
School Board of Sarasota County, Florida



Comprehensive Annual Financial Statement Report

For the Fiscal Year Ended June 30, 2019

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

**Comprehensive Annual
Financial Report**

**For the
Fiscal Year
Ended June 30, 2019**

**Prepared By:
Financial Services Department**

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Comprehensive Annual Financial Report
For the Year Ended June 30, 2019

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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, 2019

December 11, 2019

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, 2019. 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, 2019.

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

The District's financial statements have been audited by Cherry Bekaert, LLP. 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, 2019, 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, 2019, 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 2018-19 fiscal year, the District operated 54 schools, including 23 elementary schools, 7 middle schools, 6 high schools, 11 charter schools, 1 technical center and 6 other types of schools, such as a virtual school and an all gifted school for grades 2 through 12.

The District receives the majority of its operating funds through a State funding formula that is intended to equalize funding received from the State and local property tax between school districts within the State. Charter schools operate through a contract with the District and are provided with the proportionate share of these funds, based upon the number of full-time equivalent students enrolled at the charter school. The District provided a full range of educational programs, including kindergarten through 12th grade basic and enriched programs, and exceptional student education to 42,954 unweighted full-time equivalent students. Student enrollment is expected to increase by 1.1, 0.6 and .9 percent each in fiscal years ending June 30, 2020, 2021, and 2022, 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 2019 population of Sarasota County was 426,275 and is projected to be 523,700 by 2040 and 540,245 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 36.7 percent, are persons 65 years and older. The State average for this age group is 20.5 percent. The average household size is 2.11 and the average household income is \$61,523 as of 2017. The American Community Survey done by the U.S. Census Bureau shows 92.5 percent of the County residents were high school graduates and 33.9 percent had a bachelor's degree or higher. Persons without federally mandated health insurance, under age 65 years are 16.3 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 3.4 percent in June 2018 from 3.7 percent in June 2018. In addition, sales tax revenues along with property values continue to rise with median home sales prices of \$290,000 in June 2019 from

\$279,500 in June 2018. The District remains Sarasota County's largest employer, employing 5,808 full and part-time employees, including 3,005 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 school sites range in age from a historic 1926 elementary school to the opening of a new technical college site in 2018. In addition to the new technical college site, since 2000 the District opened 2 new high schools, 2 middle schools and 8 elementary schools. Since 2008, the District rebuilt 4 high schools, the original technical college site as well as renovated 6 other 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 12.95 percent. The Ending Financial Condition Ratio as of June 30, 2019 is 14.71 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 2018-19 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 2018-19 fiscal year, the District Capital Outlay program focused primarily on safety and security improvements over large construction projects. 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 27 schools received a grade of 'A', 7 received a grade of 'B', 3 received a grade of 'C', and 1 received a grade of 'D'. The District has received an overall grade of 'A'.

The Florida Department of Education provides a grading report for all public schools in the state and for each of the 67 school districts as part of their school accountability report. The District has again received an 'A' grade and ranks third in the state in terms of student achievement for the 2018-19 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 2019 high school graduates on college admission examinations. A comparison of the average scores is reflected in the table below.

<u>Examination</u>	<u>Sarasota National Florida</u>		
ACT Composite	21.9	20.7	20.1
SAT:			
Reading and Writing	605	545	548
Math	591	543	521

Sixty percent of Sarasota District teachers have earned Master's degrees or higher. The School Board of Sarasota County has 14 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, 2018. This was the fifteenth consecutive year that the District has received these prestigious awards. In order to be awarded the Certificate of Achievement for Excellence in Financial Reporting and the Certificate of Excellence in Financial Reporting, the District must publish an easily readable and efficiently organized CAFR. This report satisfied both GAAP and applicable legal requirements.

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,



Mitsi Corcoran
Interim Superintendent
Chief Financial Officer

**LIST OF PRINCIPAL OFFICIALS –
ELECTED**



**Ms. Jane Goodwin, Chair
Term expires November 2022**

**Mrs. Caroline Zucker, Vice Chair
Term expires November 2020**

**Mrs. Shirley Brown
Term expires November 2022**

**Mr. Eric Robinson
Term expires November 2020**

**Mrs. Bridget Ziegler
Term expires November 2022**

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

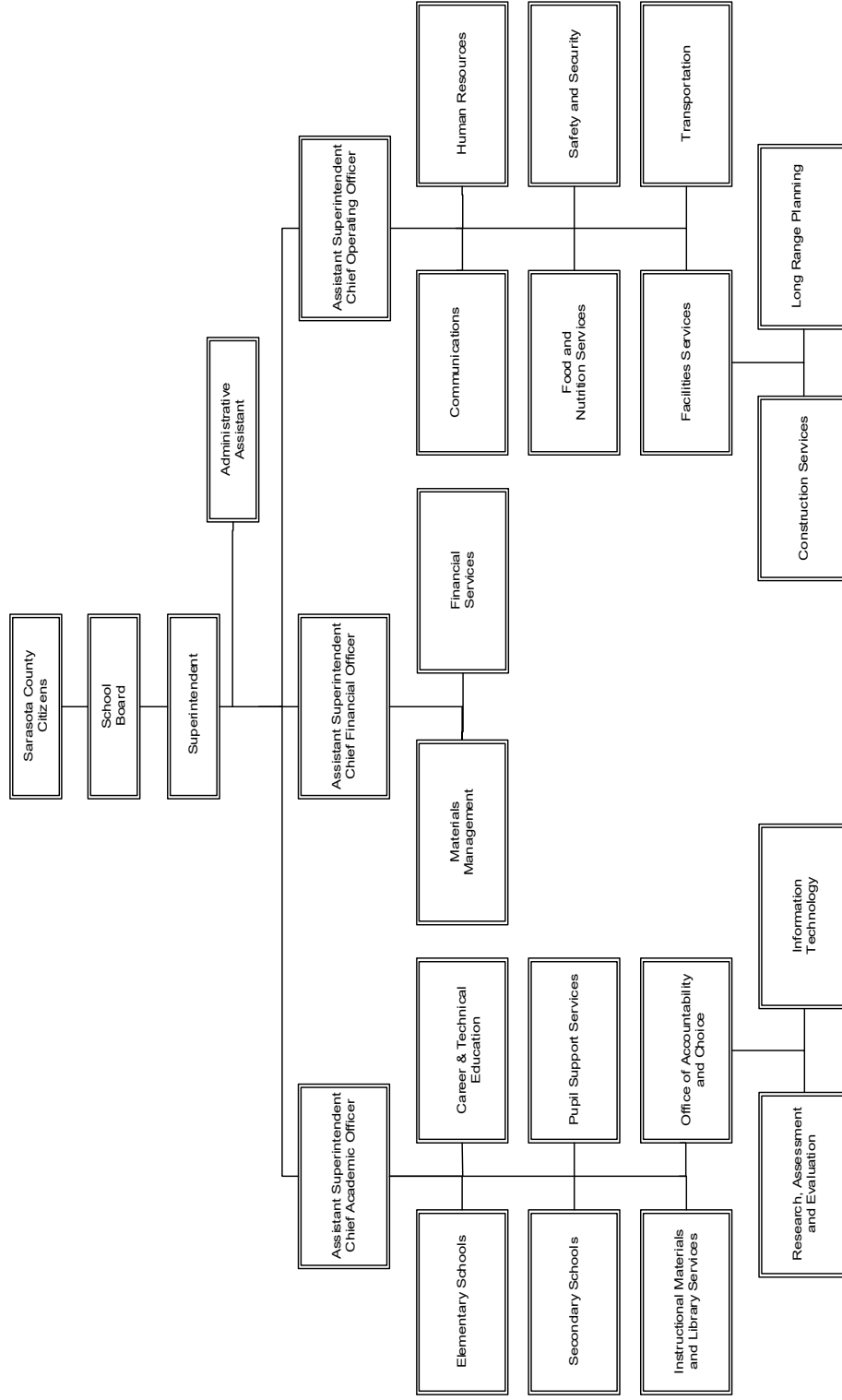
LIST OF PRINCIPAL OFFICIALS – APPOINTED

Dr. Todd Bowden	Superintendent
Dr. Laura Kingsley	Assistant Superintendent Chief Operations Officer
Mrs. Mitsi Corcoran	Assistant Superintendent Chief Financial Officer
Mr. Jody Dumas	Interim 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. Denise Cantalupo	Executive Director Office of Accountability and Choice
Dr. Ron Dipillo	Executive Director Career and Technical Education
Mr. Roy Sprinkle	Executive Director Human Services
Mr. Tim Enos	Executive Director Safety and Security and Chief of Police

The School Board of Sarasota County, Florida

Organizational Chart

June 30, 2019





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, 2018.**

The CAFR meets the criteria established for
ASBO International's Certificate of Excellence.



A handwritten signature in black ink, reading 'Tom Wohlleber'.

Tom Wohlleber, CSR
President

A handwritten signature in black ink, reading 'Siobhán McMahon'.

Siobhán McMahon, CAE
Chief Operating Officer



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, 2018

Christopher P. Morrell

Executive Director/CEO

School Board of Sarasota County, Florida



SARASOTA
County Schools

Comprehensive Annual Financial Statement Report

For the Fiscal Year Ended June 30, 2019

FINANCIAL SECTION

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Report of Independent Auditor

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

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the School Board of Sarasota County, Florida (the "District") as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District as of June 30, 2019, the respective changes in financial position, and, where applicable, cash flows, and the respective budgetary comparison for the General Fund thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

OTHER MATTERS

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 15 and the 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.

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, the 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, and the other information, such as the introductory section and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 11, 2019 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Handwritten signature of Cherry Bekant in black ink, followed by the text "LLP".

Tampa, Florida
December 11, 2019

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Management's Discussion and Analysis
June 30, 2019

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 2018-19 fiscal year are as follows:

- General revenues totaled \$554,922,214, 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 \$62,483,928, or 10 percent. Total revenues increased by \$30,304,581 from \$587,101,561 in fiscal year 2017-18 to \$617,406,142 in fiscal year 2018-19. The change is primarily attributed to the increase in the property and sales tax revenues, investment income, and grant receipts for emergency impact aid, for Hurricane Maria, FEMA and Sarasota County reimbursements for Hurricane Irma and the Safe Schools and Building Funds grant appropriated in SB7026-Majory Stoneman Douglas High School Public Safety Act (MSD).
- Expenses totaled \$596,460,395, only \$62,483,928 of these expenses were offset by program specific charges, with the remainder paid from general revenues. Total revenues exceeded total expenses by \$20,945,747. Total expenses increased \$21,302,102 or 4 percent, from \$575,158,293 in fiscal year 2017-18. This change is primarily attributed to an average 3.9 percent negotiated salary settlement, increased benefits costs, safety and security upgrades including a new school police department to comply with SB7026 MSD.
- The expenses in the District's proprietary funds increased by \$6,567,505 from \$53,334,369 in fiscal year 2017-18 to \$59,901,874 in fiscal year 2018-19, as a result of increased medical claims. Charges for services revenues decreased by \$947,001 from \$56,521,549 in fiscal year 2017-2018 to \$55,574,548 in fiscal year 2018-19. This change is primarily attributed to a decrease in workers compensation rate.
- The unassigned fund balance of the General Fund, representing the net current financial resources available for general appropriation by the Board, totaled \$58,871,103 at June 30, 2019 or 12.95 percent of General Fund total expenditures and transfers out. The Ending Financial Condition Ratio as of June 30, 2019 was 14.71 percent.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Management's Discussion and Analysis
June 30, 2019

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.

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FUND FINANCIAL STATEMENTS

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

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

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

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

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

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

Net position may serve over time as a useful indicator of a government's financial position and provides a perspective of the District as a whole. The following is a summary of the District's net position as of June 30, 2019, compared to net position as of June 30, 2018:

Net Position, End of Year				
	Governmental Activities		Increase (Decrease)	Percentage Change
	6/30/2019	6/30/2018		
Current and other assets	\$ 303,108,438	\$ 274,315,848	\$ 28,792,590	
Capital assets, net	963,950,904	981,356,900	(17,405,996)	
Total assets	<u>1,267,059,342</u>	<u>1,255,672,748</u>	<u>11,386,594</u>	1%
Deferred outflows of resources	138,195,209	139,088,138	(892,929)	
Total deferred outflows	<u>138,195,209</u>	<u>139,088,138</u>	<u>(892,929)</u>	-1%
Other liabilities	59,977,569	61,501,771	(1,524,202)	
Long-term liabilities, current	38,868,647	40,107,521	(1,238,874)	
Long-term liabilities, noncurrent	432,944,462	456,501,440	(23,556,978)	
Total liabilities	<u>531,790,678</u>	<u>558,110,732</u>	<u>(26,320,054)</u>	-5%
Deferred inflows of resources	48,808,493	32,940,521	15,867,972	
Total deferred inflows	<u>48,808,493</u>	<u>32,940,521</u>	<u>15,867,972</u>	48%
Net investment in capital assets	835,369,281	831,134,795	4,234,486	
Restricted	123,275,441	100,681,123	22,594,318	
Unrestricted	<u>(133,989,342)</u>	<u>(128,106,285)</u>	<u>(5,883,057)</u>	
Total net position	<u>\$ 824,655,380</u>	<u>\$ 803,709,633</u>	<u>\$ 20,945,747</u>	3%

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, 2019 and June 30, 2018 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, 2019 and June 30, 2018 is \$68,752,282 and \$62,380,839 respectively.

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

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Management's Discussion and Analysis
June 30, 2019

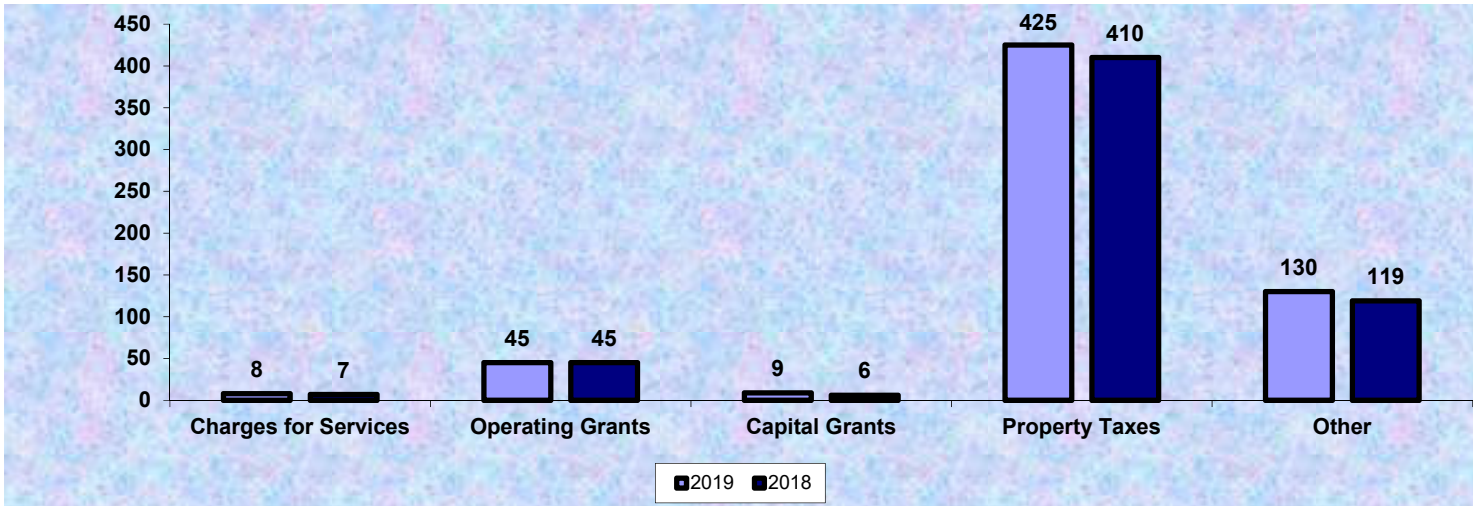
The key elements of the changes in the District's net position for the fiscal years ended June 30, 2019, and June 30, 2018, are shown in the following table and graphs:

Changes in Net Position from Operating Results

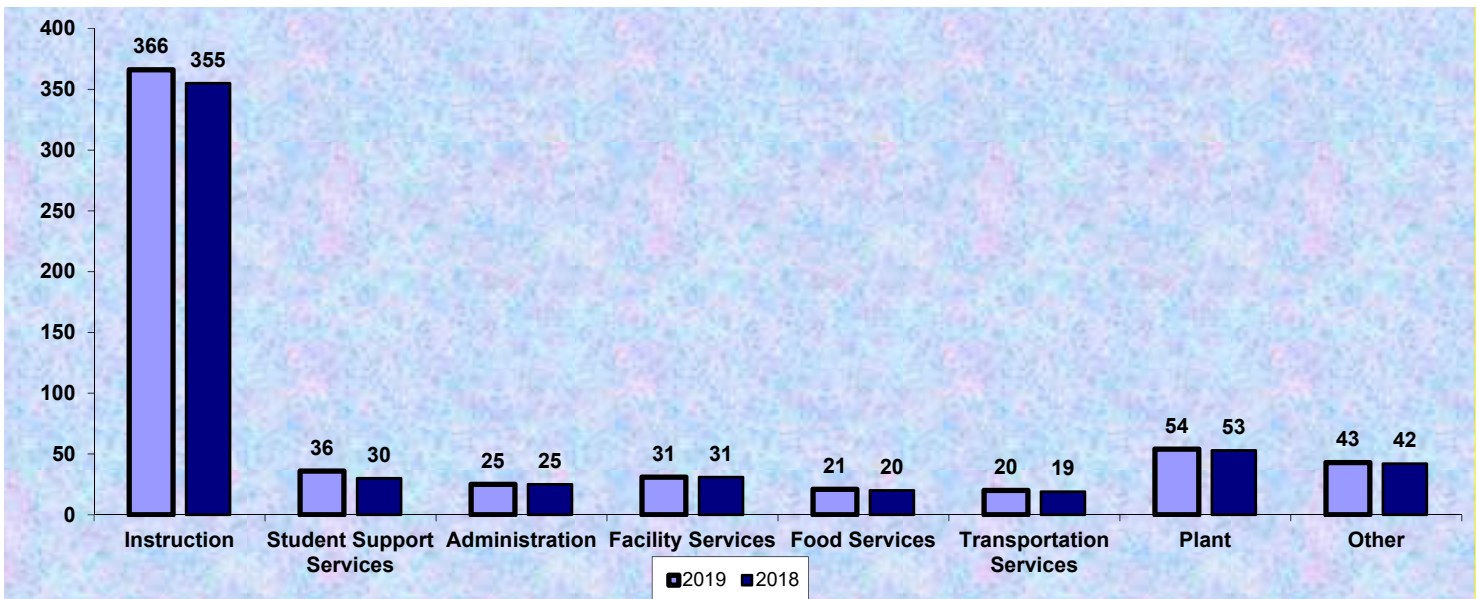
	Governmental Activities			
	6/30/2019	6/30/2018	Increase (Decrease)	Percentage Change
Revenues:				
Program revenues				
Charges for services	\$ 8,444,152	\$ 7,264,383	\$ 1,179,769	16%
Operating grants and contributions	44,976,399	44,662,620	313,779	1%
Capital grants and contributions	9,063,377	5,720,580	3,342,797	58%
General revenues				
Property taxes - general	334,039,420	325,234,264	8,805,156	3%
Property taxes - capital projects	91,044,453	85,447,804	5,596,649	7%
Local sales taxes	21,451,257	19,890,827	1,560,430	8%
Grants and contributions not restricted to specific programs	85,546,235	83,132,274	2,413,961	3%
Miscellaneous	13,460,938	12,819,395	641,543	5%
Unrestricted investment earnings	9,379,911	2,929,414	6,450,497	220%
Total revenues	617,406,142	587,101,561	30,304,581	5%
Expenses:				
Instruction	365,537,244	354,712,133	10,825,111	3%
Student support services	35,885,282	29,906,129	5,979,153	20%
Instructional media services	5,771,948	5,794,752	(22,804)	0%
Instruction and curriculum development services	4,028,085	3,931,181	96,904	2%
Instructional staff training services	4,786,922	4,651,341	135,581	3%
Instruction related technology	5,546,799	4,920,427	626,372	13%
Board	1,451,468	1,557,029	(105,561)	-7%
General administration	2,683,312	2,871,103	(187,791)	-7%
School administration	21,949,027	21,176,512	772,515	4%
Facility services - non-capitalized	31,339,373	31,070,638	268,735	1%
Fiscal services	2,207,031	2,094,829	112,202	5%
Food services	20,563,313	20,255,948	307,365	2%
Central services	7,172,486	6,884,275	288,211	4%
Student transportation services	20,135,953	19,237,414	898,539	5%
Operation of plant	37,150,224	36,840,850	309,374	1%
Maintenance of plant	17,078,883	15,791,450	1,287,433	8%
Administrative technology services	2,917,970	2,880,835	37,135	1%
Community services	4,572,879	4,221,778	351,101	8%
Interest on long-term debt	5,682,196	6,359,669	(677,473)	-11%
Total expenses	596,460,395	575,158,293	21,302,102	4%
Change in net position	20,945,747	11,943,268	9,002,479	75%
Beginning net position	803,709,633	791,766,365	11,943,268	
Ending net position	\$ 824,655,380	\$ 803,709,633	\$ 20,945,747	

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



Expenses – Governmental Activities – in Millions of Dollars



Overall total revenues increased by \$30,304,581, or 5 percent from the fiscal year ended June 30, 2018. The change is primarily attributed to the increase in the property and sales tax revenues, investment income, and grant receipts for emergency impact aid, for Hurricane Maria, FEMA and Sarasota County reimbursements for Hurricane Irma and the Safe Schools and Building Funds grant appropriated in SB7026 (MSD).

Total expenses increased by \$21,302,102, or 4 percent from the fiscal year ended June 30, 2018. This change is primarily attributed to an average 3.9 percent negotiated salary settlement, increased benefits costs, safety and security upgrades including a new school police department to comply with SB7026 (MSD).

In total, net position increased \$20,945,747, which represents a 3 percent increase over fiscal year 2017-2018.

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

The District completed the year with a total governmental fund balance of \$198,894,043, an increase of \$31,077,251 or 19 percent from last year's ending fund balance of \$167,816,792. The increase in District fund balance is primarily attributed to revenue received from discretionary property taxes as a result of increased assessed valuation and a change in capital outlay from large capital projects to safety and security upgrades such as perimeter fencing and single point of entry.

