOW-UP

There were no prior financial statement or Federal awards findings requiring follow-up.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

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