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:

	6/30/2019	6/30/2018	Increase (Decrease)	Percentage Change
Revenue	\$ 436,897,033	\$ 422,578,881	\$ 14,318,152	3%
Other financing sources	23,884,197	19,080,599	4,803,598	25%
Beginning fund balance	75,001,972	73,434,844	1,567,128	2%
Total	\$ 535,783,202	\$ 515,094,324	\$ 20,688,878	4%
Expenditures	454,627,884	439,514,442	15,113,442	3%
Other financing uses	-	577,910	(577,910)	-100%
Ending fund balance	81,155,318	75,001,972	6,153,346	8%
Total	\$ 535,783,202	\$ 515,094,324	\$ 20,688,878	4%

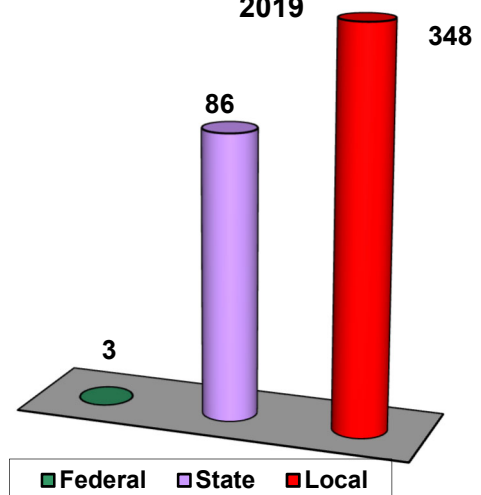
The District's General Fund ending fund balance increased by \$6,153,346 or 8 percent. This increase is primarily attributed to increased funding from capital outlay and revenue received from discretionary property taxes as a result of increased assessed valuation. It should be noted that \$1,679,023 of ending fund balance has been encumbered for specific projects.

Revenues – Overall revenues increased by \$14,318,152 or 3 percent as follows:

Revenues By Source - General Fund

	6/30/2019	6/30/2018	Increase (Decrease)	Percentage Change
Federal	\$ 2,837,108	\$ 2,682,294	\$ 154,814	6%
State	85,913,600	83,335,594	2,578,006	3%
Local	348,146,325	336,560,993	11,585,332	3%
Total	\$ 436,897,033	\$ 422,578,881	\$ 14,318,152	3%

**Composition of Revenues
In Millions of Dollars –
2019**



SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Management's Discussion and Analysis
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Federal sources increased by \$154,814, or 6 percent, mainly attributed to FEMA reimbursements for Hurricane Irma and Temporary Emergency Impact Aid.

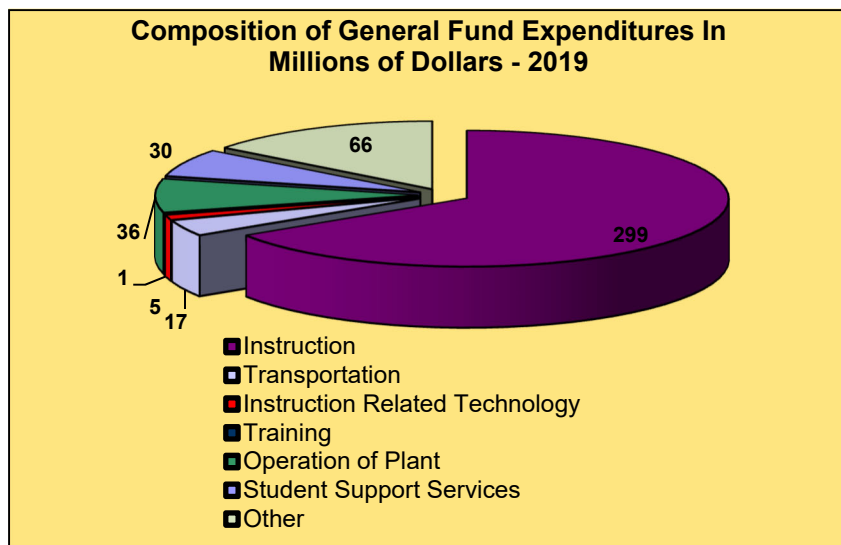
State sources increased by \$2,578,006, or 3 percent, mainly attributed to the increase in the state funding of Safe Schools categorical and the creation of a new Mental Health Assistance categorical, and funding of Summer Learning Academy.

Local sources increased by \$11,585,332, or 3 percent, mainly as a result of an increase in property tax revenue, county reimbursement for Hurricane Irma and an increase in capital outlay transfer for maintenance and software licenses.

Expenditures - Total General Fund expenditures increased by \$15,113,442, 3 percent, primarily attributed to an average 3.9 percent negotiated salary settlement, increased benefits costs, and increased costs related to safety and security.

Expenditures By Function - General Fund

	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>Increase (Decrease)</u>	<u>Percentage Change</u>
Instruction	\$ 298,983,633	\$ 292,003,604	\$ 6,980,029	2%
Student support services	30,414,633	25,185,279	5,229,354	21%
Instructional staff training services	1,429,178	1,354,313	74,865	6%
Student transportation services	16,654,002	16,082,897	571,105	4%
Operation of plant	36,091,806	36,252,427	(160,621)	0%
Instruction related technology	5,209,127	4,821,687	387,440	8%
Other	65,845,505	63,814,235	2,031,270	3%
Total	<u>\$ 454,627,884</u>	<u>\$ 439,514,442</u>	<u>\$ 15,113,442</u>	3%



SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Management's Discussion and Analysis
June 30, 2019

Debt Service – Other Debt Service Fund

An overall analysis of the District's Other Debt Service Fund is presented below. Expenditures decreased from \$25,011,482 to \$24,065,282 for the fiscal year ended June 30, 2019 primarily due to no new capital leases. There is a corresponding decrease in transfers of \$949,517 from the Capital Projects – Local Capital Improvement Tax fund.

	6/30/2019	6/30/2018	Increase (Decrease)	Percentage Change
Revenue	\$ 47,820	\$ 39,390	\$ 8,430	21%
Other financing sources	24,059,667	25,009,184	(949,517)	-4%
Beginning fund balance	1,156,354	1,119,262	37,092	3%
Total	<u>\$ 25,263,841</u>	<u>\$ 26,167,836</u>	<u>\$ (903,995)</u>	-3%
Expenditures	\$ 24,065,282	\$ 25,011,482	\$ (946,200)	-4%
Ending fund balance	1,198,559	1,156,354	42,205	4%
Total	<u>\$ 25,263,841</u>	<u>\$ 26,167,836</u>	<u>\$ (903,995)</u>	-3%

Debt Service – ARRA Economic Stimulus Fund

This fund is used to account for the accumulation of resources for and the payment of, sinking fund, interest and related costs on the Certificates of Participation, Series 2010A Qualified School Construction Bonds. This is the ninth year of this fund. Revenues in this fund are an interest rebate received from the Internal Revenue Service. The fund balance represents amounts placed into the sinking fund to pay the debt when due. Interest payments are made twice a year.

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

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

	6/30/2019	6/30/2018	Increase (Decrease)	Percentage Change
Revenue	\$ 92,926,982	\$ 86,393,881	\$ 6,533,101	8%
Beginning fund balance	41,103,644	36,208,260	4,895,384	14%
Total	<u>\$ 134,030,626</u>	<u>\$ 122,602,141</u>	<u>\$ 11,428,485</u>	9%
Expenditures	\$ 36,058,546	\$ 37,147,908	\$ (1,089,362)	-3%
Other financing uses	46,037,590	44,350,589	1,687,001	4%
Ending fund balance	51,934,490	41,103,644	10,830,846	26%
Total	<u>\$ 134,030,626</u>	<u>\$ 122,602,141</u>	<u>\$ 11,428,485</u>	9%

During the fiscal year 2018-19, revenue in the Capital Projects – Local Capital Improvement Tax Fund increased by \$6,533,101 or 8 percent. Expenditures decreased by \$1,089,362, or 3 percent, primarily due to a focus on safety and security improvements over large construction projects. Of the total fund balance, \$17,372,038 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:

	6/30/2019	6/30/2018	Increase (Decrease)	Percentage Change
Revenue	\$ 34,187,704	\$ 29,662,601	\$ 4,525,103	15%
Other financing sources	-	11,623,156	(11,623,156)	-100%
Beginning fund balance	27,886,726	28,388,747	(502,021)	-2%
Total	<u>\$ 62,074,430</u>	<u>\$ 69,674,504</u>	<u>\$ (7,600,074)</u>	-11%
Expenditures	\$ 21,141,141	\$ 40,608,356	\$ (19,467,215)	-48%
Other financing uses	3,142,051	1,179,422	1,962,629	166%
Ending fund balance	37,791,238	27,886,726	9,904,512	36%
Total	<u>\$ 62,074,430</u>	<u>\$ 69,674,504</u>	<u>\$ (7,600,074)</u>	-11%

Other financing sources decreased by \$11,623,156 because there were no new capital leases in 2018-2019. Expenditures decreased by \$19,467,215, or 48 percent primarily due to a focus on safety and security improvements over large construction projects. Other financing uses increased by \$1,962,629 due to an increase in state pass-through funding to charter schools. It should be noted that \$9,306,476 of fund balance has been encumbered for specific projects.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Management's Discussion and Analysis
June 30, 2019

GENERAL FUND BUDGETARY HIGHLIGHTS

During the fiscal year, the District revised its budget and brought three 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 2018-19 budget was prepared on a conservative basis as the State of Florida had experienced multiple years of revenue shortfalls and corresponding prorations of state funding were imposed on school districts. Budgeted expenditures decreased \$4,202,223 from the original budget due to savings from a hiring freeze. Actual expenditures were \$6,204,120 below the final amended expenditure budget.

CAPITAL ASSETS AND LONG-TERM DEBT

At June 30, 2019, the District had \$963,950,904 invested in a broad range of capital assets, including land, improvements, buildings, and equipment; net of accumulated depreciation. This amount represents a net decrease (including additions, deductions and depreciation) of \$17,405,996, or 2 percent, from last fiscal year due primarily to no new capital lease agreements for equipment.

Governmental Activities				Percentage Change
	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>Change</u>	
Capital assets not being depreciated:				
Land	\$ 36,942,046	\$ 36,942,046	\$ -	0%
Land improvements	78,828,986	78,828,986	-	0%
Construction in progress	32,667,476	33,131,957	(464,481)	-1%
Capital assets being depreciated:				
Improvements other than buildings	82,803,391	77,637,585	5,165,806	7%
Buildings and fixed equipment	1,068,607,363	1,049,636,884	18,970,479	2%
Furniture, fixtures and equipment and Audio visual materials	59,486,065	59,821,818	(335,753)	-1%
Motor vehicles	37,853,692	35,770,064	2,083,628	6%
Equipment under capital leases	31,962,701	40,830,411	(8,867,710)	-22%
Computer software	12,427,195	12,427,195	-	0%
Total Capital Assets	1,441,578,915	1,425,026,946	16,551,969	1%
Less accumulated depreciation	(477,628,011)	(443,670,046)	(33,957,965)	8%
Total Capital Assets, net	<u>\$ 963,950,904</u>	<u>\$ 981,356,900</u>	<u>\$ (17,405,996)</u>	-2%

Detailed information regarding the District's capital asset balances and activity for the fiscal year ended June 30, 2019, is provided in Note 5 to the basic financial statements.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Management's Discussion and Analysis
June 30, 2019

Long-Term Debt

At June 30, 2019, the District had \$133,880,074 in bonds payable, obligations under capital leases, and certificates of participation versus \$156,415,572 last fiscal year, a decrease of 14 percent. A summary of the long-term debt obligations are listed in the following table:

	<u>6/30/2019</u>	<u>6/30/2018</u>	<u>Increase (Decrease)</u>	<u>Percentage Change</u>
Obligations under capital leases	\$ 16,259,566	\$ 26,166,405	\$ (9,906,839)	-38%
State school bonds	3,875,386	4,590,851	(715,465)	-16%
Qualified zone academy bonds	1,299,696	1,299,696	-	0%
Certificates of participation	112,445,426	124,358,620	(11,913,194)	-10%
Total	<u><u>\$ 133,880,074</u></u>	<u><u>\$ 156,415,572</u></u>	<u><u>\$ (22,535,498)</u></u>	-14%

The District's decrease in debt is primarily due to payments made on Certificates of Participation and no new capital leases.

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

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

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

ECONOMIC FACTORS

The unemployment rate in June 2019 for Sarasota County was 3.4 percent, which is a decrease of 0.3 percent from June 2018. The State's average unemployment rate in June 2019 was 3.5 percent. Florida's unemployment rate has decreased 0.3 percent while the nation's unemployment rate has decreased 0.4 percent from the prior year.

The State of Florida funds the District through the Florida Education Finance Program (FEFP) which is based on student enrollment. 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. Student enrollment increased 286.16 FTE in fiscal year 2018-2019. This growth in student enrollment has contributed to a steady increase in revenue generated by the FEFP.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Management's Discussion and Analysis
June 30, 2019

In fiscal year 2018-19, taxable property values increased 7 percent from the prior year to \$62.7 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 \$58,871,103. It is anticipated that the unassigned fund balance at June 30, 2020, 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, 2019

	Primary Government	Component Units
	Governmental Activities	Charter Schools
Assets		
Cash and cash equivalents	\$ 207,095,326	\$ 7,835,206
Restricted cash	-	1,753,119
Investments	86,395,553	-
Accounts receivable	1,267,021	65,665
Interest receivable	336,317	-
Deposits receivable	75,000	-
Due from other agencies	4,367,251	101,229
Due from related parties	-	302,693
Prepaid items	2,504,540	591,390
Inventories	1,067,430	-
Other	-	201,826
Capital assets:		
Nondepreciable	148,438,508	10,532,767
Depreciable, net	815,512,396	28,289,600
Total assets	1,267,059,342	49,673,495
Deferred outflows of resources		
Pensions	119,165,212	3,563,035
Other postemployment benefits	13,731,546	-
Loss on refunding	5,298,451	-
Total deferred outflows of resources	138,195,209	3,563,035
Liabilities		
Accounts payable and other current liabilities	34,133,776	3,157,844
Due to other agencies	9,284,678	-
Due to related parties	-	6,893
Matured debt payable	11,580,000	-
Matured interest payable	1,956,631	-
Accrued interest payable	74,165	-
Unearned revenue	2,948,319	753
Portion due within one year:		
Notes payable	-	640,085
Bonds payable	448,000	704,341
Obligations under capital leases	7,835,313	54,575
Certificates of participation payable	12,005,000	-
Liability for compensated absences	10,022,326	20,307
Estimated insurance claims payable	6,516,040	-
Net pension liability	2,041,968	11,365
Portion due in more than one year:		
Notes payable	-	5,235,469
Bonds payable	4,727,082	21,307,879
Interest rate swap	-	469,679
Obligations under capital leases	8,424,253	55,107
Certificates of participation payable	100,440,426	-
Liability for compensated absences	28,733,323	37,192
Estimated insurance claims payable	5,831,457	-
Other postemployment benefits payable	35,627,469	-
Net pension liability	249,160,452	8,241,924
Total liabilities	531,790,678	39,943,413
Deferred inflows of resources		
Pensions	45,432,667	1,241,309
Other postemployment benefits	3,375,826	-
Total deferred inflows of resources	48,808,493	1,241,309
Net position		
Net investment in capital assets	835,369,281	10,872,455
Restricted for:		
Capital projects	90,288,723	294,805
Debt service	24,809,341	1,358,680
Food service	1,543,103	-
State categorical programs	6,575,939	-
Other purposes	58,335	172,926
Unrestricted (deficit)	(133,989,342)	(647,058)
Total net position	\$ 824,655,380	\$ 12,051,808

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, 2019

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
Instruction	\$ 365,537,244	\$ 2,374,141	\$ 23,442,880	\$ -
Student support services	35,885,282	-	3,546,835	-
Instructional media services	5,771,948	-	2,144	-
Instruction and curriculum development services	4,028,085	-	536,882	-
Instructional staff training services	4,786,922	-	2,559,731	-
Instruction related technology	5,546,799	-	151,305	-
Board	1,451,468	-	-	-
General administration	2,683,312	-	590,242	-
School administration	21,949,027	-	43,730	-
Facility services - non-capitalized	31,339,373	-	-	6,308,028
Fiscal services	2,207,031	-	-	-
Food services	20,563,313	5,443,411	14,023,516	-
Central services	7,172,486	-	10,000	-
Student transportation services	20,135,953	213,588	21,413	-
Operation of plant	37,150,224	-	25,293	-
Maintenance of plant	17,078,883	-	22,308	-
Administrative technology services	2,917,970	-	120	-
Community services	4,572,879	413,012	-	-
Interest on long-term debt	5,682,196	-	-	2,755,349
Total primary government	<u>\$ 596,460,395</u>	<u>\$ 8,444,152</u>	<u>\$ 44,976,399</u>	<u>\$ 9,063,377</u>
Component units:				
Charter schools	\$ 62,603,036	\$ 818,666	\$ 1,205,418	\$ 2,259,782
Total component units	<u>\$ 62,603,036</u>	<u>\$ 818,666</u>	<u>\$ 1,205,418</u>	<u>\$ 2,259,782</u>
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
\$ (339,720,223)	\$ -
(32,338,447)	-
(5,769,804)	-
(3,491,203)	-
(2,227,191)	-
(5,395,494)	-
(1,451,468)	-
(2,093,070)	-
(21,905,297)	-
(25,031,345)	-
(2,207,031)	-
(1,096,386)	-
(7,162,486)	-
(19,900,952)	-
(37,124,931)	-
(17,056,575)	-
(2,917,850)	-
(4,159,867)	-
(2,926,847)	-
(533,976,467)	-
	(58,319,170)
	(58,319,170)
334,039,420	-
91,044,453	-
21,451,257	-
85,546,235	54,661,953
13,460,938	1,330,597
9,379,911	-
554,922,214	55,992,550
20,945,747	(2,326,620)
803,709,633	14,452,345
-	(73,917)
803,709,633	14,378,428
\$ 824,655,380	\$ 12,051,808

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Balance Sheet
Governmental Funds
June 30, 2019

		Debt Service	
	General Fund	Other Debt Service	ARRA Economic Stimulus
Assets			
Cash and cash equivalents	\$ 97,433,322	\$ 12,473,889	\$ 1,062,742
Investments	332,360	1,198,559	23,608,957
Accounts receivable	598,829	-	-
Interest receivable	1,790	-	-
Due from other funds	926,828	-	-
Due from other agencies	1,471,391	-	-
Prepaid items	9,646,111	-	-
Inventories	647,137	-	-
Total assets	\$ 111,057,768	\$ 13,672,448	\$ 24,671,699
Liabilities and fund balances			
Liabilities:			
Salaries and wages payable	\$ 18,092,758	\$ -	\$ -
Payroll deductions and withholdings payable	1,166,996	-	-
Accounts payable	1,364,366	-	-
Sales tax payable	1,955	-	-
Construction contracts payable	-	-	-
Deposits payable	8,350	-	-
Due to other funds	-	-	-
Due to other agencies	9,268,025	-	-
Matured debt payable	-	11,580,000	-
Matured interest payable	-	893,889	1,062,742
Unearned revenue	-	-	-
Total liabilities	29,902,450	12,473,889	1,062,742
Fund Balances:			
Nonspendable	10,293,248	-	-
Restricted	6,577,989	1,198,559	23,608,957
Assigned	5,412,978	-	-
Unassigned	58,871,103	-	-
Total fund balances	81,155,318	1,198,559	23,608,957
Total liabilities and fund balances	\$ 111,057,768	\$ 13,672,448	\$ 24,671,699

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

Capital Projects Funds		Nonmajor Governmental Funds	Total Governmental Funds
Local Capital Improvement Tax	Other Capital Projects		
\$ 44,330,533	\$ 29,964,007	\$ 4,488,264	\$ 189,752,757
11,571,359	10,685,691	75,990	47,472,916
-	-	-	598,829
63,272	58,429	-	123,491
-	-	3,450	930,278
24,282	435,806	2,382,968	4,314,447
14,202	329	532,284	10,192,926
-	-	420,293	1,067,430
<u>\$ 56,003,648</u>	<u>\$ 41,144,262</u>	<u>\$ 7,903,249</u>	<u>\$ 254,453,074</u>
\$ 10,025	\$ -	\$ 2,182,038	\$ 20,284,821
-	-	-	1,166,996
644,067	1,193,027	317,737	3,519,197
-	-	-	1,955
3,047,403	1,978,621	-	5,026,024
-	-	-	8,350
366,615	-	563,663	930,278
1,048	-	15,496	9,284,569
-	-	-	11,580,000
-	-	-	1,956,631
-	181,376	1,618,834	1,800,210
<u>4,069,158</u>	<u>3,353,024</u>	<u>4,697,768</u>	<u>55,559,031</u>
14,202	329	952,577	11,260,356
51,920,288	37,790,909	2,252,904	123,349,606
-	-	-	5,412,978
-	-	-	58,871,103
<u>51,934,490</u>	<u>37,791,238</u>	<u>3,205,481</u>	<u>198,894,043</u>
<u>\$ 56,003,648</u>	<u>\$ 41,144,262</u>	<u>\$ 7,903,249</u>	<u>\$ 254,453,074</u>

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SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Reconciliation of the Balance Sheet of Governmental Funds to the
Statement of Net Position
June 30, 2019

Total fund balances - governmental funds	\$ 198,894,043
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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.	963,950,904
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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.	5,298,451
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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.	(74,165)
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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	(5,175,082)
Obligations under capital leases	(16,259,566)
Certificates of participation payable	(112,445,426)
Liability for compensated absences (net of \$58,584 related to the internal service funds)	(38,697,065)

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	(251,202,420)
Deferred outflows related to pensions	119,165,212
Deferred inflows related to pensions	(45,432,667)
Other postemployment healthcare benefits payable	(35,627,469)
Deferred outflows related to other post employment benefits plan	13,731,546
Deferred inflows related to other post employment benefits plan	(3,375,826)

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.

31,904,910

Total net position of governmental activities	<u>\$ 824,655,380</u>
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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, 2019

	General Fund	Debt Service	
		Other Debt Service	ARRA Economic Stimulus
Revenues			
Federal direct	\$ 399,418	\$ -	\$ 1,957,382
Federal through state and local	2,437,690	-	-
State sources	85,913,600	-	-
Local sources:			
Property taxes levied for operational purposes	334,039,420	-	-
Property taxes levied for capital projects	-	-	-
Sales tax collections	-	-	-
Charges for services	3,000,741	-	-
Impact fee collections	-	-	-
Other local revenue	11,106,164	47,820	2,081,357
Total revenues	436,897,033	47,820	4,038,739
Expenditures			
Current:			
Instruction	298,983,633	-	-
Student support services	30,414,633	-	-
Instructional media services	5,661,392	-	-
Instruction and curriculum development services	3,267,202	-	-
Instructional staff training services	1,429,178	-	-
Instruction related technology	5,209,127	-	-
Board	1,431,491	-	-
General administration	1,825,218	-	-
School administration	20,970,091	-	-
Facility services - non-capitalized	126,330	-	-
Fiscal services	2,111,408	-	-
Food services	51,026	-	-
Central services	6,439,796	-	-
Student transportation services	16,654,002	-	-
Operation of plant	36,091,806	-	-
Maintenance of plant	16,561,352	-	-
Administrative technology services	2,834,584	-	-
Community services	3,461,038	-	-
Capital outlay:			
Facilities acquisition and construction	-	-	-
Other capital outlay	1,104,577	-	-
Debt service:			
Principal	-	21,486,839	-
Interest	-	2,567,943	2,125,484
Dues and fees	-	10,500	7,000
Total expenditures	454,627,884	24,065,282	2,132,484
Excess (deficiency) of revenues over (under) expenditures	(17,730,851)	(24,017,462)	1,906,255
Other financing sources (uses)			
Loss recoveries	137,383	-	-
Transfers in	23,746,814	24,059,667	2,140,426
Transfers out	-	-	-
Total other financing sources (uses)	23,884,197	24,059,667	2,140,426
Net change in fund balances	6,153,346	42,205	4,046,681
Fund balance - beginning	75,001,972	1,156,354	19,562,276
Fund balance - ending	\$ 81,155,318	\$ 1,198,559	\$ 23,608,957

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

Capital Projects Funds		Nonmajor Governmental Funds	Total Governmental Funds
Local Capital Improvement Tax	Other Capital Projects		
\$ -	\$ -	\$ 1,627,156	\$ 3,983,956
-	-	35,690,113	38,127,803
-	4,672,670	2,732,423	93,318,693
-	-	-	334,039,420
91,044,453	-	-	91,044,453
-	21,451,257	-	21,451,257
-	-	5,443,411	8,444,152
-	7,030,622	-	7,030,622
1,882,529	1,033,155	1,596,454	17,747,479
92,926,982	34,187,704	47,089,557	615,187,835
-	-	14,902,475	313,886,108
-	-	4,052,202	34,466,835
-	-	2,144	5,663,536
-	-	600,608	3,867,810
-	-	3,219,792	4,648,970
-	-	151,305	5,360,432
-	-	-	1,431,491
-	-	623,765	2,448,983
-	-	45,439	21,015,530
17,714,690	10,439,115	440,177	28,720,312
-	-	-	2,111,408
-	-	19,953,099	20,004,125
-	-	137,322	6,577,118
-	-	40,754	16,694,756
-	-	25,293	36,117,099
-	-	36,608	16,597,960
-	-	120	2,834,704
-	-	989,020	4,450,058
18,343,856	10,702,026	-	29,045,882
-	-	179,839	1,284,416
-	-	641,000	22,127,839
-	-	179,580	4,873,007
-	-	2,088	19,588
36,058,546	21,141,141	46,222,630	584,247,967
56,868,436	13,046,563	866,927	30,939,868
-	-	-	137,383
-	-	-	49,946,907
(46,037,590)	(3,142,051)	(767,266)	(49,946,907)
(46,037,590)	(3,142,051)	(767,266)	137,383
10,830,846	9,904,512	99,661	31,077,251
41,103,644	27,886,726	3,105,820	167,816,792
\$ 51,934,490	\$ 37,791,238	\$ 3,205,481	\$ 198,894,043

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, 2019

Net change in fund balances - total governmental funds	\$	31,077,251
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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	\$ 30,330,298	
Less, Depreciation Expense	(47,562,779)	
		(17,232,481)

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.

(173,515)

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	\$ 11,580,000	
State School Bonds	641,000	
Capital Leases	9,906,839	
		22,127,839

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	\$ 5,298,451	
Less, Prior Year	(6,193,467)	
Net Change in Deferred Loss on Refunding		(895,016)
Unamortized Premiums:		
Prior Year	\$ 1,287,471	
Less, Current Year	(879,812)	
Net Decrease in Revenue from Unamortized Premiums		407,659

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.

75,030

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	\$ 179,580	
Less, Current Year	(74,165)	
Net Increase in Expenses from Accrued Interest Payable		105,415

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 \$6,434 recorded in the internal service funds.

(1,423,367)

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.

(868,568)

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	\$ 17,321,614	
HIS Pension Contribution	4,412,472	
FRS Pension Expense	(27,394,275)	
HIS Pension Expense	(6,115,287)	
		(11,775,476)

The net change in the liability for postemployment healthcare benefits is reported in the government-wide statements, but not in the governmental fund statements

(479,024)

Change in net position of governmental activities	\$	20,945,747
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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, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Federal direct	\$ 398,871	\$ 398,871	\$ 399,418	\$ 547
Federal through state and local	2,317,015	2,417,015	2,437,690	20,675
State sources	80,882,079	85,733,666	85,913,600	179,934
Local sources:				
Property taxes levied for operational purposes	331,905,737	334,039,420	334,039,420	-
Charges for services	4,888,375	5,100,716	3,000,741	(2,099,975)
Other local revenue	7,723,468	8,977,444	11,106,164	2,128,720
Total revenues	428,115,545	436,667,132	436,897,033	229,901
Expenditures				
Current:				
Instruction	308,414,205	301,601,728	298,983,633	2,618,095
Student support services	26,856,180	30,429,237	30,414,633	14,604
Instructional media services	6,556,873	6,351,031	5,661,392	689,639
Instruction and curriculum development services	3,344,471	3,343,735	3,267,202	76,533
Instructional staff training services	1,431,067	1,430,752	1,429,178	1,574
Instruction related technology	5,907,671	5,576,113	5,209,127	366,986
Board	1,249,047	1,590,774	1,431,491	159,283
General administration	2,138,394	2,137,924	1,825,218	312,706
School administration	21,724,339	21,657,664	20,970,091	687,573
Facility services - non-capitalized	207,042	150,246	126,330	23,916
Fiscal services	2,136,606	2,136,136	2,111,408	24,728
Food services	101,209	101,187	51,026	50,161
Central services	6,548,734	6,537,352	6,439,796	97,556
Student transportation services	16,994,381	16,979,030	16,654,002	325,028
Operation of plant	38,337,003	36,498,582	36,091,806	406,776
Maintenance of plant	16,309,415	16,565,830	16,561,352	4,478
Administrative technology services	3,409,012	3,173,359	2,834,584	338,775
Community services	3,368,578	3,466,747	3,461,038	5,709
Capital outlay:				
Other capital outlay	-	1,104,577	1,104,577	-
Total expenditures	465,034,227	460,832,004	454,627,884	6,204,120
Deficiency of revenues under expenditures	(36,918,682)	(24,164,872)	(17,730,851)	6,434,021
Other financing sources				
Loss recoveries	-	-	137,383	137,383
Transfers in	23,493,617	24,232,308	23,746,814	(485,494)
Total other financing sources	23,493,617	24,232,308	23,884,197	(348,111)
Net change in fund balance	\$ (13,425,065)	\$ 67,436	6,153,346	\$ 6,085,910
Fund balance - beginning			75,001,972	
Fund balance - ending			\$ 81,155,318	

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, 2019

	Governmental Activities Internal Service Funds
Assets	
Current assets	
Cash and cash equivalents	\$ 17,342,569
Investments	38,922,637
Accounts receivable	668,192
Interest receivable	212,826
Deposits receivable	75,000
Due from other agencies	52,804
Prepaid items	14,603
Total current assets	<u>57,288,631</u>
Total assets	<u>57,288,631</u>
Liabilities	
Current liabilities	
Salaries and wages payable	1,369
Accounts payable	4,125,064
Due to other agencies	109
Unearned revenue	8,851,098
Estimated insurance claims payable	6,516,040
Total current liabilities	<u>19,493,680</u>
Long-term liabilities	
Liability for compensated absences	58,584
Estimated insurance claims payable	5,831,457
Total long-term liabilities	<u>5,890,041</u>
Total liabilities	<u>25,383,721</u>
Net position	
Unrestricted	<u>31,904,910</u>
Total net position	<u><u>\$ 31,904,910</u></u>

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, 2019

	Governmental Activities Internal Service Funds
Operating revenues	
Charges for services	\$ 55,574,548
Other operating revenues	1,611,977
Total operating revenues	<u>57,186,525</u>
Operating expenses	
Salaries	389,617
Employee benefits	110,274
Purchased services	4,040,068
Materials and supplies	1,697
Insurance claims	55,238,590
Other	121,628
Total operating expenses	<u>59,901,874</u>
Operating loss	(2,715,349)
Nonoperating revenues	
Investment income	<u>1,846,781</u>
Change in net position	(868,568)
Total net position - beginning	<u>32,773,478</u>
Total net position - ending	<u><u>\$ 31,904,910</u></u>

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

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2019

	Governmental Activities Internal Service Funds
Cash flows from operating activities	
Cash receipts from interfund services provided	\$ 55,390,772
Cash payments to suppliers	(3,964,739)
Cash payments to employees	(491,315)
Cash payments for insurance claims	(55,242,330)
Cash receipts from other operating revenues	1,490,454
Net cash used by operating activities	<u>(2,817,158)</u>
Cash flows from investing activities	
Proceeds from the sale and maturities of investments	1,852,628
Investment income received	855,300
Purchase of investments	<u>(2,390,699)</u>
Net cash provided by investing activities	<u>317,229</u>
Net decrease in cash	(2,499,929)
Cash and cash equivalents - beginning of year	<u>19,842,498</u>
Cash and cash equivalents - end of year	<u><u>\$ 17,342,569</u></u>
Reconciliation of operating loss to net cash used by operating activities	
Operating loss	\$ (2,715,349)
Adjustments to reconcile operating loss to net cash provided by operating activities:	
Change in assets and liabilities	
(Increase) in accounts receivable	(436,879)
Decrease in due from other funds	146
(Increase) in due from other agencies	(1,892)
Decrease in prepaid items	603
Increase in salaries and wages payable	1,290
Increase in accounts payable	77,131
Increase in due to other agencies	103
Increase in unearned revenue	254,995
Increase in liability for compensated absences	6,434
(Decrease) in estimated insurance claims payable	<u>(3,740)</u>
Total adjustments	<u>(101,809)</u>
Net cash used by operating activities	<u><u>\$ (2,817,158)</u></u>
Noncash investing, capital and financing activities:	
Net increase in fair value of investments	<u><u>\$ 924,371</u></u>

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, 2019

	Agency Funds School Internal Accounts
Assets	
Cash and cash equivalents	\$ 7,177,160
Accounts receivable, net of allowance of \$102,274	230,856
Inventories	327,369
Total assets	\$ 7,735,385
Liabilities	
Accounts payable and other	\$ 47,723
Internal accounts payable	7,687,662
Total liabilities	\$ 7,735,385

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

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2019

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)(I), Florida Statutes, which provides that charter schools do not have the constitutional authority to levy taxes, making charter schools fiscally dependent on school districts. Because it may be misleading to exclude charter schools, GASB Sections 2100 and 2600 provide the option to consider charter schools as component units of school districts.

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

- **Blended Component Unit** The 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:

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

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, 2019. Audits of the charter schools for the fiscal year ended June 30, 2019, were conducted by independent certified public accountants and are filed at the District's administrative office at 1960 Landings Boulevard, Sarasota, FL 34231.

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

➤ **Basis of Presentation**

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

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

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

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.
- Debt Service – ARRA Economic Stimulus Fund - to account for the accumulation of resources for, and the payment of, sinking fund, interest and related costs on the Certificates of Participation, 2010A Qualified School Construction Bonds.
- Capital Projects – Local Capital Improvement Tax Fund - to account for the financial resources generated by the local capital improvement tax levy to be used for educational capital outlay needs, including new construction, and renovation and remodeling projects.
- Capital Projects – Other Capital Projects Fund – to account for the financial resources such as sales tax proceeds, impact fees, and certificates of participation, which are used for capital outlay needs.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

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.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

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.

➤ **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, and amounts placed in Wells

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Fargo Government Money Market Fund, Florida Public Assets for Liquidity Management (FL PALM) and the Florida Fixed Income Trust (FL FIT).

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

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

The District's investments in Florida PRIME and the FL PALM, which the SBA and the FL PALM indicate are Securities and Exchange Commission Rule 2a7-like external investment pools, as of June 30, 2019, 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, 2019 are further described in Note 3.

➤ **Inventories and Prepaid Items**

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

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

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

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:

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

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

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

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.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

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.

➤ **Other Postemployment Benefits (OPEB)**

OPEB is reported in the government-wide financial statements. 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 OPEB Plan is financed on a pay-as-you-go basis. Additional OPEB information is further described Note 20.

➤ **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

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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.

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 2018-19 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.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

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 2018 tax levy on September 11, 2018. Tax bills are mailed in October and taxes are payable between November 1 of the year assessed and March 31 of the following year at discounts of up to 4 percent for early payment.

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

Property tax revenues are recognized in the government-wide financial statements when the Board adopts the tax levy. Property tax revenues are recognized in the governmental fund financial statements when taxes are received by the District, except that revenue is accrued for taxes collected by the 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.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

2. BUDGETARY COMPLIANCE AND ACCOUNTABILITY

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

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

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

3. INVESTMENTS

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

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

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

3. INVESTMENTS (continued)

- “NAV” - Investments in Florida Public Assets for Liquidity Management (FL PALM) represent \$15,210,129 and Florida Fixed Income Trust (FL FIT) represents \$40,008,305 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, 2019.

- 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, 2019, and is recorded at amortized cost.

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

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

3. INVESTMENTS (continued)

At June 30, 2019, the District had the following investments:

			Fair Value Measurement Using		
	Maturities	6/30/2019	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	\$ 75,990	\$ 75,990	\$ -	\$ -
Obligations of US Agencies and Instrumentalities					
	Sept 2019-Sept 2020 ⁽³⁾	6,458,541	-	6,458,541	-
United States Treasury Strip	5/15/2027 ⁽⁴⁾	23,608,453	-	23,608,453	-
United States Treasury Notes	Apr 2020-July 2022	40,263,332	-	40,263,332	-
Municipal Bonds	4/01/2021	675,381	-	675,381	-
Corporate Notes	July 2019-June2022	15,313,352	-	15,313,352	-
Total investments by fair value level		<u>86,395,049</u>	<u>\$ 75,990</u>	<u>\$ 86,319,059</u>	<u>\$ -</u>
Instruments measured at the net asset value (NAV)					
Wells Fargo Govt. Money Market	25 Day Average ⁽¹⁾⁽²⁾	8,023,304			
FL Fixed Income Trust (FL FIT)	113 Day Average ⁽¹⁾	40,008,305			
FL Public Assets for Liquidity Management (FL PALM)	52 Day Average ⁽¹⁾	<u>15,210,129</u>			
Total Investments measured at NAV		<u>63,241,738</u>			
Investments at amortized cost					
State Board of Administration:					
Florida PRIME	29 Day Average ⁽¹⁾	<u>136,917,612</u>			
Total Investments		<u>\$ 286,554,399</u>			

⁽¹⁾ Investments are reported as cash equivalents.

⁽²⁾ Includes cash totaling \$504 held under a paying agent agreement for investment purposes for the 2010A Qualified School Construction Bonds (See Note 8).

⁽³⁾ Includes FHLB Discount Note totaling \$1,198,131 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 29 days, FL PALM had a WAM of 52 days and FL FIT had a WAM of 113 days at

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

3. INVESTMENTS (continued)

June 30, 2019. A *portfolio's* WAM reflects the average maturity in days based on final maturity or reset date, in the case of floating rate instruments. WAM measures the sensitivity of the portfolio to interest rate changes.

➤ **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, 2019, the District's investments in the Florida PRIME, the Wells Fargo Government Money Market Fund, and the FL PALM were rated AAAm by Standard & Poor's.

Obligations of United States Agencies and Instrumentalities totaling \$6,458,541 and United States Treasury Notes totaling \$40,263,332 were rated AA+ 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 – FHLB Discount Note totaling \$1,198,131 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.

The FL FIT were rated AAAf/S1 by Standards & Poor's.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

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 \$1,198,131 investment in a FHLB discount note and the District's \$23,608,453 investment in the U.S. Treasury Strip were held in a custody account by the paying agent.

➤ **Concentration of Credit Risk**

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

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

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

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

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, 2019, are shown below:

Florida Department of Education	\$ 1,903,379
Agency For Health Care Administration	1,112,982
Sarasota County Government	444,497
US Department of Agriculture	342,548
State of Florida	115,177
Sarasota County Tax Collector	111,886
Florida Retirement System	70,560
US Department of Education	49,506
SWFWMD Grant	40,375
City of Venice	32,534
Sarasota County Sheriff	23,993
JROTC Navy	20,460
Sarasota County Fire Department	19,541
Florida Department of Agriculture	18,750
Manatee County School Board	11,769
Nokomis Fire Department	10,148
Barancik Foundation	8,913
NOAA	8,215
City of Sarasota	8,128
Imagine North Port	6,982
Share our Strength	4,876
Town of Longboat Key	2,032
	\$ 4,367,251

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

5. CHANGES IN CAPITAL ASSETS

Changes in capital assets are presented in the table below.

	Balance 7/1/2018	Additions	Deletions	Balance 6/30/2019
GOVERNMENTAL ACTIVITIES				
Capital Assets Not Being Depreciated:				
Land	\$ 36,942,046	\$ -	\$ -	\$ 36,942,046
Land Improvements	78,828,986	-	-	78,828,986
Construction in Progress	33,131,957	18,655,432	19,119,913	32,667,476
Total Capital Assets Not Being Depreciated	148,902,989	18,655,432	19,119,913	148,438,508
Capital Assets Being Depreciated:				
Improvements Other Than Buildings	77,637,585	5,165,806	-	82,803,391
Buildings and Fixed Equipment	1,049,636,884	19,149,149	178,670	1,068,607,363
Furniture, Fixtures, and Equipment and Audio Visual Materials	59,821,818	3,508,706	3,844,459	59,486,065
Motor Vehicles	35,770,064	2,971,118	887,490	37,853,692
Equipment Under Capital Leases	40,830,411	-	8,867,710	31,962,701
Computer Software	12,427,195	-	-	12,427,195
Total Capital Assets Being Depreciated	1,276,123,957	30,794,779	13,778,329	1,293,140,407
Less Accumulated Depreciation for:				
Improvements Other Than Buildings	(41,275,405)	(3,301,926)	-	(44,577,331)
Buildings and Fixed Equipment	(322,112,750)	(24,670,139)	178,596	(346,604,293)
Furniture, Fixtures, and Equipment and Audio Visual Materials	(35,831,841)	(5,619,423)	3,671,018	(37,780,246)
Motor Vehicles	(22,987,841)	(2,798,899)	887,490	(24,899,250)
Equipment Under Capital Leases	(15,093,508)	(9,959,679)	8,867,710	(16,185,477)
Computer Software	(6,368,701)	(1,212,713)	-	(7,581,414)
Total Accumulated Depreciation	(443,670,046)	(47,562,779)	13,604,814	(477,628,011)
Total Capital Assets Being Depreciated, Net	832,453,911	(16,768,000)	173,515	815,512,396
Governmental Activities Capital Assets, Net	\$ 981,356,900	\$ 1,887,432	\$ 19,293,428	\$ 963,950,904

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

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

5. CHANGES IN CAPITAL ASSETS (continued)

Depreciation expense was charged to functions as follows:

<u>Function</u>	<u>Amount</u>
GOVERNMENTAL ACTIVITIES	
Instruction	\$ 41,072,357
Student Support Services	91,626
Instructional Media Services	10,959
Instruction and Curriculum Development Services	741
Instructional Staff Training Services	5,939
Instructional Related Technology	33,902
General Administration	164,493
School Administration	52,561
Facility Services - non capitalized	2,512,049
Food Services	160,991
Central Services	341,468
Student Transportation Services	2,872,063
Operation of Plant	113,745
Maintenance of Plant	117,497
Administrative Technology Services	5,654
Community Services	6,734
Total Depreciation Expense - Governmental Activities	<u><u>\$ 47,562,779</u></u>

6. ACCOUNTS PAYABLE AND OTHER CURRENT LIABILITIES

Accounts payable and other current liabilities at June 30, 2019, are shown below:

Salary and Wages Payable	\$ 20,286,190
Payroll Deductions and Withholdings Payable	1,166,996
Accounts Payable	7,644,261
Sales Tax Payable	1,955
Construction Contracts Payable	5,026,024
Deposits Payable	<u>8,350</u>
	<u><u>\$ 34,133,776</u></u>

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

7. OBLIGATIONS UNDER CAPITAL LEASES

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

<u>Asset Description</u>	<u>Asset Balance</u>
Equipment:	
Copier Equipment	\$ 803,071
Computer Equipment	31,159,630
Capital Leases	31,962,701
Less: Accumulated Depreciation	(16,185,477)
Capital Leases, net	<u>\$ 15,777,224</u>

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

<u>Fiscal Year Ending June 30</u>	<u>Total</u>
2020	\$ 8,300,204
2021	5,665,781
2022	2,832,571
2023	145,871
2024	72,936
Total minimum lease payments	17,017,363
Less interest	(757,797)
Present value of minimum payments	<u>\$ 16,259,566</u>

The imputed interest rates range from 3.44 to 11.75 percent.

8. CERTIFICATES OF PARTICIPATION PAYABLE

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

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

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

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 \$1,924,437 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%.

The District does not have any outstanding or unused lines of credit.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

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 2010A and 2010B leases have an original term extending to the date that the Certificates of Participation are paid, prior to July 1, 2020 for the 2010B certificates, and prior to July 1, 2027 for the 2010A certificates. The 2016 refunding (2009 and 2010B) have a term extending to the date the Certificates of Participation are paid, prior to July 1, 2027. 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 2010B Lease	Direct Borrowing		Total
		Series 2010A Lease	Series 2016 Refunding	
2020	\$ 5,160,750	\$ 2,125,485	\$ 8,206,471	\$ 15,492,706
2021	-	2,125,485	13,368,105	15,493,590
2022	-	2,125,485	13,372,780	15,498,265
2023	-	2,125,485	13,373,627	15,499,112
2024	-	2,125,485	13,370,646	15,496,131
2025-2027	-	49,402,455	6,363,837	55,766,292
Total Minimum Lease Payments	5,160,750	60,029,880	68,055,466	133,246,096
Add: Unamortized Premium on Debt	339,426	-	-	339,426
Less: Interest	(245,750)	(17,003,880)	(3,890,466)	(21,140,096)
Total Certificates of Participation	<u>\$ 5,254,426</u>	<u>\$ 43,026,000</u>	<u>\$ 64,165,000</u>	<u>\$ 112,445,426</u>

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

9. BONDS PAYABLE

Bonds payable at June 30, 2019, are as follows:

<u>Bond Type</u>	<u>Amount Outstanding</u>	<u>Interest Rates (Percent)</u>	<u>Annual Maturity To</u>
State School Bonds:			
Series 2010	\$ 1,210,000	3.50-5.00	2030
Series 2011-A	275,000	3.00-5.00	2023
Series 2014-A	391,000	5.00	2024
Series 2014-B	112,000	2.00	2020
Series 2017-A	1,347,000	3.00-5.00	2028
District Revenue Bonds:			
Qualified Zone Academy Bonds	1,299,696		2021
Subtotal	<u>4,634,696</u>		
Add: Unamortized Premium on Debt	<u>540,386</u>		
Total Bonds Payable	<u>\$ 5,175,082</u>		

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

The following is a description of the bonded debt issues:

➤ **State School Bonds**

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

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

9. BONDS PAYABLE (continued)

Annual requirements to amortize all bonded debt outstanding as of June 30, 2019, are as follows:

Fiscal Year Ending June 30: State School Bonds	Total	Principal	Interest
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	448,290	374,000	74,290
2025-2030	1,494,710	1,333,000	161,710
Total	\$ 4,052,850	\$ 3,335,000	\$ 717,850

➤ **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 \$1,198,131 in this sinking fund at June 30, 2019.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

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, 2019, 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 7/1/2018	Additions	Deductions	Balance 6/30/2019	Due in One Year
GOVERNMENTAL ACTIVITIES					
Bonds Payable	\$ 5,890,547	\$ -	\$ 715,465	\$ 5,175,082	\$ 448,000
Obligations Under Capital Leases	26,166,405	-	9,906,839	16,259,566	7,835,313
Certificates of Participation Payable	124,358,620	-	11,913,194	112,445,426	12,005,000
Liability for Compensated Absences	37,325,848	11,075,988	9,646,187	38,755,649	10,022,326
Estimated Insurance Claims Payable	12,351,237	55,234,850	55,238,590	12,347,497	6,516,040
Early Retirement Incentive Payable	75,030	-	75,030	-	-
Other Postemployment Benefits Payable	25,060,074	17,036,848	6,469,453	35,627,469	-
Net Pension Liability (A)					
Florida Retirement System	176,072,805	110,394,762	118,689,373	167,778,194	-
Health Insurance Subsidy	89,308,395	33,793,349	39,677,518	83,424,226	2,041,968
Total Governmental Activities	<u>\$ 496,608,961</u>	<u>\$ 227,535,797</u>	<u>\$ 252,331,649</u>	<u>\$ 471,813,109</u>	<u>\$ 38,868,647</u>

(A) Total Net Pension Liability as of June 30, 2019 is \$251,202,420.

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.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

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	\$ 101,985,315	\$ (7,002,091)	\$ 94,983,224
Health Insurance Subsidy	27,815,729	(3,633,741)	24,181,988
Total	<u>129,801,044</u>	<u>(10,635,832)</u>	<u>119,165,212</u>
Other Deferred Outflows			
Deferred Amount on Refunding	6,193,467	(895,016)	5,298,451
Other Postemployment Benefits	3,093,627	10,637,919	13,731,546
Total	<u>9,287,094</u>	<u>9,742,903</u>	<u>19,029,997</u>
Total Deferred Outflows	<u>\$ 139,088,138</u>	<u>\$ (892,929)</u>	<u>\$ 138,195,209</u>
Pension Related Deferred Inflows			
Florida Retirement System	\$ (16,047,159)	\$ (11,365,181)	\$ (27,412,340)
Health Insurance Subsidy	(14,067,084)	(3,953,243)	(18,020,327)
Total	<u>(30,114,243)</u>	<u>(15,318,424)</u>	<u>(45,432,667)</u>
Other Postemployment Benefits Deferred Inflows	<u>(2,826,278)</u>	<u>(549,548)</u>	<u>(3,375,826)</u>
Total	<u>(2,826,278)</u>	<u>(549,548)</u>	<u>(3,375,826)</u>
Total Deferred Inflows	<u>\$ (32,940,521)</u>	<u>\$ (15,867,972)</u>	<u>\$ (48,808,493)</u>

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 \$1,067,430 and prepaid items totaling \$10,192,926 that are considered nonspendable.

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

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

13. FUND BALANCE REPORTING (continued)

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 \$123,349,606 and represents \$6,575,939 for categorical programs; \$58,335 for grants; \$1,543,103 for food service; \$24,883,506 for debt service; and \$90,288,723 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 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 \$5,412,978 and represents \$4,323,082 in district projects and \$1,089,896 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 \$58,871,103.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

13. FUND BALANCE REPORTING (continued)

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 expenditures and transfers out. The District currently exceeds this policy with an unassigned fund balance at 12.95 percent. The Ending Financial Condition Ratio as of June 30, 2019 is 14.71 percent.

The following is a schedule of fund balances by category at June 30, 2019:

	Major Funds						Total Governmental Funds
	General	Debt Service - Other Debt Service	Debt Service - ARRA Economic Stimulus	Capital Projects - Local Capital Improvement Tax	Capital Projects - Other Capital Projects	Nonmajor Governmental Funds	
Fund Balances							
Nonspendable:							
Inventories	\$ 647,137	\$ -	\$ -	\$ -	\$ -	\$ 420,293	\$ 1,067,430
Prepaid items	9,646,111	-	-	14,202	329	532,284	10,192,926
Spendable:							
Restricted:							
Categorical Programs	6,575,939	-	-	-	-	-	6,575,939
Grants	2,050	-	-	-	-	56,285	58,335
Special Revenue -							
Food Service	-	-	-	-	-	1,543,103	1,543,103
Debt Service	-	1,198,559	23,608,957	-	-	75,990	24,883,506
Capital Projects	-	-	-	51,920,288	37,790,909	577,526	90,288,723
Assigned:							
School Operations:							
District Projects	4,323,082	-	-	-	-	-	4,323,082
School Carryforwards	1,089,896	-	-	-	-	-	1,089,896
Unassigned	58,871,103	-	-	-	-	-	58,871,103
Total Fund Balances	<u>\$ 81,155,318</u>	<u>\$ 1,198,559</u>	<u>\$ 23,608,957</u>	<u>\$ 51,934,490</u>	<u>\$ 37,791,238</u>	<u>\$ 3,205,481</u>	<u>\$ 198,894,043</u>

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, 2019:

Major Funds				
General	Capital Projects - Local Capital Improvement	Capital Funds - Other Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<u>\$ 1,679,023</u>	<u>\$ 17,372,038</u>	<u>\$ 9,306,476</u>	<u>\$ 341,586</u>	<u>\$ 28,699,123</u>

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

14. CONSTRUCTION AND OTHER SIGNIFICANT COMMITMENTS (cont.)

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

Project Name	Contract Amount	Completed To Date	Balance Committed
Alta Vista	\$ 347,739	\$ 209,186	\$ 138,553
Ashton	830,631	677,134	153,497
Bay Haven	820,525	393,983	426,542
Booker High	435,346	380,878	54,468
Booker Middle	557,362	319,161	238,201
Brentwood	12,713,138	9,767,373	2,945,765
Brookside	1,058,372	793,303	265,069
Cranberry	345,905	335,880	10,025
Emma E Booker	1,736,944	320,508	1,416,436
Englewood	727,301	196,617	530,684
Fruitville	461,685	387,489	74,196
Garden	794,912	342,511	452,401
Glenallen	966,013	912,706	53,307
Gocio	377,737	237,219	140,518
Gulf Gate	945,300	817,919	127,381
Heron Crrek	1,042,314	720,361	321,953
Lakeview	212,955	107,794	105,161
Lamarque	276,242	206,962	69,280
Laurel Nokomis	695,061	132,824	562,237
McIntosh	76,539	2,192	74,347
North Port High	3,579,707	1,972,548	1,607,159
Oak Park	1,489,737	444,168	1,045,569
Phillippi	329,002	202,565	126,437
Pineview	17,004,675	15,967,032	1,037,643
Riverview	656,801	381,448	275,353
Sarasota High	31,132,211	30,568,014	564,197
Suncoast Technical College -NP	600,009	435,708	164,301
Southside	354,259	282,191	72,068
Suncoast Poly Tech	764,002	520,053	243,949
Taylor Ranch	708,326	516,426	191,900
Tuttle	386,239	272,028	114,211
Venice High	684,284	149,048	535,236
Venice Middle	11,663,034	10,141,803	1,521,231
Wilkinson	296,373	199,201	97,172
Woodland	735,276	630,505	104,771
District Wide	160,710	55,033	105,677
Total	\$ 95,966,666	\$ 79,999,771	\$ 15,966,895

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

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	Payables
Major Funds:		
General	\$ 926,828	\$ -
Capital Projects:		
Local Capital Improvement Tax	-	366,615
Nonmajor Governmental Funds	3,450	563,663
Total	<u>\$ 930,278</u>	<u>\$ 930,278</u>

Interfund receivables and payables are temporary loans of cash between funds allowable under Section 1011.09(2), Florida Statutes, for a period of less than 13 months. The temporary loans do not restrict, impede, or limit implementation or fulfillment of the original purposes for which the monies were received in the fund providing the advancement. All amounts will be repaid within the 2019-20 fiscal year.

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

Funds	Interfund	
	Transfers In	Transfers Out
Major Funds:		
General	\$ 23,746,814	\$ -
Debt Service:		
Other Debt Service	24,059,667	-
ARRA Economic Stimulus Debt Service	2,140,426	-
Capital Projects:		
Local Capital Improvement Tax	-	46,037,590
Other Capital Projects	-	3,142,051
Nonmajor Governmental Funds	-	767,266
Total	<u>\$ 49,946,907</u>	<u>\$ 49,946,907</u>

Interfund transfers of money represent permanent transfers of monies between 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 Debt Service Fund. Transfers from Other Capital Projects Fund were to provide capital outlay funds to charter schools.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

16. SCHEDULE OF STATE REVENUE SOURCES

The following is a schedule of the District's State revenue for the 2018-19 fiscal year:

Source:	Amount
Categorical educational program - Class size reduction	\$ 47,895,786
Florida education finance program	21,696,113
Workforce development program	7,236,217
School recognition	2,654,014
Motor vehicle license tax (capital outlay & debt service)	1,834,151
Charter school capital outlay	3,142,051
Best and Brightest Teacher Scholarship	4,772,214
Public education capital outlay	767,266
Discretionary Lottery Funds	152,994
Sales Tax Distribution	446,500
Summer Learning Academy	500,000
Safety & Security	1,389,514
Mobile home license tax	243,160
Food service supplement	157,992
Performance based incentives	100,571
Miscellaneous	330,150
Total	\$ 93,318,693

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 2018 tax roll for the 2018-19 fiscal year:

Funds	Millage Rates	Taxes Levied
General Fund		
Nonvoted School Tax:		
Required Local Effort	3.755	\$ 235,514,268
Basic Discretionary Local Effort	0.748	46,914,693
Voted Tax:		
Operating	1.000	62,720,178
Capital Projects Funds		
Nonvoted Tax:		
Local Capital Improvements	1.500	94,080,267
Total	7.003	\$ 439,229,406

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

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 FRS & HIS pension expense totaled \$33,509,562 for the fiscal year ended June 30, 2019.

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.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

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.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

18. STATE RETIREMENT PROGRAMS (continued)

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

<u>Class, Initial Enrollment, and Retirement Age/Years of Service</u>	<u>% Value</u>
<i>Regular Class members initially enrolled before July 1, 2011</i>	
Retirement up to age 62 or up to 30 years of service	1.60
Retirement at age 63 or with 31 years of service	1.63
Retirement at age 64 or with 32 years of service	1.65
Retirement at age 65 or with 33 or more years of service	1.68
<i>Regular Class members initially enrolled on or after July 1, 2011</i>	
Retirement up to age 65 or up to 33 years of service	1.60
Retirement at age 66 or with 34 years of service	1.63
Retirement at age 67 or with 35 years of service	1.65
Retirement at age 68 or with 36 or more years of service	1.68
<i>Special Risk Class</i>	
Service on and after October 1, 1974	3.00
<i>Elected County Officers</i>	
	3.00
<i>Senior Management Service Class</i>	
	2.00

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

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

18. STATE RETIREMENT PROGRAMS (continued)

Contributions. The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates during the 2018-19 fiscal year were as follows:

Membership Class	Percent of Gross Salary	
	Employee	Employer (A)
FRS, Regular	3.00	8.26
FRS, Special Risk	3.00	24.50
FRS, Elected County Officers	3.00	48.70
FRS, Senior Management Service	3.00	24.06
FRS, DROP	0.00	14.03
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 \$17,321,614 for the fiscal year ended June 30, 2019.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2019, the District reported a liability of \$167,778,194 for its proportionate share of the Plan's net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. The District's proportionate share of the net pension liability was based on the District's 2017-18 fiscal year contributions relative to the 2017-18 fiscal year contributions of all participating members. At June 30, 2018, the District's proportionate share was 0.557022931 percent, which was a decrease of 0.38233321 percent from its proportionate share measured as of June 30, 2017.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

18. STATE RETIREMENT PROGRAMS (continued)

For the fiscal year ended June 30, 2019, the District recognized pension expense of \$27,394,275 related to the Plan. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 14,213,335	\$ 515,877
Change of assumptions	54,821,755	-
Net difference between projected and actual earnings on FRS pension plan investments	-	12,962,911
Changes in proportion and differences between District FRS contributions and proportionate share of FRS contributions	8,626,520	13,933,552
District FRS contributions subsequent to the measurement date	17,321,614	-
Total	<u><u>\$ 94,983,224</u></u>	<u><u>\$ 27,412,340</u></u>

The deferred outflows of resources related to pensions, totaling \$17,321,614, 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, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ending June 30</u>	<u>Amount</u>
2020	\$ 20,084,695
2021	13,059,519
2022	597,333
2023	9,734,942
2024	6,227,396
Thereafter	545,385
Total	<u><u>\$ 50,249,270</u></u>

Actuarial Assumptions. The total pension liability in the July 1, 2018 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	7.00 percent, net of pension plan investment expense, including inflation

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

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

18. STATE RETIREMENT PROGRAMS (continued)

The actuarial assumptions used in the July 1, 2018, 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%	2.9%	2.9%	1.8%
Fixed Income	18.0%	4.4%	4.3%	4.0%
Global Equity	54.0%	7.6%	6.3%	17.0%
Real Estate	11.0%	6.6%	6.0%	11.3%
Private Equity	10.0%	10.7%	7.8%	26.5%
Strategic investments	6.0%	6.0%	5.7%	8.6%
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 7.00 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 2018 valuation was updated from 7.1 percent to 7.0 percent.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

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 7.00 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 (6.00 percent) or 1-percentage-point higher (8.00 percent) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	\$ 306,202,242	\$ 167,778,194	\$ 52,808,840

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, 2019, the District reported a payable of \$2,773,037 for the outstanding amount of contributions to the Plan required for the fiscal year ended June 30, 2019.

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, 2019, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Medicare.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

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, 2019, the contribution rate was 1.66 percent of payroll pursuant to section 112.363, Florida Statutes. The District contributed 100 percent of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

The District's contributions to the HIS Plan totaled \$4,412,472 for the fiscal year ended June 30, 2019.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2019, the District reported a net pension liability of \$83,424,226 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, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017, and updated procedures were used to determine liabilities as of July 1, 2018.

The District's proportionate share of the net pension liability was based on the District's 2017-18 fiscal year contributions relative to the total 2017-18 fiscal year contributions of all participating members. At June 30, 2018, the District's proportionate share was 0.788202390 percent, which was a decrease of 0.047043974 percent from its proportionate share measured as of June 30, 2017.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

18. STATE RETIREMENT PROGRAMS (continued)

For the fiscal year ended June 30, 2019, the District recognized pension expense of \$6,115,287 related to the HIS Plan. In addition, the District reported deferred outflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference between expected and actual experience	\$ 1,277,188	\$ 141,735
Change of assumptions	9,277,805	8,820,307
Net difference between projected and actual earnings on HIS pension plan investments	50,357	-
Changes in proportion and differences between District HIS contributions and proportionate share of HIS contributions	9,164,166	9,058,285
District HIS contributions subsequent to the measurement date	4,412,472	-
Total	<u><u>\$ 24,181,988</u></u>	<u><u>\$ 18,020,327</u></u>

The deferred outflows of resources related to pensions, totaling \$4,412,472, 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, 2020.

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

<u>Fiscal Year Ending June 30</u>	<u>Amount</u>
2020	\$ 1,055,629
2021	1,051,384
2022	692,956
2023	149,951
2024	(245,177)
Thereafter	<u>(955,554)</u>
Total	<u><u>\$ 1,749,189</u></u>

Actuarial Assumptions. The total pension liability in the July 1, 2018, 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	3.87 percent

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

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 3.87 percent, which is an increase from 0.29 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 3.87 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 (2.87 percent) or 1-percentage-point higher (4.87 percent) than the current rate:

	1% Decrease (2.87%)	Current Discount Rate (3.87%)	1% Increase (4.87%)
District's proportionate share of the net pension liability	\$ 95,015,305	\$ 83,424,226	\$ 73,762,390

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, 2019, the District reported a payable of \$780,982 for the outstanding amount of contributions to the HIS Plan required for the fiscal year ended June 30, 2019.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

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 2018-19 fiscal year were as follows:

<u>Class</u>	<u>Percent of Gross Compensation</u>
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, 2019, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the District.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

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 1,143 District participants in the Investment Plan during the 2018-19 fiscal year. The District's Investment Plan pension expense totaled \$3,090,343.

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. There are currently 77 prior employees participating in the program.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

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 dated August 12, 2019 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:

	<u>Healthcare</u>	<u>Life Insurance</u>
Inactive Plan Members	470	2,351
Active Plan Members	<u>4,737</u>	<u>4,737</u>
Total Plan Members	<u><u>5,207</u></u>	<u><u>7,088</u></u>

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

20. OTHER POSTEMPLOYMENT BENEFITS (continued)

Total OPEB Liability. The District's total OPEB liability of \$35,627,469 was measured as of June 30, 2018, and was determined by an actuarial valuation as of July 1, 2018.

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

Description	Amount
Service Cost	\$ 1,025,702
Interest on the Total OPEB Plan Liability	903,290
Differences Between Expected and Actual Experience	(1,061,580)
Changes of Assumptions	11,423,588
Benefit Payments	(1,723,605)
Net Change in Total OPEB Plan Liability	10,567,395
Total OPEB Liability at 6/30/2018	25,060,074
Total OPEB Liability at 6/30/19	<u>\$ 35,627,469</u>

Actuarial Valuation Date. For employee and retiree population purposes, June 30, 2018, was the most recent actuarial valuation date. For development of per capita cost purposes and for valuation purposes, July 1, 2018, 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.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

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	3.87 percent
Healthcare Cost Trend Rates	Pre-65 trend starts at 7.7 percent and age 65+ trend starts at 8.04 percent for fiscal year 2019 both gradually decreasing to an ultimate trend of 4.5 percent in fiscal year 2028.
Benefit-related costs	Retiree medical premiums assumed to grow at the same trend as pre-65 claims.

The Pub-2010 headcount weighted mortality tables for teachers, projected generationally from 2010 with Scale MP-2018, were used for the healthy population. The Pub-2010 headcount weighted mortality tables for disabled non-public safety employees, projected generationally from 2010 with Scale MP-2018, were used for the disabled population. These tables represent recent mortality experience of public retirement plans in the United States and were published by the Society of Actuaries' Retirement Plans Experience Committee (RPEC) in 2019.

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 3.87 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 3.58 percent as of the beginning of the measurement period.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

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 3.87 percent, as well as what the OPEB liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.87 percent) or 1-percentage-point higher (4.87 percent) than the current rate:

	1% Decrease (2.87%)	Current Discount Rate (3.87%)	1% Increase (4.87%)
OPEB Liability	\$ 41,014,321	\$ 35,627,469	\$ 31,230,300

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 (6.70%/7.04% down to 3.5%)	Current Healthcare Cost Trend Rate Assumption (7.70%/8.04%)	1 % Increase (8.70%/9.04% down to 5.5%)
OPEB Liability	\$ 31,129,938	\$ 35,627,469	\$ 41,320,984

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB. The District's annual OPEB expense totaled \$2,959,232 for the fiscal year ended June 30, 2019. At June 30, 2019, the District reported deferred outflows and inflows of resources related to OPEB from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experiences	\$ 1,182,861	\$ 935,651
Change of assumptions	10,068,477	2,440,175
District contributions subsequent to the measurement date	2,480,208	-
Total	\$ 13,731,546	\$ 3,375,826

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

20. OTHER POSTEMPLOYMENT BENEFITS (continued)

Of the total amount reported as deferred outflows of resources related to OPEB, \$2,480,208 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, 2020. Other amounts reported as deferred outflow of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ending June 30</u>	<u>Amortization</u>
2020	\$ 1,030,240
2021	1,030,240
2022	1,030,240
2023	1,030,240
2024	1,030,240
Thereafter	2,724,312
	<u>\$ 7,875,512</u>

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 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 \$650,000 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.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

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 \$12,189,908 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, 2019 and is net of excess insurance recoverable on unpaid claims. A liability in the amount of \$157,589 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
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
2018-2019	12,351,237	55,238,590	(55,242,330)	12,347,497

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.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Notes to the Basic Financial Statements (continued)
June 30, 2019

24. SUBSEQUENT EVENTS

The District has evaluated subsequent events from July 1, 2019 through December 11, 2019, in connection with the preparation of these financial statements, which is the date the financial statements were available to be issued.

On February 19, 2019 the Board approved the District to join the Florida School Retiree Benefits Consortium (FSRBC) with an effective date of January 1, 2020. We will move all our Medicare eligible retirees who are on our medical, dental and vision plans over to the FSRBC. The FSRBS is beneficial to the retiree, as well as the District. FSRBC provides retirees with more benefit plan options, administrative support and same or better premium rates.

There are no additional 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

	<u>2019</u>	<u>2018</u>
Service Cost	\$ 1,025,702	\$ 1,204,463
Interest on the Total OPEB Liability	903,290	773,741
Difference Between Expected and Actual Experiences	(1,061,580)	1,557,183
Changes of Assumptions	11,423,588	(3,212,381)
Benefit Payments	<u>(1,723,605)</u>	<u>(2,397,742)</u>
Net Change in Total OPEB Liability	10,567,395	(2,074,736)
Total OPEB Liability, Beginning	<u>25,060,074</u>	<u>27,134,810</u>
Total OPEB Liability, Ending	<u><u>\$ 35,627,469</u></u>	<u><u>\$ 25,060,074</u></u>
Covered-Employee Payroll	\$ 264,639,866	\$ 249,725,528
Total OPEB Liability as a Percentage of Covered-Employee Payroll	13.46%	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.

Changes of Assumptions . In 2018 the municipal bond rate used to determine total OPEB liability was increased from 3.58 percent to 3.87 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)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's proportion of the FRS net pension liability	0.557022931%	0.595256252%	0.517604497%	0.615478062%	0.630530916%	0.620589978%
District's proportionate share of the FRS net pension liability (3)	\$ 167,778,194	\$ 176,072,805	\$ 130,695,542	\$ 79,497,246	\$ 38,471,658	\$ 106,831,156
District's covered payroll (2)	\$ 257,518,853	\$ 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	65.15%	66.07%	59.87%	33.10%	16.19%	46.08%
FRS Plan fiduciary net position as a percentage of the total pension liability	84.26%	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)

	2019	2018	2017	2016	2015	2014
Contractually required FRS contribution	\$ 17,321,614	\$ 15,874,706	\$ 15,495,986	\$ 12,622,611	\$ 15,005,878	\$ 13,811,303
FRS contributions in relation to the contractually required contribution	(17,321,614)	(15,874,706)	(15,495,986)	(12,622,611)	(15,005,878)	(13,811,303)
FRS contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered payroll (2)	\$ 265,880,651	\$ 257,518,853	\$ 266,505,637	\$ 218,283,032	\$ 240,187,608	\$ 237,587,546
FRS contributions as a percentage of covered payroll	6.51%	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)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's proportion of the HIS net pension liability	0.788202390%	0.835246364%	0.706997805%	0.791444173%	0.799648048%	0.797990362%
District's proportionate share of the HIS net pension liability (3)	\$ 83,424,226	\$ 89,308,395	\$ 82,397,665	\$ 80,714,856	\$ 74,769,044	\$ 69,475,553
District's covered payroll (2)	\$ 257,518,853	\$ 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	32.40%	33.51%	37.75%	33.60%	31.47%	29.97%
HIS Plan fiduciary net position as a percentage of the total pension liability	0.97%	1.64%	0.97%	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)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required HIS contribution	\$ 4,412,472	\$ 4,274,441	\$ 4,420,365	\$ 3,623,814	\$ 3,025,392	\$ 2,739,325
HIS contributions in relation to the contractually required contribution	<u>(4,412,472)</u>	<u>(4,274,441)</u>	<u>(4,420,365)</u>	<u>(3,623,814)</u>	<u>(3,025,392)</u>	<u>(2,739,325)</u>
HIS contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll (2)	\$ 265,880,651	\$ 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%	1.66%	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.

Capital Projects Funds

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, 2019

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
Assets				
Cash and cash equivalents	\$ 3,942,356	\$ -	\$ 545,908	\$ 4,488,264
Investments	-	75,990	-	75,990
Due from other funds	3,450	-	-	3,450
Due from other agencies	2,351,350	-	31,618	2,382,968
Prepaid items	532,284	-	-	532,284
Inventories	420,293	-	-	420,293
Total assets	\$ 7,249,733	\$ 75,990	\$ 577,526	\$ 7,903,249
Liabilities and fund balances				
Liabilities:				
Salaries and wages payable	\$ 2,182,038	\$ -	\$ -	\$ 2,182,038
Accounts payable	317,737	-	-	317,737
Due to other funds	563,663	-	-	563,663
Due to other agencies	15,496	-	-	15,496
Unearned revenue	1,618,834	-	-	1,618,834
Total liabilities	4,697,768	-	-	4,697,768
Fund balances:				
Nonspendable	952,577	-	-	952,577
Restricted	1,599,388	75,990	577,526	2,252,904
Total fund balances	2,551,965	75,990	577,526	3,205,481
Total liabilities and fund balances	\$ 7,249,733	\$ 75,990	\$ 577,526	\$ 7,903,249

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, 2019

	Special Revenue Funds	Debt Service Funds	Capital Projects Funds	Total Nonmajor Governmental Funds
Revenues				
Federal direct	\$ 1,627,156	\$ -	\$ -	\$ 1,627,156
Federal through state and local	35,690,113	-	-	35,690,113
State sources	157,992	797,968	1,776,463	2,732,423
Local Sources:				
Charges for services	5,443,411	-	-	5,443,411
Other local revenue	1,596,249	-	205	1,596,454
Total revenues	<u>44,514,921</u>	<u>797,968</u>	<u>1,776,668</u>	<u>47,089,557</u>
Expenditures				
Current:				
Instruction	14,902,475	-	-	14,902,475
Student support services	4,052,202	-	-	4,052,202
Instructional media services	2,144	-	-	2,144
Instruction and curriculum development services	600,608	-	-	600,608
Instructional staff training services	3,219,792	-	-	3,219,792
Instruction related technology	151,305	-	-	151,305
General administration	623,765	-	-	623,765
School administration	45,439	-	-	45,439
Facility services - non-capitalized	10,027	-	430,150	440,177
Food services	19,953,099	-	-	19,953,099
Central services	137,322	-	-	137,322
Student transportation services	40,754	-	-	40,754
Operation of plant	25,293	-	-	25,293
Maintenance of plant	36,608	-	-	36,608
Administrative technology services	120	-	-	120
Community services	989,020	-	-	989,020
Capital outlay:				
Other capital outlay	179,839	-	-	179,839
Debt service:				
Principal	-	641,000	-	641,000
Interest	-	179,580	-	179,580
Dues and fees	-	362	1,726	2,088
Total expenditures	<u>44,969,812</u>	<u>820,942</u>	<u>431,876</u>	<u>46,222,630</u>
Excess (deficiency) of revenues over (under) expenditures	(454,891)	(22,974)	1,344,792	866,927
Other financing uses				
Transfers out	-	-	(767,266)	(767,266)
Total other financing uses	<u>-</u>	<u>-</u>	<u>(767,266)</u>	<u>(767,266)</u>
Net change in fund balances	(454,891)	(22,974)	577,526	99,661
Fund balance - beginning	<u>3,006,856</u>	<u>98,964</u>	<u>-</u>	<u>3,105,820</u>
Fund balance - ending	<u>\$ 2,551,965</u>	<u>\$ 75,990</u>	<u>\$ 577,526</u>	<u>\$ 3,205,481</u>

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Combining Balance Sheet
Nonmajor Special Revenue Funds
June 30, 2019

	Food Service Fund	Contracted Programs Fund	Total Nonmajor Special Revenue Funds
Assets			
Cash and cash equivalents	\$ 2,402,911	\$ 1,539,445	\$ 3,942,356
Due from other funds	3,450	-	3,450
Due from other agencies	366,174	1,985,176	2,351,350
Prepaid items	520,021	12,263	532,284
Inventories	420,293	-	420,293
Total assets	\$ 3,712,849	\$ 3,536,884	\$ 7,249,733
Liabilities and fund balances			
Liabilities:			
Salaries and wages payable	\$ 573,486	\$ 1,608,552	\$ 2,182,038
Accounts payable	63,990	253,747	317,737
Due to other funds	354,696	208,967	563,663
Due to other agencies	3,475	12,021	15,496
Unearned revenue	233,785	1,385,049	1,618,834
Total liabilities	1,229,432	3,468,336	4,697,768
Fund balances:			
Nonspendable	940,314	12,263	952,577
Restricted	1,543,103	56,285	1,599,388
Total fund balances	2,483,417	68,548	2,551,965
Total liabilities and fund balances	\$ 3,712,849	\$ 3,536,884	\$ 7,249,733

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, 2019

	Food Service Fund	Contracted Programs Fund	Total Nonmajor Special Revenue Funds
Revenues			
Federal direct	\$ -	\$ 1,627,156	\$ 1,627,156
Federal through state and local	13,840,999	21,849,114	35,690,113
State sources	157,992	-	157,992
Local Sources:			
Charges for services	5,443,411	-	5,443,411
Other local revenue	96,878	1,499,371	1,596,249
Total revenues	<u>19,539,280</u>	<u>24,975,641</u>	<u>44,514,921</u>
Expenditures			
Current:			
Instruction	-	14,902,475	14,902,475
Student support services	-	4,052,202	4,052,202
Instructional media services	-	2,144	2,144
Instruction and curriculum development services	-	600,608	600,608
Instructional staff training services	-	3,219,792	3,219,792
Instruction related technology	-	151,305	151,305
General administration	-	623,765	623,765
School administration	-	45,439	45,439
Facility services - non-capitalized	-	10,027	10,027
Food services	19,953,099	-	19,953,099
Central services	-	137,322	137,322
Student transportation services	-	40,754	40,754
Operation of plant	-	25,293	25,293
Maintenance of plant	-	36,608	36,608
Administrative technology services	-	120	120
Community services	-	989,020	989,020
Capital outlay:			
Other capital outlay	38,101	141,738	179,839
Total expenditures	<u>19,991,200</u>	<u>24,978,612</u>	<u>44,969,812</u>
Deficiency of revenues under expenditures	(451,920)	(2,971)	(454,891)
Fund balance - beginning	<u>2,935,337</u>	<u>71,519</u>	<u>3,006,856</u>
Fund balance - ending	<u>\$ 2,483,417</u>	<u>\$ 68,548</u>	<u>\$ 2,551,965</u>

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Balance Sheet
Nonmajor Debt Service Funds
June 30, 2019

	State Board of Education Bonds Fund	Total Nonmajor Debt Service Funds
Assets		
Investments	\$ 75,990	\$ 75,990
Total assets	\$ 75,990	\$ 75,990
Fund balance		
Fund balance:		
Restricted for debt service	75,990	75,990
Total fund balances	75,990	75,990
Total Fund balance	\$ 75,990	\$ 75,990

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Debt Service Funds
For the Fiscal Year Ended June 30, 2019

	State Board of Education Bonds Fund	Total Nonmajor Debt Service Funds
Revenues		
State sources	\$ 797,968	\$ 797,968
Total revenues	<u>797,968</u>	<u>797,968</u>
Expenditures		
Debt service:		
Principal	641,000	641,000
Interest	179,580	179,580
Dues and fees	362	362
Total expenditures	<u>820,942</u>	<u>820,942</u>
Deficiency of revenues under expenditures	(22,974)	(22,974)
Fund balance - beginning	<u>98,964</u>	<u>98,964</u>
Fund balance - ending	<u><u>\$ 75,990</u></u>	<u><u>\$ 75,990</u></u>

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Combining Balance Sheet
Nonmajor Capital Projects Funds
June 30, 2019

	Public Education Capital Outlay (PECO) Fund	Capital Outlay and Debt Service Fund	Total Capital Projects Funds
Assets			
Cash and cash equivalents	\$ -	\$ 545,908	\$ 545,908
Due from other agencies	-	31,618	31,618
Total assets	\$ -	\$ 577,526	\$ 577,526
Fund balance			
Fund balance:			
Restricted for capital projects	-	577,526	577,526
Total fund balances	-	577,526	577,526
Total fund balance	\$ -	\$ 577,526	\$ 577,526

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, 2019

	Public Education Capital Outlay (PECO) Fund	Capital Outlay and Debt Service Fund	Total Capital Projects Funds
Revenues			
State sources	\$ 767,266	\$ 1,009,197	\$ 1,776,463
Local Sources:			
Other Local Revenue	-	205	205
Total revenues	<u>767,266</u>	<u>1,009,402</u>	<u>1,776,668</u>
Expenditures			
Current:			
Facility services - non-capitalized	-	430,150	430,150
Debt service:			
Dues and fees	-	1,726	1,726
Total expenditures	<u>-</u>	<u>431,876</u>	<u>431,876</u>
Excess of revenues over expenditures	767,266	577,526	1,344,792
Other financing uses			
Transfers out	<u>(767,266)</u>	-	<u>(767,266)</u>
Total other financing uses	<u>(767,266)</u>	<u>-</u>	<u>(767,266)</u>
Net change in fund balance	-	577,526	577,526
Fund balance - beginning	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	<u>\$ -</u>	<u>\$ 577,526</u>	<u>\$ 577,526</u>

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
Food Service - Nonmajor Special Revenue Fund
For the Fiscal Year Ended June 30, 2019

	Food Service			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Federal through state and local:				
Food service	\$ 14,390,116	\$ 14,390,116	\$ 13,840,999	\$ (549,117)
Total federal through state and local	14,390,116	14,390,116	13,840,999	(549,117)
State sources:				
Food service	162,797	162,797	157,992	(4,805)
Total state sources	162,797	162,797	157,992	(4,805)
Local sources:				
Food service	5,194,035	5,194,035	5,443,411	249,376
Interest income	31,858	31,858	34,036	2,178
Other local sources	67,938	67,938	62,842	(5,096)
Total local sources	5,293,831	5,293,831	5,540,289	246,458
Total revenues	19,846,744	19,846,744	19,539,280	(307,464)
Expenditures				
Current:				
Food services	20,493,157	20,455,056	19,953,099	501,957
Capital outlay:				
Other capital outlay	-	38,101	38,101	-
Total expenditures	20,493,157	20,493,157	19,991,200	501,957
Deficiency of revenues under expenditures	\$ (646,413)	\$ (646,413)	(451,920)	\$ 194,493
Fund balance - beginning			2,935,337	
Fund balance - ending			\$ 2,483,417	

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, 2019

	Contracted Programs			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Federal direct	\$ 1,773,019	\$ 2,350,270	\$ 1,627,156	\$ (723,114)
Federal through state and local	22,454,927	24,070,949	21,849,114	(2,221,835)
Local Sources:				
Other local revenue	1,090,082	2,837,113	1,499,371	(1,337,742)
Total revenues	25,318,028	29,258,332	24,975,641	(4,282,691)
Expenditures				
Current:				
Instruction	14,918,891	15,732,404	14,902,475	829,929
Student support services	3,573,532	4,699,060	4,052,202	646,858
Instructional media services	129,625	4,517	2,144	2,373
Instruction and curriculum development services	1,000,049	1,268,842	600,608	668,234
Instructional staff training services	3,472,874	4,437,522	3,219,792	1,217,730
Instruction related technology	204,364	156,509	151,305	5,204
Board of Education	-	6,130	-	6,130
General administration	1,004,270	1,051,209	623,765	427,444
School administration	-	78,706	45,439	33,267
Facility services - non-capitalized	-	10,258	10,027	231
Fiscal services	61,123	5,814	-	5,814
Food services	-	5,293	-	5,293
Central services	195,578	344,680	137,322	207,358
Student transportation services	24,722	120,598	40,754	79,844
Operation of plant	-	25,293	25,293	-
Maintenance of plant	-	36,608	36,608	-
Administrative technology services	-	120	120	-
Community services	733,000	1,136,002	989,020	146,982
Capital outlay:				
Other capital outlay	-	141,738	141,738	-
Total expenditures	25,318,028	29,261,303	24,978,612	4,282,691
Deficiency of revenues under expenditures	\$ -	\$ (2,971)	(2,971)	\$ -
Fund balance - beginning			71,519	
Fund balance - ending			\$ 68,548	

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, 2019

	Other Debt Service			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Local sources:				
Interest income	\$ -	\$ 47,820	\$ 47,820	\$ -
Total revenues	-	47,820	47,820	-
Expenditures				
Debt service:				
Principal	22,757,015	21,486,839	21,486,839	-
Interest	2,763,242	2,567,943	2,567,943	-
Dues and fees	10,500	10,500	10,500	-
Total expenditures	25,530,757	24,065,282	24,065,282	-
Deficiency of revenues under expenditures	(25,530,757)	(24,017,462)	(24,017,462)	-
Other financing sources				
Transfers in	25,530,757	24,059,667	24,059,667	-
Total other financing sources	25,530,757	24,059,667	24,059,667	-
Net change in fund balance	\$ -	\$ 42,205	42,205	\$ -
Fund balance - beginning			1,156,354	
Fund balance - ending			\$ 1,198,559	

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
ARRA Economic Stimulus - Major Debt Service Fund
For the Fiscal Year Ended June 30, 2019

	ARRA Economic Stimulus			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
Federal direct	\$ 1,949,172	\$ 1,957,382	\$ 1,957,382	\$ -
Local sources:				
Interest income	-	5,202	2,081,357	2,076,155
Total revenues	1,949,172	1,962,584	4,038,739	2,076,155
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	-
Excess (deficiency) of revenues over (under) expenditures	(183,312)	(169,900)	1,906,255	2,076,155
Other financing sources				
Transfers in	2,273,431	2,140,426	2,140,426	-
Total other financing sources	2,273,431	2,140,426	2,140,426	-
Net change in fund balance	\$ 2,090,119	\$ 1,970,526	4,046,681	\$ 2,076,155
Fund balance - beginning			19,562,276	
Fund balance - ending			\$ 23,608,957	

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, 2019

	State Board of Education Bonds			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
State sources:				
CO&DS withheld for SBE Bonds	\$ 724,116	\$ 797,968	\$ 797,968	\$ -
Total revenues	724,116	797,968	797,968	-
Expenditures				
Debt service:				
Principal	641,000	641,000	641,000	-
Interest	179,580	179,580	179,580	-
Dues and fees	2,500	362	362	-
Total expenditures	823,080	820,942	820,942	-
Deficiency of revenues under expenditures	\$ (98,964)	\$ (22,974)	(22,974)	\$ -
Fund balance - beginning			98,964	
Fund balance - ending			\$ 75,990	

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, 2019

	Local Capital Improvement Tax			
	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
Revenues				
Local sources:				
Property taxes levied for capital projects	\$ 90,470,398	\$ 91,044,453	\$ 91,044,453	\$ -
Interest income	-	1,607,722	1,882,529	274,807
Total local sources	90,470,398	92,652,175	92,926,982	274,807
Total revenues	90,470,398	92,652,175	92,926,982	274,807
Expenditures				
Current:				
Facility services - non-capitalized	63,494,599	36,767,804	17,714,690	19,053,114
Capital outlay:				
Facilities acquisition and construction	-	18,343,856	18,343,856	-
Total expenditures	63,494,599	55,111,660	36,058,546	19,053,114
Excess of revenues over expenditures	26,975,799	37,540,515	56,868,436	19,327,921
Other financing uses				
Transfers out	(46,899,268)	(46,037,590)	(46,037,590)	-
Total other financing uses	(46,899,268)	(46,037,590)	(46,037,590)	-
Net change in fund balance	\$ (19,923,469)	\$ (8,497,075)	10,830,846	\$ 19,327,921
Fund balance - beginning			41,103,644	
Fund balance - ending			\$ 51,934,490	

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, 2019

	Other Capital Projects			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
State sources:				
Charter school capital outlay funding	\$ 3,627,545	\$ 3,142,051	\$ 3,142,051	\$ -
Miscellaneous state revenue	-	1,530,619	1,530,619	-
Local sources:				
Sales tax collections	20,288,644	21,451,257	21,451,257	-
Impact fee collections	4,200,000	7,030,622	7,030,622	-
Interest income	100,000	622,852	1,033,155	410,303
Total revenues	28,216,189	33,777,401	34,187,704	410,303
Expenditures				
Current:				
Facility services - non-capitalized	35,395,623	29,072,926	10,439,115	18,633,811
Capital outlay:				
Facilities acquisition and construction	-	10,702,026	10,702,026	-
Total expenditures	35,395,623	39,774,952	21,141,141	18,633,811
Excess (deficiency) of revenues over (under) expenditures	(7,179,434)	(5,997,551)	13,046,563	19,044,114
Other financing uses				
Transfer out	(3,627,545)	(3,627,545)	(3,142,051)	485,494
Total other financing uses	(3,627,545)	(3,627,545)	(3,142,051)	485,494
Net change in fund balance	\$ (10,806,979)	\$ (9,625,096)	9,904,512	\$ 19,529,608
Fund balance - beginning			27,886,726	
Fund balance - ending			\$ 37,791,238	

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, 2019

	Public Education Capital Outlay			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
Revenues				
State sources:				
Public Education Capital Outlay	\$ 770,992	\$ 767,266	\$ 767,266	\$ -
Total revenues	770,992	767,266	767,266	-
Other financing uses				
Transfer out	(770,992)	(767,266)	(767,266)	-
Total other financing uses	(770,992)	(767,266)	(767,266)	-
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, 2019

	Capital Outlay and Debt Service			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
Revenues				
State sources:				
CO&DS Distribution	\$ 190,024	\$ 1,009,197	\$ 1,009,197	\$ -
Local sources:				
Interest income	-	205	205	-
Total revenues	190,024	1,009,402	1,009,402	-
Expenditures				
Current:				
Facility services - non-capitalized	188,524	1,007,676	430,150	577,526
Debt service:				
Dues and fees	1,500	1,726	1,726	-
Total expenditures	190,024	1,009,402	431,876	577,526
Excess of revenues over expenditures	\$ -	\$ -	577,526	\$ 577,526
Fund balance - beginning			-	
Fund balance - ending			\$ 577,526	

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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, 2019

	Workers' Compensation Insurance	General & Automobile Liability Insurance
Assets		
Current Assets		
Cash and cash equivalents	\$ 1,205,168	\$ 1,529,891
Investments	8,636,386	5,342,845
Accounts receivable	-	-
Interest receivable	47,223	29,214
Deposits receivable	75,000	-
Due from other agencies	-	-
Prepaid items	874	11,064
Total current assets	<u>9,964,651</u>	<u>6,913,014</u>
Total assets	<u>9,964,651</u>	<u>6,913,014</u>
Liabilities		
Current liabilities		
Salaries and wages payable	1,369	-
Accounts payable	5,240	23,450
Due to other agencies	109	-
Unearned revenue	-	-
Estimated insurance claims payable	2,437,185	472,266
Total current liabilities	<u>2,443,903</u>	<u>495,716</u>
Long-term liabilities		
Liability for compensated absences	9,006	4,098
Estimated insurance claims payable	4,834,629	996,828
Total long-term liabilities	<u>4,843,635</u>	<u>1,000,926</u>
Total liabilities	<u>7,287,538</u>	<u>1,496,642</u>
Net position		
Unrestricted	<u>2,677,113</u>	<u>5,416,372</u>
Total net position	<u><u>\$ 2,677,113</u></u>	<u><u>\$ 5,416,372</u></u>

Cafeteria Plan		Internal Service	
Dental Insurance	Cafeteria	Health Insurance	Funds Total
\$ 1,469,152	\$ 1,239,907	\$ 11,898,451	\$ 17,342,569
-	-	24,943,406	38,922,637
-	-	668,192	668,192
-	-	136,389	212,826
-	-	-	75,000
52,804	-	-	52,804
822	626	1,217	14,603
1,522,778	1,240,533	37,647,655	57,288,631
1,522,778	1,240,533	37,647,655	57,288,631
-	-	-	1,369
-	1,809	4,094,565	4,125,064
-	-	-	109
-	-	8,851,098	8,851,098
169,000	157,589	3,280,000	6,516,040
169,000	159,398	16,225,663	19,493,680
22,457	10,136	12,887	58,584
-	-	-	5,831,457
22,457	10,136	12,887	5,890,041
191,457	169,534	16,238,550	25,383,721
1,331,321	1,070,999	21,409,105	31,904,910
\$ 1,331,321	\$ 1,070,999	\$ 21,409,105	\$ 31,904,910

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, 2019

	Workers' Compensation Insurance	General & Automobile Liability Insurance
Operating revenues		
Charges for services	\$ 334,835	\$ -
Other operating revenues	-	-
Total operating revenues	<u>334,835</u>	<u>-</u>
Operating expenses		
Salaries	147,652	39,247
Employee benefits	34,892	11,384
Purchased services	572,895	53,269
Materials and supplies	37	-
Insurance claims	1,924,761	501,387
Other	105	-
Total operating expenses	<u>2,680,342</u>	<u>605,287</u>
Operating income (loss)	(2,345,507)	(605,287)
Nonoperating revenues		
Investment income	<u>398,394</u>	<u>165,538</u>
Change in net position	(1,947,113)	(439,749)
Total net position - beginning	<u>4,624,226</u>	<u>5,856,121</u>
Total net position - ending	<u><u>\$ 2,677,113</u></u>	<u><u>\$ 5,416,372</u></u>

Cafeteria Plan		Internal Service Funds Total	
Dental Insurance	Cafeteria	Health Insurance	
\$ 2,823,305	\$ 218,491	\$ 52,197,917	\$ 55,574,548
-	-	1,611,977	1,611,977
2,823,305	218,491	53,809,894	57,186,525
59,894	51,565	91,259	389,617
19,590	15,049	29,359	110,274
235,334	38,407	3,140,163	4,040,068
-	1,660	-	1,697
2,717,911	-	50,094,531	55,238,590
-	-	121,523	121,628
3,032,729	106,681	53,476,835	59,901,874
(209,424)	111,810	333,059	(2,715,349)
31,329	28,552	1,222,968	1,846,781
(178,095)	140,362	1,556,027	(868,568)
1,509,416	930,637	19,853,078	32,773,478
\$ 1,331,321	\$ 1,070,999	\$ 21,409,105	\$ 31,904,910

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Combining Schedule of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2019

	Workers' Compensation Insurance	General & Automobile Liability Insurance
Cash flows from operating activities		
Cash receipts from interfund services provided	\$ 334,835	\$ -
Cash payments to suppliers	(572,863)	(31,958)
Cash payments to employees	(180,752)	(49,717)
Cash payments for insurance claims	(2,402,489)	(423,551)
Cash receipts from other operating revenues	-	-
Net cash provided (used) by operating activities	<u>(2,821,269)</u>	<u>(505,226)</u>
Cash flows from investing activities		
Proceeds from the sale and maturities of investments	1,852,628	-
Interest income received	162,049	29,439
Purchase of investments	-	(73,860)
Net cash provided (used) by investing activities	<u>2,014,677</u>	<u>(44,421)</u>
Net increase (decrease) in cash	<u>(806,592)</u>	<u>(549,647)</u>
Cash and cash equivalents - beginning of year	<u>2,011,760</u>	<u>2,079,538</u>
Cash and cash equivalents- end of year	<u><u>\$ 1,205,168</u></u>	<u><u>\$ 1,529,891</u></u>
Reconciliation of operating income (loss) to net cash provided (used) by operating activities		
Operating income (loss)	\$ (2,345,507)	\$ (605,287)
Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:		
Change in assets and liabilities		
(Increase) in accounts receivable	-	-
Decrease in due from other funds	-	-
(Increase) in due from other agencies	-	-
Decrease in prepaid items	-	602
Increase in salaries and benefits payable	1,290	-
Increase in accounts payable	174	21,311
Increase in due to other agencies	103	-
Increase in unearned revenue	-	-
Increase in liability for compensated absences	399	312
Increase (decrease) in estimated insurance claims payable	(477,728)	77,836
Total adjustments	<u>(475,762)</u>	<u>100,061</u>
Net cash provided (used) by operating activities	<u><u>\$ (2,821,269)</u></u>	<u><u>\$ (505,226)</u></u>
Noncash investing, capital and financing activities:		
Net increase in fair value of investments	<u><u>\$ 229,032</u></u>	<u><u>\$ 126,887</u></u>

Cafeteria Plan		Internal Service Funds Total	
Dental Insurance	Cafeteria	Health Insurance	
\$ 2,821,413	\$ 218,491	\$ 52,016,033	\$ 55,390,772
(235,334)	(39,444)	(3,085,140)	(3,964,739)
(76,896)	(65,410)	(118,540)	(491,315)
(2,711,911)	(7,848)	(49,696,531)	(55,242,330)
-	-	1,490,454	1,490,454
(202,728)	105,789	606,276	(2,817,158)
-	-	-	1,852,628
31,329	28,552	603,931	855,300
-	-	(2,316,839)	(2,390,699)
31,329	28,552	(1,712,908)	317,229
(171,399)	134,341	(1,106,632)	(2,499,929)
1,640,551	1,105,566	13,005,083	19,842,498
\$ 1,469,152	\$ 1,239,907	\$ 11,898,451	\$ 17,342,569
\$ (209,424)	\$ 111,810	\$ 333,059	\$ (2,715,349)
-	-	(436,879)	(436,879)
146	-	-	146
(1,892)	-	-	(1,892)
1	-	-	603
-	-	-	1,290
-	623	55,023	77,131
-	-	-	103
-	-	254,995	254,995
2,441	1,204	2,078	6,434
6,000	(7,848)	398,000	(3,740)
6,696	(6,021)	273,217	(101,809)
\$ (202,728)	\$ 105,789	\$ 606,276	\$ (2,817,158)
\$ -	\$ -	\$ 568,452	\$ 924,371

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, 2019

	School Internal Accounts			
	Beginning Balance	Additions	Deductions	Ending Balance
Assets				
Cash and cash equivalents	\$ 6,782,586	\$ 15,052,117	\$ 14,657,543	\$ 7,177,160
Accounts receivable, net of allowance of \$102,274	225,290	230,856	225,290	230,856
Inventories	348,428	327,369	348,428	327,369
Total assets	\$ 7,356,304	\$ 15,610,342	\$ 15,231,261	\$ 7,735,385
Liabilities				
Accounts payable and other	\$ 109,823	\$ 47,723	\$ 109,823	\$ 47,723
Internal accounts payable	7,246,481	15,562,619	15,121,438	7,687,662
Total liabilities	\$ 7,356,304	\$ 15,610,342	\$ 15,231,261	\$ 7,735,385

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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 Statutes, and Section 1002.33, Florida Statutes.

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Combining Statement of Net Position
Component Units - Charter Schools
June 30, 2019

	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	\$ 2,187,140	\$ 626,531	\$ 161,298	\$ 1,747,729	\$ 58,644
Restricted cash	-	-	-	-	-
Investments	-	-	-	-	-
Accounts receivable	34,889	1,022	6,501	673	-
Due from other agencies	-	659	27,889	18,295	16,070
Due from related parties	-	-	-	-	119,879
Prepaid items	152,573	324,514	30,087	10,468	-
Other	98,908	-	1,517	20,716	11,902
Capital assets:					
Land	829,116	-	-	106,016	-
Land Improvements	9,280	-	-	-	-
Construction In Process	-	-	-	-	-
Improvements Other Than Buildings	-	23,105	-	1,106,122	-
Leasehold Improvements	-	1,613,436	1,025,914	-	-
Buildings and Fixed Equipment	5,638,011	-	-	2,214,468	-
Furniture, Fixtures and Equipment	1,905,097	763,470	704,297	1,043,349	236,524
Motor Vehicles	40,467	58,500	-	492,498	223,141
Capital Lease	-	-	-	-	-
Less Accumulated Depreciation	(3,636,885)	(1,481,954)	(934,207)	(2,270,467)	(329,037)
Total assets	7,258,596	1,929,283	1,023,296	4,489,867	337,123
Deferred outflows of resources					
Pensions	-	-	625,045	-	-
Total deferred outflows of resources	-	-	625,045	-	-
Liabilities					
Salaries and wages payable	171,475	74,470	-	583,378	178,875
Due to related parties	-	-	-	5,014	-
Accounts payable	120,167	410,438	178,365	18,862	15,717
Other	-	-	-	3,770	-
Unearned revenue	-	-	-	-	-
Noncurrent liabilities:					
Portion due within one year:					
Notes payable	228,219	-	-	190,945	77,504
Bonds payable	-	-	-	-	-
Obligations under capital leases	-	27,028	-	-	17,947
Liability for compensated absences	-	-	2,000	-	-
Net pension liability	-	-	11,365	-	-
Portion due after one year:					
Notes payable	3,200,616	-	-	1,643,749	102,791
Bonds payable	-	-	-	-	-
Interest rate swap	-	-	-	-	-
Obligations under capital leases	-	3,456	-	-	41,251
Liability for compensated absences	-	-	23,691	-	-
Net pension liability	-	-	1,330,190	-	-
Total liabilities	3,720,477	515,392	1,545,611	2,445,718	434,085
Deferred inflows of resources					
Pensions	-	-	202,227	-	-
Total deferred inflows of resources	-	-	202,227	-	-
Net position					
Net investment in capital assets	1,356,251	946,073	796,004	1,170,579	68,714
Restricted for capital projects	-	-	-	-	-
Restricted for debt service	-	-	-	-	-
Restricted for other purposes	-	-	-	-	-
Unrestricted	2,181,868	467,818	(895,501)	873,570	(165,676)
Total net position	\$ 3,538,119	\$ 1,413,891	\$ (99,497)	\$ 2,044,149	\$ (96,962)

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
\$ 536,291	\$ 2,118,272	\$ 190,395	\$ 208,906	\$ 7,835,206
-	1,653,485	99,634	-	1,753,119
-	-	-	-	-
-	-	680	21,900	65,665
38,316	-	-	-	101,229
182,814	-	-	-	302,693
-	45,193	4,957	23,598	591,390
-	2,310	-	66,473	201,826
8,398,300	652,565	474,603	-	10,460,600
-	-	-	-	9,280
-	62,887	-	-	62,887
115,977	-	-	-	1,245,204
-	-	-	-	2,968,471
13,674,406	9,155,311	216,173	329,121	30,898,369
2,717,396	1,587,566	83,131	576,360	9,617,190
768,199	281,255	31,287	8,710	1,904,057
-	48,000	5,630	-	53,630
(5,660,978)	(3,262,546)	(107,771)	(713,476)	(18,397,321)
20,770,721	12,344,298	998,719	521,592	49,673,495
2,937,990	-	-	-	3,563,035
2,937,990	-	-	-	3,563,035
-	347,018	51,023	43,505	1,449,744
-	-	1,879	-	6,893
530,790	61,138	12,753	7,871	1,356,101
-	324,775	-	23,454	351,999
-	-	753	-	753
96,455	30,900	16,062	-	640,085
519,341	185,000	-	-	704,341
-	9,600	-	-	54,575
18,307	-	-	-	20,307
-	-	-	-	11,365
24,717	-	263,596	-	5,235,469
11,649,353	9,658,526	-	-	21,307,879
469,679	-	-	-	469,679
-	10,400	-	-	55,107
-	-	13,501	-	37,192
6,911,734	-	-	-	8,241,924
20,220,376	10,627,357	359,567	74,830	39,943,413
1,039,082	-	-	-	1,241,309
1,039,082	-	-	-	1,241,309
7,249,212	(1,338,488)	423,395	200,715	10,872,455
-	294,805	-	-	294,805
-	1,358,680	-	-	1,358,680
73,292	-	99,634	-	172,926
(4,873,251)	1,401,944	116,123	246,047	(647,058)
\$ 2,449,253	\$ 1,716,941	\$ 639,152	\$ 446,762	\$ 12,051,808

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Combining Statement of Activities
Component Units - Charter Schools
For the Fiscal Year Ended June 30, 2019

	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	\$ 3,548,283	\$ 3,612,946	\$ 1,486,152	\$ 5,586,898	\$ 2,307,099
Student support services	128,778	-	154,257	72,299	120
Instructional media services	-	6,974	36,450	44,317	-
Instructional curriculum development services	-	607	-	154,624	75,545
Instructional staff training services	-	18,331	-	30,357	1,350
Instruction related technology	-	19,589	-	121,280	55,163
Board	-	114,082	15,400	13,862	10,000
General administration	43,755	-	41,309	929,141	620,653
School administration	1,030,405	553,221	414,768	1,162,083	537,759
Facility services - non-capitalized	-	1,525,133	-	-	-
Fiscal services	115,296	75,000	20,450	114,481	74,596
Food services	-	57,318	6,864	2,312	147,262
Central services	-	-	-	3,730	712
Student transportation services	297,672	15,835	75,233	244,402	101,030
Operation of plant	623,849	667,581	441,519	2,173,232	1,594,167
Maintenance of plant	168,785	157,279	39,032	199,012	52,811
Community services	-	62,031	-	255,110	243,925
Interest on long-term debt	94,491	4,518	-	87,538	6,296
Unallocated depreciation	352,876	265,523	-	217,302	40,932
Total expenses	6,404,190	7,155,968	2,731,434	11,411,980	5,869,420
Program Revenues:					
Charges for services	30,457	66,487	-	170,847	378,517
Operating grants and contributions	26,666	24,403	-	36,465	126,577
Capital grants and contributions	-	488,812	-	574,089	243,777
Total program revenues	57,123	579,702	-	781,401	748,871
Net program expense	(6,347,067)	(6,576,266)	(2,731,434)	(10,630,579)	(5,120,549)
General Revenues:					
Grants and contributions not restricted to specific programs	6,447,765	6,065,983	2,512,413	10,649,133	4,940,110
Other state and local sources	60,899	105,105	22,730	126,170	115,707
Total general revenues	6,508,664	6,171,088	2,535,143	10,775,303	5,055,817
Change in net position	161,597	(405,178)	(196,291)	144,724	(64,732)
Total net position - beginning of year	3,376,522	1,819,069	96,794	1,899,425	(32,230)
Prior period adjustment	-	-	-	-	-
Total net position - beginning of year restated	3,376,522	1,819,069	96,794	1,899,425	(32,230)
Total net position - end of year	\$ 3,538,119	\$ 1,413,891	\$ (99,497)	\$ 2,044,149	\$ (96,962)

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
\$ 9,106,839	\$ 4,369,286	\$ 1,294,756	\$ 1,984,176	\$ 33,296,435
483,216	44,197	-	-	882,867
448,879	114,646	1,316	-	652,582
-	-	17,255	-	248,031
-	44,132	7,662	-	101,832
-	-	50,313	-	246,345
-	83,709	15,977	15,984	269,014
-	19,346	39,420	109,260	1,802,884
2,886,609	1,029,821	444,995	1,074,931	9,134,592
3,882	-	12,844	351,241	1,893,100
278,730	30,185	27,856	3,006	739,600
-	-	21,251	-	235,007
-	-	764	16,912	22,118
324,621	156,098	49,602	230,577	1,495,070
1,158,502	278,714	297,621	163,845	7,399,030
91,206	362,242	44,769	198,084	1,313,220
-	-	32,852	-	593,918
453,032	650,572	17,945	4,341	1,318,733
-	-	-	82,025	958,658
15,235,516	7,182,948	2,377,198	4,234,382	62,603,036
-	-	127,829	44,529	818,666
452,007	51,681	7,659	479,960	1,205,418
653,508	-	-	299,596	2,259,782
1,105,515	51,681	135,488	824,085	4,283,866
(14,130,001)	(7,131,267)	(2,241,710)	(3,410,297)	(58,319,170)
11,707,923	7,112,378	2,064,772	3,161,476	54,661,953
528,354	43,832	145,649	182,151	1,330,597
12,236,277	7,156,210	2,210,421	3,343,627	55,992,550
(1,893,724)	24,943	(31,289)	(66,670)	(2,326,620)
4,342,977	1,784,615	651,741	513,432	14,452,345
-	(92,617)	18,700	-	(73,917)
4,342,977	1,691,998	670,441	513,432	14,378,428
\$ 2,449,253	\$ 1,716,941	\$ 639,152	\$ 446,762	\$ 12,051,808

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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, 2019

STATISTICAL SECTION

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Statistical Section

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

Contents	Page
Financial Trends <i>These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.</i>	130
Revenue Capacity <i>These schedules contain information to help the reader assess the District's most significant local revenues sources, the property tax.</i>	144
Debt Capacity <i>These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the government's ability to issue additional debt in the future.</i>	148
Demographic and Economic Information <i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.</i>	153
Operating Information <i>These schedules contain service data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.</i>	156

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

Net position components	Fiscal Year			
	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013
Primary government				
Net investment in capital assets	\$ 707,136,203	\$ 712,540,799	\$ 721,892,327 ^a	\$ 737,197,939
Restricted	100,813,654	112,329,674	118,612,155	107,809,491
Unrestricted (deficit)	38,944,347	35,271,890	28,762,628	25,597,385
Total primary government net position	<u>\$ 846,894,204</u>	<u>\$ 860,142,363</u>	<u>\$ 869,267,110 ^a</u>	<u>\$ 870,604,815</u>

^a Restated June 30, 2012 net position

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

Source: District records

Table 1

Fiscal Year					
June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019
\$ 754,873,856	\$ 777,726,583	\$ 794,655,165	\$ 816,565,183	\$ 831,134,795	\$ 835,369,281
94,797,196	84,677,632	99,819,203	104,981,610	100,681,123	123,275,441
22,701,000	(129,257,091) ^b	(129,544,072)	(111,912,970)	(128,106,285)	(133,989,342)
<u>\$ 872,372,052</u>	<u>\$ 733,147,124 ^b</u>	<u>\$ 764,930,296</u>	<u>\$ 809,633,823</u>	<u>\$ 803,709,633</u>	<u>\$ 824,655,380</u>

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

	Fiscal Year			
	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013
Primary Government Expenses				
Governmental activities:				
Instruction ^a	\$ 292,676,391	\$ 296,690,439	\$ 281,722,647	\$ 293,223,596
Student support services	28,441,735	28,732,840	23,967,492	22,931,811
Instructional media services	5,294,666	5,386,832	4,724,382	4,036,099
Instruction and curriculum development services	3,677,673	3,844,308	3,434,577	3,269,677
Instructional staff training services	5,137,212	5,378,038	4,969,184	4,947,478
Instructional related technology	1,396,745	1,373,380	2,368,817	3,320,282
Board	2,021,403	1,126,670	1,021,338	819,319
General administration	3,694,955	2,951,442	2,559,299	2,605,606
School administration	17,856,861	17,484,966	16,226,134	16,303,070
Facility services - non-capitalized	13,279,770	13,136,595	13,562,468	13,475,579
Fiscal services	2,085,840	2,051,350	2,106,502	1,884,311
Food services	15,747,007	16,391,007	15,439,526	15,649,443
Central services	6,214,941	6,455,528	6,143,183	6,072,463
Student transportation services	19,525,725	19,524,334	18,989,823	18,343,827
Operation of plant	36,822,811	35,436,543	33,328,174	33,785,539
Maintenance of plant	17,342,439	17,949,420	15,893,062	14,121,895
Administrative technology services	2,414,933	2,080,924	2,504,196	3,175,384
Community services	1,771,570	2,457,531	2,318,840	2,586,369
Interest on long-term debt	5,766,106	9,911,864	10,324,210	9,596,005
Total expenses	<u>\$ 481,168,783</u>	<u>\$ 488,364,011</u>	<u>\$ 461,603,854</u>	<u>\$ 470,147,753</u>
Program Revenues				
Governmental activities:				
Charges for services				
Instruction	\$ 3,070,864	\$ 2,994,646	\$ 3,113,655	\$ 3,632,297
Food	6,833,017	6,195,344	5,789,837	5,600,358
Transportation	496,302	489,684	598,078	599,314
Community Service ^b	-	-	-	-
Operating grants and contributions	9,967,097	10,412,253	10,690,392	11,311,262
Capital grants and contributions	6,078,399	6,549,424	5,873,206	5,615,947
Total program revenues	<u>26,445,679</u>	<u>26,641,351</u>	<u>26,065,168</u>	<u>26,759,178</u>
Primary government net expense	<u>\$ (454,723,104)</u>	<u>\$ (461,722,660)</u>	<u>\$ (435,538,686)</u>	<u>\$ (443,388,575)</u>

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

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

Source: District records

Table 2

Fiscal Year					
June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019
\$ 299,703,201	\$ 304,759,710	\$ 317,993,211	\$ 329,898,711	\$ 354,712,133	\$ 365,537,244
24,326,894	24,796,691	26,177,975	27,147,514	29,906,129	35,885,282
3,196,433	6,706,553	4,505,216	3,653,084	5,794,752	5,771,948
3,359,671	3,230,349	3,350,535	3,487,191	3,931,181	4,028,085
5,031,783	4,691,992	4,105,576	4,478,484	4,651,341	4,786,922
3,475,721	3,572,269	4,924,996	5,740,468	4,920,427	5,546,799
1,283,234	1,104,220	946,510	1,148,680	1,557,029	1,451,468
2,751,981	3,128,034	3,189,440	2,665,551	2,871,103	2,683,312
17,338,048	17,269,900	18,031,984	18,191,723	21,176,512	21,949,027
16,972,664	16,399,611	22,209,758	22,274,456	31,070,638	31,339,373
1,998,046	2,017,043	2,013,262	2,169,566	2,094,829	2,207,031
17,193,318	17,009,351	18,101,850	19,447,812	20,255,948	20,563,313
6,523,876	6,698,741	6,128,154	6,300,563	6,884,275	7,172,486
19,415,299	18,261,021	18,157,778	18,061,854	19,237,414	20,135,953
34,507,859	33,445,833	33,634,202	33,510,809	36,840,850	37,150,224
14,784,318	14,294,204	14,933,393	15,881,826	15,791,450	17,078,883
3,719,238	3,989,386	3,679,800	3,185,164	2,880,835	2,917,970
3,555,076	3,589,142	3,304,544	3,585,836	4,221,778	4,572,879
9,262,395	8,643,739	8,788,740	6,706,159	6,359,669	5,682,196
<u>\$ 488,399,055</u>	<u>\$ 493,607,789</u>	<u>\$ 514,176,924</u>	<u>\$ 527,535,451</u>	<u>\$ 575,158,293</u>	<u>\$ 596,460,395</u>
\$ 3,570,476	\$ 3,611,562	\$ 2,641,709	\$ 2,016,896	\$ 2,241,244	\$ 2,374,141
5,190,096	4,723,056	4,639,412	4,948,140	4,520,614	5,443,411
596,210	238,596	259,658	221,890	228,010	213,588
-	492,875	204,936	350,630	274,515	413,012
12,602,559	12,622,205	48,213,215	43,711,318	44,662,620	44,976,399
6,299,479	5,774,799	6,021,626	9,729,270	5,720,580	9,063,377
<u>28,258,820</u>	<u>27,463,093</u>	<u>61,980,556</u>	<u>60,978,144</u>	<u>57,647,583</u>	<u>62,483,928</u>
<u>\$ (460,140,235)</u>	<u>\$ (466,144,696)</u>	<u>\$ (452,196,368)</u>	<u>\$ (466,557,307)</u>	<u>\$ (517,510,710)</u>	<u>\$ (533,976,467)</u>

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

	Fiscal Year			
	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013
Net (Expense)				
Total primary government net expense	\$ (454,723,104)	\$ (461,722,660)	\$ (435,538,686)	\$ (443,388,575)
General Revenues and Other Changes in Net Position				
Governmental activities:				
Taxes				
Property taxes, levied for general purposes ^a	282,106,749	276,860,927	249,145,074	255,168,075
Property taxes, levied for capital projects	71,468,723	64,915,896	60,937,028	60,632,620
Local sales taxes	12,880,581	13,295,558	13,860,532	14,752,739
Grants and contributions				
Not restricted to specific programs	112,699,479	109,899,786	112,835,562	104,701,937
Miscellaneous	6,498,942	8,938,210	7,466,487	8,123,934
Unrestricted investment earnings	2,653,824	1,761,982	1,529,710	1,346,975
Total primary government	<u>488,308,298</u>	<u>475,672,359</u>	<u>445,774,393</u>	<u>444,726,280</u>
Change in Net Position	<u>\$ 33,585,194</u>	<u>\$ 13,949,699</u>	<u>\$ 10,235,707</u>	<u>\$ 1,337,705 ^b</u>

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

^b Changes in Net Position in 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.

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

^d Change in Net Position in 2016 and 2017 was due to increase in property tax revenues.

^e 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.

^f Change in Net Position increase was due to the increase in investment earnings and property tax revenues.

Source: District records

Table 3

Fiscal Year					
June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	June 30, 2019
\$ (460,140,235)	\$ (466,144,696)	\$ (452,196,368)	\$ (466,557,307)	\$ (517,510,710)	\$ (533,976,467)
272,808,869	284,782,027	305,488,678	315,616,843	325,234,264	334,039,420
63,261,086	68,078,087	73,219,437	79,833,647	85,447,804	91,044,453
15,791,473	17,293,948	18,312,133	18,810,036	19,890,827	21,451,257
105,250,969	108,386,450	73,924,680	81,540,851	83,132,274	85,546,235
3,755,476	6,756,842	9,876,880	14,551,372	12,819,395	13,460,938
1,039,599	1,378,495	3,157,732	908,085	2,929,414	9,379,911
461,907,472	486,675,849	483,979,540	511,260,834	529,453,978	554,922,214
<u>\$ 1,767,237</u>	<u>\$ 20,531,153 ^c</u>	<u>\$ 31,783,172 ^d</u>	<u>\$ 44,703,527 ^d</u>	<u>\$ 11,943,268 ^e</u>	<u>\$ 20,945,747 ^f</u>

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

	Fiscal Year			
	2010	2011	2012	2013
General Fund				
Reserved	\$ 5,178,957			
Unreserved	61,664,354			
Total general fund	<u>\$ 66,843,311</u>			
All Other Governmental Funds				
Reserved	\$ 76,245,010			
Unreserved, reported in:				
Capital projects funds	62,724,039			
Debt Service	-			
Special revenue funds	971,341			
Total all other governmental funds	<u>\$ 139,940,390</u>			

General Fund				
Nonspendable	\$ 3,048,627	\$ 3,022,373	\$ 4,686,136	\$ 3,719,373
Restricted	4,203,910	4,463,012	3,944,117	2,134,839
Assigned	16,085,961	19,885,279	20,031,791	6,912,566
Unassigned	43,504,813	37,449,121	35,337,274	40,713,975
Total General Fund	<u>\$ 66,843,311</u>	<u>\$ 64,819,785</u>	<u>\$ 63,999,318</u>	<u>\$ 53,480,753</u>
All Other Governmental Funds				
Nonspendable	\$ 325,354	\$ 460,304	\$ 395,913	\$ 518,145
Restricted	133,142,006	228,682,195	176,666,571	129,791,129
Assigned	6,473,030	4,017,253	6,732,425	6,773,852
Unassigned	-	2,312,112	-	-
Total all other governmental funds	<u>\$ 139,940,390</u>	<u>\$ 235,471,864 ^a</u>	<u>\$ 183,794,909 ^b</u>	<u>\$ 137,083,126 ^c</u>

Note: (A) Includes all governmental fund types

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

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

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

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

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

Source: District records

Table 4

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 3,625,467	\$ 3,044,959	\$ 5,764,339	\$ 9,587,659	\$ 9,716,816	\$ 10,293,248
2,551,274	1,384,125	10,691,981	10,343,577	8,989,385	6,577,989
5,270,713	7,307,149	6,302,763	6,023,599	6,904,681	5,412,978
39,435,810	33,104,480	36,118,713	47,480,009	49,391,090	58,871,103
<u>\$ 50,883,264</u>	<u>\$ 44,840,713</u>	<u>\$ 58,877,796</u>	<u>\$ 73,434,844</u>	<u>\$ 75,001,972</u>	<u>\$ 81,155,318</u>
\$ 482,990	\$ 285,958	\$ 563,422	\$ 792,344	\$ 943,502	\$ 967,108
99,989,018	84,329,189	82,497,218	88,451,915	91,871,318	116,771,617
6,797,498	6,804,589	-	-	-	-
-	-	-	-	-	-
<u>\$ 107,269,506</u>	<u>\$ 91,419,736</u>	<u>\$ 83,060,640</u>	<u>\$ 89,244,259</u>	<u>\$ 92,814,820</u>	<u>\$ 117,738,725</u>

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

	Fiscal Year			
	2010	2011	2012	2013
Revenues				
Federal sources:				
Federal grants	\$ 47,811,371	\$ 48,044,321	\$ 37,528,633	\$ 28,100,534
Food services	9,810,993	10,245,493	10,520,402	11,145,812
Total federal sources	<u>57,622,364</u>	<u>58,289,814</u>	<u>48,049,035</u>	<u>39,246,346</u>
State sources:				
Florida education finance program	6,005,237	3,093,335	17,015,914	17,138,970
Public education capital outlay	784,890	2,149,547	-	-
Food services	156,104	166,759	169,990	165,450
State grants and other	62,382,285	63,098,786	62,850,215	63,506,692
Total state sources	<u>69,328,516</u>	<u>68,508,427</u>	<u>80,036,119</u>	<u>80,811,112</u>
Local sources:				
Ad valorem taxes	353,575,472	341,776,823	310,082,102	315,800,695
Food service sales	10,327,655	6,214,575	5,811,913	5,621,262
Interest and other income	809,681	745,590	1,429,854	1,201,855
Other revenues	20,662,975	26,062,544	25,645,504	28,331,418
Total local sources	<u>385,375,783</u>	<u>374,799,532</u>	<u>342,969,373</u>	<u>350,955,230</u>
 Total revenues	 <u>\$ 512,326,663</u>	 <u>\$ 501,597,773</u>	 <u>\$ 471,054,527</u>	 <u>\$ 471,012,688</u>

Note: (A) Includes all governmental fund types.

Source: District records

Table 5

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 28,014,773	\$ 27,787,365	\$ 27,430,354	\$ 26,721,768	\$ 26,544,776	\$ 28,270,760
12,429,723	12,451,231	13,246,184	13,410,204	13,847,375	13,840,999
40,444,496	40,238,596	40,676,538	40,131,972	40,392,151	42,111,759
19,283,432	20,307,095	18,598,374	21,506,285	20,583,775	21,696,113
-	730,373	777,187	4,156,515	770,992	767,266
172,836	170,974	166,526	160,987	161,185	157,992
61,897,910	62,457,310	62,897,589	63,962,633	65,892,779	70,697,322
81,354,178	83,665,752	82,439,676	89,786,420	87,408,731	93,318,693
336,069,955	352,860,114	378,708,115	395,450,490	410,682,068	425,083,873
5,230,946	4,723,056	4,662,835	5,020,583	4,643,609	5,506,253
974,909	1,246,687	2,857,768	646,762	2,651,784	7,533,130
31,414,929	30,809,526	34,115,948	40,701,122	40,829,761	41,634,127
373,690,739	389,639,383	420,344,666	441,818,957	458,807,222	479,757,383
\$ 495,489,413	\$ 513,543,731	\$ 543,460,880	\$ 571,737,349	\$ 586,608,104	\$ 615,187,835

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

	Fiscal Year			
	2010	2011	2012	2013
Expenditures:				
Instruction	\$ 265,811,151	\$ 266,581,120	\$ 253,298,629	\$ 263,409,471
Student support services	28,407,978	28,493,209	23,697,895	22,796,479
Instructional media services	5,296,556	5,359,753	4,696,872	4,029,572
Instruction and curriculum development services	3,630,588	3,788,923	3,376,568	3,240,384
Instructional staff training services	5,110,661	5,340,332	4,923,975	4,896,582
Instruction related technology	1,375,951	1,363,247	2,301,684	3,300,941
Board	2,005,951	1,111,754	1,005,310	816,281
General administration	3,396,131	2,653,620	2,277,193	2,345,566
School administration	27,072,936	17,381,348	16,067,921	16,226,354
Facility services - non-capitalized	3,493,719	12,490,422	12,803,351	11,998,111
Fiscal services	2,070,591	2,025,671	2,078,746	1,870,902
Food services	15,699,502	16,218,563	15,232,938	15,532,507
Central services	5,717,568	5,995,234	5,565,215	5,610,756
Student transportation services	17,127,826	17,258,729	16,669,533	16,034,187
Operation of plant	36,725,942	35,189,729	33,045,743	33,605,632
Maintenance of plant	16,840,599	17,444,372	15,510,396	13,844,931
Administrative technology services	2,392,633	2,069,903	2,469,166	3,102,763
Community services	1,762,846	2,442,909	2,294,407	2,566,324
Capital Outlay:				
Facilities acquisition and construction	51,016,090	68,170,877	81,726,760	79,619,254
Other capital outlay	-	231,822	911,219	985,366
Debt Service:				
Principal	21,156,712	16,209,613	18,398,319	20,110,615
Interest and fiscal charges	6,073,650	10,356,962	10,187,808	9,836,543
Total expenditures	<u>\$ 522,185,581</u>	<u>\$ 538,178,112</u>	<u>\$ 528,539,648</u>	<u>\$ 535,779,521</u>
Debt service as a percentage of noncapital expenditures ^a	5.77%	5.48%	6.41%	6.57%

^a The percentage calculation only includes principal and interest.

Source: District records

Table 6

Fiscal Year						
2014	2015	2016	2017	2018	2019	
\$ 269,857,115	\$ 279,137,225	\$ 282,745,603	\$ 293,039,782	\$ 307,240,299	\$ 313,886,108	
24,264,846	25,655,367	26,220,551	27,250,541	29,052,226	34,466,835	
3,202,524	6,808,597	4,520,833	3,678,680	5,732,892	5,663,536	
3,345,644	3,335,041	3,354,421	3,493,397	3,813,327	3,867,810	
4,989,989	4,776,234	4,079,366	4,448,291	4,519,618	4,648,970	
3,467,956	3,687,874	4,929,740	5,754,174	4,821,687	5,360,432	
1,281,964	1,114,914	945,580	1,154,365	1,549,980	1,431,491	
2,515,371	2,979,669	3,028,922	2,508,920	2,645,626	2,448,983	
17,313,523	17,862,844	18,045,224	18,224,122	20,513,978	21,015,530	
15,286,991	14,753,121	20,054,401	19,960,401	21,158,786	28,720,312	
1,992,715	2,091,942	2,017,672	2,177,017	2,032,136	2,111,408	
17,081,034	17,146,209	17,973,961	19,439,295	20,016,919	20,004,125	
6,113,262	6,475,311	5,746,112	5,943,872	6,352,651	6,577,118	
17,017,521	16,210,486	15,539,110	15,589,262	16,110,838	16,694,756	
34,371,988	33,994,410	33,584,074	33,555,362	36,252,895	36,117,099	
14,579,869	14,389,522	14,832,133	15,806,393	15,430,159	16,597,960	
3,642,831	3,999,646	3,654,680	3,168,921	2,819,235	2,834,704	
3,544,119	3,660,407	3,311,442	3,582,045	4,111,524	4,450,058	
59,890,757	51,900,047	46,634,963	54,096,140	49,573,330	29,045,882	
1,699,615	2,417,246	2,823,879	1,247,140	9,124,967	1,284,416	
21,481,477	22,668,538	18,460,021	21,809,640	23,393,611	22,127,839	
9,288,125	8,633,642	7,941,009	6,778,262	5,386,323	4,892,595	
<u>\$ 536,229,236</u>	<u>\$ 543,698,292</u>	<u>\$ 540,443,697</u>	<u>\$ 562,706,022</u>	<u>\$ 591,653,007</u>	<u>\$ 584,247,967</u>	
6.47%	6.39%	5.34%	5.45%	5.32%	4.87%	

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			
	2010	2011	2012	2013
Excess (deficiency) of revenues over (under) expenditures	\$ (9,858,918)	\$ (36,580,339)	\$ (57,485,121)	\$ (64,766,833)
Other Financing Sources (Uses)				
Long-term debt issued	-	114,841,000	-	-
Premium on sale of bonds	-	5,528,547	-	-
Inception of capital leases	-	10,254,654	5,163,158	8,006,208
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	1,762,564	10,000	373,873	-
Loss recoveries	86,780	12,861	11,880	80,556
Transfers in	48,333,427	49,578,490	47,359,586	51,432,335
Transfers out	(48,998,608)	(50,277,302)	(47,909,865)	(51,982,614)
Total other financing sources (uses)	<u>1,201,052</u>	<u>130,093,448</u>	<u>5,000,267</u>	<u>7,536,485</u>
Net change in fund balances	<u>\$ (8,657,866)</u>	<u>\$ 93,513,109</u>	<u>\$ (52,484,854)</u>	<u>\$ (57,230,348)</u>

Source: District records

Table 7

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ (40,739,823)	\$ (30,154,561)	\$ 3,017,183	\$ 9,031,327	\$ (5,044,903)	\$ 30,939,868
-	-	-	-	-	-
-	-	-	-	-	-
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	-	-	-	-	-
6,495	2,917	50,557	1,830	4,082	137,383
51,191,014	49,964,273	44,475,294	46,388,900	46,304,524	49,946,907
(51,741,293)	(50,514,552)	(51,866,171)	(46,966,810)	(46,882,434)	(49,946,907)
8,328,714	8,262,240	2,660,804	11,709,340	10,182,592	137,383
<u>\$ (32,411,109)</u>	<u>\$ (21,892,321)</u>	<u>\$ 5,677,987</u>	<u>\$ 20,740,667</u>	<u>\$ 5,137,689</u>	<u>\$ 31,077,251</u>

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

Table 8

Fiscal Year	Assessed Value		Less: Exemptions	Total Taxable Value	Total Direct Rate⁽¹⁾
	Residential and Commercial Property	Personal Property			
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
2019	69,788,283	2,671,051	9,739,156	62,720,178	7.003

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

⁽¹⁾ Per \$1,000 of assessed value

Source: Sarasota County Property Appraiser

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

Table 9

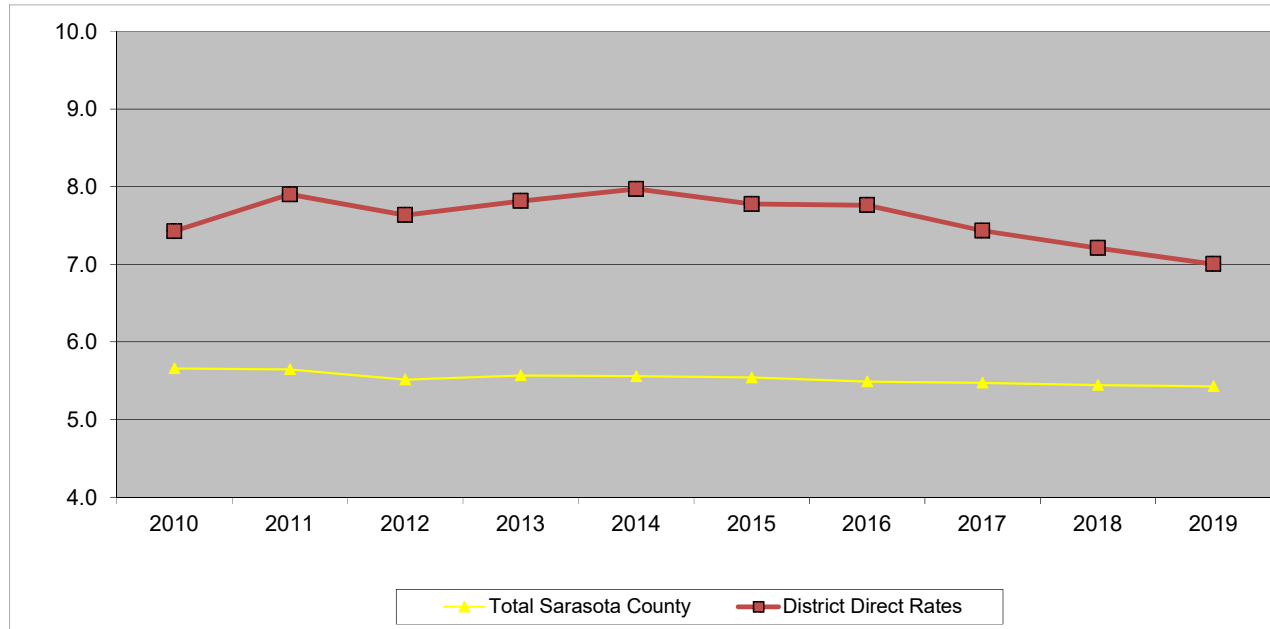
Fiscal Year	District Direct Rates			Overlapping Rates ⁽¹⁾				
	General Purposes	Capital Purposes	Total	Sarasota County	City of Sarasota	City of Venice	Town of Longboat Key ⁽²⁾	City of North Port
2010	5.927	1.500	7.427	5.659	3.152	3.004	1.709/2.170	3.340
2011	6.401	1.500	7.901	5.649	3.198	3.004	1.958/1.958	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
2019	5.503	1.500	7.003	5.428	3.515	4.338	2.337/2.862	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
Principal Property Taxpayers
Current Year and 9 Years Ago
(Unaudited)

Table 10

Taxpayer	2019 ⁽¹⁾			2010		
	Taxable Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Valuation	Rank	Percentage of Total Taxable Assessed Value
Florida Power & Light Co.	\$ 556,885,279	1	0.95 %	\$ 367,645,800	1	0.79 %
TB Mall at UTC LLC	254,400,344	2	0.44	-		-
Frontier Communications of America, Inc.	137,543,119	3	0.23	-		-
Publix Super Markets Inc.	114,093,371	4	0.19	-		-
SNF Property LLC	98,628,631	5	0.17	-		-
Sarasota Doctors Hospital	87,039,526	6	0.15	101,541,156	4	0.22
The Glenridge on Palmer Ranch	83,586,178	7	0.14	77,268,780	6	0.17
Wal-Mart Stores/Sam's East, Inc.	77,358,187	8	0.13	80,399,073	5	0.17
Taylor Morrison of Florida, Inc.	75,175,463	9	0.13	-		-
Comcast Cable Communications LLC	67,174,995	10	0.12	58,212,358	10	0.12
Sarasota Shoppingtown LLC				140,155,863	3	0.30
Verizon Florida LLC	-		-	268,633,075	2	0.58
Slab/Ritz Carlton Hotel Co.	-		-	74,936,067	7	0.16
Osprey S.A.	-		-	65,061,547	8	0.14
Venice HMA	-		-	60,781,742	9	0.13
Total	<u>\$ 1,551,885,093</u>		<u>2.65 %</u>	<u>\$ 1,294,635,461</u>		<u>2.78 %</u>

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

Table 11

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Delinquent Collections (1)	Total Fiscal Year Collections	
		Amount	Percentage of Levy		Amount (1)	Percentage of Levy
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
2019	439,229,406	424,861,359	96.73	222,514	425,083,873	96.78

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

(1) Net of allowable discounts

Source: Sarasota County Tax Collector and District records

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

Table 12

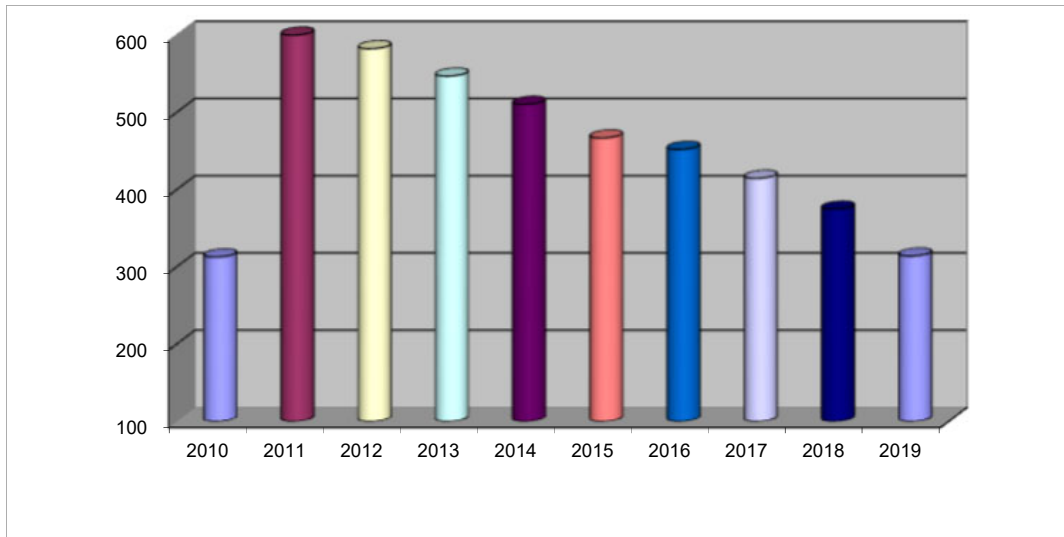
Governmental Activities								
Fiscal Year	State Board of Education Bonds	Qualified Zone Academy Bonds	Certificates of Participation	Race Track Revenue Bonds	Capital Leases	Total Primary Government	Percentage of Personal Income ⁽¹⁾	Per Capita ⁽¹⁾
2010	12,969	1,300	99,565	1,105	8,180	123,119	0.62	313
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	0.65	415
2018	4,590	1,300	124,358	-	26,166	156,414	N/A	375
2019	3,875	1,300	112,445	-	16,260	133,880	N/A	314

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
Direct and Overlapping Governmental Activities Debt
as of June 30, 2019
(dollars in thousands)
(Unaudited)

Table 13

	Debt Outstanding	Estimated Percentage Applicable to this Governmental Unit	Estimated Share of Overlapping Debt
Direct debt			
State Board of Education (SBE) Bonds	\$ 3,875	100.00 %	\$ 3,875
Qualified Zone Academy Bonds	1,300	100.00 %	1,300
Certificates of Participation	112,445	100.00 %	112,445
Capital Leases	16,260	100.00 %	16,260
Subtotal, direct debt	\$ 133,880		\$ 133,880
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 2019	
Assessed value 2019 tax roll	\$ 62,720,178
Limit of bonded indebtedness, 10% of net assessed taxable property value	6,272,018
Amount of debt applicable to the debt limit	133,880
Legal Debt Margin	<u>\$ 6,138,138</u>

	Fiscal Year			
	2010	2011	2012	2013
Debt limit	\$ 4,929,914	\$ 4,477,979	\$ 4,201,641	\$ 4,164,647
Total debt applicable to limit	<u>123,119</u>	<u>237,169</u>	<u>223,436</u>	<u>210,755</u>
Legal debt margin	<u>\$ 4,806,795</u>	<u>\$ 4,240,810</u>	<u>\$ 3,978,205</u>	<u>\$ 3,953,892</u>
Total debt applicable as a percentage of debt limit	2.50%	5.30%	5.32%	5.06%

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.

Table 14

Fiscal Year					
2014	2015	2016	2017	2018	2019
\$ 4,357,615	\$ 4,685,958	\$ 5,030,190	\$ 5,484,663	\$ 5,881,356	\$ 6,272,018
197,617	183,084	180,605	168,882	156,414	133,880
<u>\$ 4,159,998</u>	<u>\$ 4,502,874</u>	<u>\$ 4,849,585</u>	<u>\$ 5,315,781</u>	<u>\$ 5,724,942</u>	<u>\$ 6,138,138</u>
4.53%	3.91%	3.59%	3.08%	2.66%	2.13%

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

Table 15

Fiscal Year	Race Track Revenue Bonds ⁽¹⁾				State Board of Education Bonds			
	Racing Commission	Debt Service		Coverage	Motor Vehicle License	Debt Service		Coverage
	Funds	Principal	Interest		Tax	Principal	Interest	
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
2019	-	-	-	-	796,252	641,000	179,580	0.97

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

- (1) Bonds are issued by the District and secured from pari-mutuel tax proceeds distributed annually to Sarasota County from the State's Pari-Mutuel Tax Collection Trust Fund pursuant to Florida Statutes. Bonds were paid off in fiscal year 2013.
- (2) Excludes \$610,000 related to the refunding of the 2003A bonds.
- (3) Excludes \$745,000 related to the refunding of the 2004A bonds.
- (4) Excludes \$3,020,000 related to the refunding of the 2005B bonds.
- (5) Excludes \$1,710,000 related to the refunding of the 2006A and 2008A bonds.

Source: District records

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

Table 16

Calendar Year	Estimated Population⁽¹⁾	Personal Income⁽²⁾ (thousands of dollars)	Per Capita Personal Income	Student Membership⁽³⁾	Unemployment Rate⁽⁴⁾
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	25,785,640	61,523	42,810	3.9
2018	417,442	N/A	N/A	42,901	3.7
2019	426,275	N/A	N/A	43,119	3.4

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
Principal Employers
Current Year and 9 Years Ago
(Unaudited)

Table 17

Employer	2019			2010		
	Employees	Rank	Percentage of Total County Employment	Employees	Rank	Percentage of Total County Employment
School Board of Sarasota County, Florida	5,808	1	3.16%	5,548	1	3.73%
Sarasota Memorial Hospital	4,563	2	2.48%	3,092	3	2.08%
Sarasota County Government	3,620	3	1.97%	3,335	2	2.24%
Publix Super Markets, Inc.	3,490	4	1.90%	1,602	4	1.08%
PGT Industries	2,000	5	1.09%	913	5	0.61%
Venice Regional Medical Center	1,100	6	0.60%	830	6	0.56%
Sun Hydraulics Corporation	632	7	0.34%	640	9	0.43%
Tervis	570	8	0.31%	-	-	-
Shared Services Center	455	9	0.25%	-	-	-
FCCI Insurance Group	426	10	0.23%	-	-	-
City of Sarasota	-	-	-	740	8	0.50%
SunTrust Bank	-	-	-	819	7	0.55%
Comcast Cablevision	-	-	-	595	10	0.40%
Total	<u>22,664</u>		<u>12.33%</u>	<u>18,114</u>		<u>12.18%</u>
Total Sarasota County Employment	<u>183,655</u>			<u>148,879</u>		

Source: Economic Development Corporation Sarasota County, Florida Department of Economic Opportunity and Florida Department of Education Data Publications and Reports entitled "Staff in Florida's Public Schools survey 2" for each respective year. 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			
	2010	2011	2012	2013
Supervisory				
Administrators	40	39	40	40
Consultants/supervisors of instruction	6	8	7	9
Principals	54	45	54	53
Assistant principals	60	53	54	55
Curriculum coordinators	5	3	60	58
Total supervisory	165	148	215	215
Instruction				
Elementary classroom teachers	1,188	1,158	1,151	1,204
Secondary classroom teachers	1,037	1,057	1,055	1,080
ESE teachers	493	498	485	530
Other teachers (adult)	36	41	40	34
Other professionals (instructional)	155	163	131	132
Aides	542	543	516	547
Total instructional	3,451	3,460	3,378	3,527
Student Services				
Guidance counselors	85	86	78	78
Visiting teachers/Social workers	15	18	17	14
Psychologists	21	22	20	22
Librarians	14	15	15	15
Other professionals (non-instructional)	182	172	167	166
Technicians	92	90	84	86
SRO's	-	-	-	-
Total student services	409	403	381	381
Support and Administration				
Clerical/secretarial	360	350	277	284
Service workers	1,095	1,056	405	917
Skilled crafts	86	81	79	77
Unskilled laborers	52	51	43	43
Total support and administration	1,593	1,538	804	1,321
Total employees	5,618	5,549	4,778	5,444

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

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

Table 18

Fiscal Year					
2014	2015	2016	2017	2018	2019
43	40	40	41	45	47
10	12	13	13	13	15
53	51	53	59	54	54
60	61	63	64	83	84
62	61	66	67	68	69
228	225	235	244	263	269
1,230	1,248	1,245	1,267	1,282	1,264
1,101	1,127	1,136	1,151	1,181	1,183
536	541	547	547	545	513
29	29	27	29	35	45
133	135	147	143	155	165
568	571	570	572	594	598
3,597	3,651	3,672	3,709	3,792	3,768
87	93	92	94	103	102
13	13	13	12	12	12
21	20	21	23	21	22
1	1	1	-	-	-
191	190	193	200	200	206
67	69	69	67	70	76
-	-	-	-	-	27
380	386	389	396	406	445
288	289	290	291	298	306
936	895	910	854	923	911
79	79	79	77	71	71
38	39	36	36	35	38
1,341	1,302	1,315	1,258	1,327	1,326
5,546	5,564	5,611	5,607	5,788	5,808

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

Table 19

Fiscal Year	Operating Expenditures ⁽¹⁾	Fall Student Memberships ⁽²⁾	Cost per Pupil	Percentage Change	Teaching Staff	Pupil/Teacher Ratio
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
2019	495,147,638	43,119	11,483	2.46	3,005	14.3

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

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

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

Table 19
(continued)

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
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	174	(1) 3,827,944	77%	4,955,261
2019	180	3,553,287	72%	4,955,236

Note: (1) FY2018 Total days served changed to due our schools being closed due to Hurricane Irma.

Source: District records - Food Service Department Records

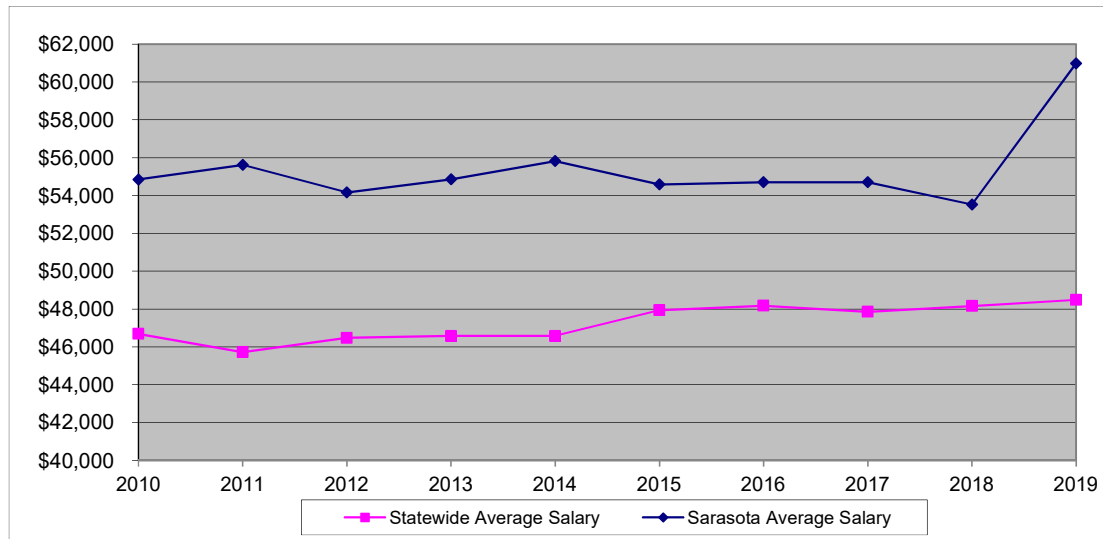
SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Teacher Salaries
Last 10 Fiscal Years
(Unaudited)

Table 20

Fiscal Year	Minimum Salary⁽¹⁾	Maximum Salary⁽¹⁾	Sarasota Average Salary⁽¹⁾	Statewide Average Salary⁽²⁾
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
2019	44,300	88,280	60,983 ⁽⁴⁾	48,486

Source: (1) District records
(2) Florida Department of Education
(3) Salary settlement effective 7/1/2017 consolidated longevity into base salary.
(4) Timing difference due to a 2 year salary settlement implemented March 2018, effective 7/1/2017.
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									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Elementary										
Alta Vista (1955)										
Square feet	122,455	122,455	122,455	122,455	122,455	143,145	141,577	141,577	141,577	141,577
Student Stations	967	953	953	953	953	848	848	848	848	848
Enrollment	640	624	575	563	639	634	681	661	589	545
Ashton (1976)										
Square feet	110,855	112,423	112,423	112,423	112,423	114,790	119,756	122,801	125,945	125,945
Student Stations	938	908	908	908	908	938	1,002	1,025	1,061	1,061
Enrollment	837	819	807	799	835	896	922	934	997	1,058
Atwater (2010)										
Square feet	134,578	130,501	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	1,028
Enrollment	686	672	705	711	731	717	712	696	710	665
Bay Haven (1926)										
Square feet	70,305	70,305	70,305	70,305	70,305	70,161	84,091	82,789	82,789	82,789
Student Stations	701	701	701	701	701	593	664	664	664	664
Enrollment	583	584	578	583	597	591	602	603	614	612
Emma Booker (1990)										
Square feet	119,105	119,105	119,105	119,105	119,105	118,290	120,672	126,809	126,809	126,809
Student Stations	882	882	882	882	882	917	972	977	977	977
Enrollment	490	522	513	521	519	550	556	551	539	560
Brentwood (1958)										
Square feet	137,040	137,040	133,899	133,899	133,899	134,499	134,499	134,559	134,559	134,559
Student Stations	1,061	1,043	1,043	1,043	1,043	1,043	1,043	1,043	1,043	1,043
Enrollment	674	656	651	647	640	669	720	695	680	655
Cranberry (2003)										
Square feet	132,377	131,474	129,122	129,122	129,122	128,340	128,340	128,340	128,340	128,340
Student Stations	1,043	985	985	985	985	957	957	957	957	957
Enrollment	810	747	747	765	756	792	772	745	718	683
Englewood (1958)										
Square feet	104,027	103,953	103,953	103,953	103,953	103,953	103,906	105,009	105,009	105,009
Student Stations	698	698	698	698	698	698	698	698	698	698
Enrollment	402	384	429	475	492	523	541	581	544	588
Fruitville (1941)										
Square feet	113,631	115,914	115,917	115,917	115,917	117,495	119,017	127,509	127,509	127,509
Student Stations	966	1,014	1,014	1,014	1,014	1,050	985	985	985	985
Enrollment	719	715	748	770	770	762	748	743	736	752
Garden (1974)										
Square feet	86,892	83,463	83,463	83,463	83,463	83,463	83,463	83,463	83,463	83,463
Student Stations	821	751	751	751	751	751	751	751	751	751
Enrollment	609	600	576	589	612	649	595	604	605	575
Glenallen (1984)										
Square feet	156,276	143,398	143,398	143,398	143,398	143,398	143,398	143,398	143,398	143,398
Student Stations	1,208	1,020	1,020	1,020	1,020	1,020	1,020	1,020	1,020	1,020
Enrollment	714	684	707	667	673	689	699	703	728	703
Gocio (1966)										
Square feet	119,353	119,353	120,261	120,261	120,261	118,906	119,784	112,726	112,855	112,855
Student Stations	1,111	844	844	844	844	1,069	1,015	931	931	931
Enrollment	755	749	783	762	700	668	638	646	644	625
Gulf Gate (2000)										
Square feet	154,265	154,265	154,265	154,265	154,265	154,264	154,265	154,265	154,265	154,265
Student Stations	913	913	913	913	913	913	913	913	913	913
Enrollment	735	751	767	709	752	749	724	730	716	710
Lakeview (1987)										
Square feet	83,967	83,967	82,395	82,395	82,395	80,094	80,094	79,310	79,310	79,310
Student Stations	922	922	922	922	922	886	886	868	868	868
Enrollment	697	635	648	604	575	607	588	599	608	599
Lamarque (2006)										
Square feet	158,185	164,485	164,485	164,485	164,485	162,113	162,113	157,397	157,397	157,397
Student Stations	1,282	1,430	1,430	1,430	1,430	1,376	1,376	1,260	1,260	1,260
Enrollment	1,044	1,013	946	870	876	805	808	810	842	856
Phillippi Shores (2005)										
Square feet	121,162	121,162	121,162	121,162	121,162	121,162	121,162	121,162	121,522	121,522
Student Stations	731	731	731	731	731	731	731	731	731	731
Enrollment	665	646	674	758	727	752	800	804	785	789
Southside (1926)										
Square feet	108,019	108,019	110,371	110,371	110,371	111,157	111,157	106,043	106,043	106,043
Student Stations	826	851	851	851	851	873	873	873	873	873
Enrollment	705	736	724	772	779	725	763	787	769	730
Tatum Ridge (2005)										
Square feet	129,646	129,651	129,651	129,651	129,651	128,068	128,068	124,128	125,694	125,694
Student Stations	889	893	893	893	893	875	807	789	825	825
Enrollment	805	754	724	685	696	669	656	673	680	671
Taylor Ranch (1989)										
Square feet	139,360	137,550	137,550	137,550	137,550	131,864	131,864	133,436	135,002	135,002
Student Stations	1,075	1,057	1,057	1,057	1,057	933	933	958	994	994
Enrollment	803	704	680	642	626	628	642	694	731	749
Toledo Blade (1992)										
Square feet	178,014	140,937	140,921	140,921	140,921	140,921	140,921	140,708	140,708	140,708
Student Stations	1,761	987	987	987	987	987	1,002	1,002	1,002	1,002
Enrollment	677	646	652	662	747	741	722	720	763	758
Tuttle (1998)										
Square feet	122,387	133,027	133,027	133,027	133,027	124,748	124,748	124,748	124,748	124,748
Student Stations	921	921	921	921	921	967	967	967	967	967
Enrollment	629	626	661	671	680	703	695	772	732	704
Venice (2005)										
Square feet	131,371	131,371	131,371	131,371	131,371	131,315	131,315	131,315	131,315	131,315
Student Stations	828	784	784	784	784	784	784	784	784	784
Enrollment	609	603	597	577	601	592	585	576	578	570
Wilkinson (2005)										
Square feet	144,862	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	553	529	502	506	513	480	434	474	485	511

Table 21

School	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Middle										
Booker (1992)										
Square feet	209,394	209,394	209,394	209,394	209,394	209,363	208,432	247,164	247,164	247,164
Student Stations	2,014	1,810	1,810	1,810	1,810	2,011	2,022	2,022	2,022	2,022
Enrollment	887	854	645	810	848	850	781	798	789	805
Brookside (1999)										
Square feet	208,812	208,812	208,812	208,812	208,812	208,678	208,678	208,678	208,678	208,678
Student Stations	1,649	1,484	1,484	1,484	1,484	1,649	1,649	1,649	1,649	1,649
Enrollment	1,077	1,036	898	844	820	816	833	800	750	755
Heron Creek (2003)										
Square feet	219,903	218,937	218,937	218,937	218,937	214,095	214,095	214,095	214,095	214,095
Student Stations	1,897	1,643	1,643	1,643	1,643	1,724	1,724	1,724	1,724	1,724
Enrollment	1,176	1,116	1,052	879	872	865	873	877	842	863
McIntosh (1961)										
Square feet	218,814	219,237	219,237	219,237	219,237	219,187	219,187	216,948	216,948	216,948
Student Stations	1,437	1,275	1,275	1,275	1,275	1,439	1,439	1,439	1,439	1,439
Enrollment	891	867	879	853	803	682	678	699	737	714
Sarasota (1992)										
Square feet	185,264	185,264	189,980	189,980	189,980	183,187	183,187	185,539	185,539	185,539
Student Stations	1,698	1,508	1,508	1,508	1,508	1,654	1,654	1,710	1,710	1,710
Enrollment	1,142	1,142	1,149	1,210	1,218	1,271	1,271	1,292	1,232	1,244
Venice (1984)										
Square feet	170,061	169,752	169,752	169,752	169,752	169,752	169,752	169,783	169,783	169,783
Student Stations	1,664	1,497	1,497	1,497	1,497	1,663	1,663	1,661	1,661	1,661
Enrollment	755	731	639	618	549	543	554	628	680	786
Woodland (2008)										
Square feet	250,557	227,483	227,483	227,483	227,483	227,483	227,483	227,483	227,483	227,483
Student Stations	1,567	1,410	1,410	1,410	1,410	1,567	1,567	1,567	1,567	1,567
Enrollment	767	669	657	752	832	858	859	821	915	941
High										
Booker (2011 rebuilt)										
Square feet	366,630	299,500	269,174	269,174	269,174	290,080	290,129	290,129	290,129	290,129
Student Stations	2,272	3,821	3,821	3,821	3,821	1,616	1,616	1,616	1,616	1,616
Enrollment	1,142	1,073	1,017	985	1,100	1,094	1,171	1,210	1,231	1,285
NorthPort (2001)										
Square feet	476,402	481,947	479,575	479,575	479,575	480,339	480,339	480,339	479,575	479,575
Student Stations	3,040	2,842	2,842	2,842	2,842	2,992	2,992	2,992	2,992	2,992
Enrollment	2,587	2,472	2,334	2,266	2,267	2,325	2,360	2,300	2,362	2,344
Riverview (2008 rebuilt)										
Square feet	495,696	494,051	494,051	494,051	494,051	490,804	490,804	490,866	490,758	490,758
Student Stations	2,936	2,786	2,786	2,786	2,786	2,786	2,786	2,786	2,786	2,786
Enrollment	2,670	2,742	2,640	2,638	2,560	2,492	2,491	2,547	2,595	2,607
Sarasota (1951)										
Square feet	459,673	462,600	462,600	462,600	462,600	458,594	463,382	410,249	410,249	410,249
Student Stations	3,298	2,516	2,516	2,516	2,516	3,148	3,148	2,775	2,775	2,775
Enrollment	2,235	2,018	1,965	1,968	2,016	2,129	2,086	2,128	2,118	2,145
Suncoast Polytechnical (2008)										
Square feet	78,177	78,177	78,177	78,177	78,177	78,177	78,177	78,177	78,177	78,177
Student Stations	606	545	545	545	545	606	606	606	606	606
Enrollment	308	436	549	525	528	541	570	567	560	565
Venice (2011 rebuilt)										
Square feet	364,482	550,330	541,926	541,926	541,926	417,896	412,168	415,691	415,691	415,691
Student Stations	2,941	4,854	4,854	4,854	4,854	2,207	2,207	2,207	2,207	2,207
Enrollment	1,960	1,951	1,899	1,870	1,909	1,953	2,113	2,087	2,169	2,238
Other										
Laurel Nokomis (1991)										
Square feet	216,122	215,197	221,485	221,485	221,485	205,937	205,937	210,007	210,007	210,007
Student Stations	2,237	1,963	1,963	1,963	1,963	2,013	2,008	1,926	1,926	1,926
Enrollment	1,080	1,096	1,089	988	1,014	1,030	1,076	1,152	1,138	1,183
Oak Park (1993)										
Square feet	169,171	169,171	169,171	169,171	169,171	168,345	169,913	169,913	166,769	166,769
Student Stations	706	666	666	666	666	716	716	716	686	686
Enrollment	428	393	349	342	333	345	301	308	307	325
Pineview (1993)										
Square feet	225,269	225,269	225,269	225,269	225,269	228,149	235,999	234,863	234,863	234,863
Student Stations	2,464	1,974	1,974	1,974	1,974	2,238	2,557	2,557	2,557	2,557
Enrollment	2,170	2,210	2,196	2,266	2,146	2,187	2,174	2,051	1,967	1,924
Phoenix Academy (2005)										
Square feet	26,863	26,863	26,863	26,863	-	-	-	-	-	-
Student Stations	288	288	288	288	-	-	-	-	-	-
Enrollment	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, 2019

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 the 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

**Report of Independent Auditor 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***

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the School Board of Sarasota County, Florida (the "District") as of and for the year ended June 30, 2019, 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 11, 2019.

Internal Control over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

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

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

Tampa, Florida
December 11, 2019

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

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

Report on Compliance for Each Major Federal Program

We have audited the School Board of Sarasota County, Florida's (the "District") compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2019. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with 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 year ended June 30, 2019.

Report on Internal Control over Compliance

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

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

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

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

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

Tampa, Florida
December 11, 2019

SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA
Schedule of Expenditures of Federal Awards
For the Fiscal Year End June 30, 2019

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	\$ -	\$ 2,171,461
National School Lunch Program	10.555	18001, 18003	-	9,200,552
National School Lunch Program-Non Cash Assistance	10.555	18001, 18003	-	1,503,146
Summer Food Service Program for Children	10.559	17006, 17007, 18006, 18007	-	222,051
Total Child Nutrition Cluster			-	13,097,210
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	-	732,331
Total Student Financial Assistance Cluster			-	817,331
Special Education Cluster:				
United States Department of Education:				
Special Education - Grants to States:	84.027			
Florida Department of Education		262, 263	586,765	10,159,536
Putnam County District School Board		None	-	24,963
Project 10: Transition Education Network-University of South Florida		None	-	848
Manatee County District School Board		None	-	12,487
Total Special Education - Grants to States			586,765	10,197,834
Special Education - Preschool Grants:	84.173			
Florida Department of Education		266, 267	-	372,950
Total Special Education Cluster			586,765	10,570,784
Not Clustered				
United States Department of Agriculture:				
Team Nutrition Grants	10.574	N/A	-	-
Farm to School Grant Program	10.575	N/A	-	8,354
Florida Department of Health:				
Child and Adult Care Food Program	10.558	4161	-	567,796
Florida Department of Agriculture and Consumer Services:				
Farm to School Grant Program	10.575	None	-	75,000
Child Nutrition Discretionary Grant	10.579	None	-	36,339
Fresh Fruit and Vegetable Program	10.582	18004	-	56,300
Total United States Department of Agriculture			-	743,789
United States Department of Commerce:				
NOAA Mission-Related Education Awards	11.008	N/A	-	29,247
United States Department of Defense:				
Army Junior Reserve Officers Training Corps	12.UNK	N/A	-	241,918
Marine Junior Reserve Officers Training Corps	12.UNK	N/A	-	79,144
Navy Junior Reserve Officers Training Corps	12.UNK	N/A	-	78,356
Total United States Department of Defense			-	399,418
United States Department of Education:				
Safe and Drug-Free Schools and Communities-National Programs	84.184	N/A	-	523,716
Arts in Education	84.351	N/A	-	256,863
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	577,349	7,948,346
Career and Technical Education - Basic Grants to States	84.048	161	-	492,119
Education for Homeless Children and Youth	84.196	127	-	71,250
Public Charter School Grants	84.282	298	1,139	1,139
English Language Acquisition State Grants	84.365	102	-	373,725
Supporting Effective Instruction State Grants	84.367	224	47,320	968,688
Student Support and Academic Enrichment Program	84.424	241	32,237	416,267
Hurricane Relief Act	84.938	107	60,614	613,962
Total United States Department of Education			718,659	12,058,908
United States Department of Homeland Security:				
Florida Division of Emergency Management:				
Disaster Grants-Public Assistance (Presidentially Declared Disasters)	97.036	Z0117	-	294,656
Total Expenditures of Federal Awards			\$ 1,305,424	\$ 38,011,343

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, 2019

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, 2019. 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.

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

FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Part I — Summary of Auditor's Results

Financial Statement Section

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? yes x no

Significant deficiency(ies) identified that are
not considered to be a material weakness(es)? yes x none reported

Noncompliance material to financial
statements noted? yes x no

Federal Awards Section

Internal control over major programs:

Material weakness(es) identified? yes x no

Significant deficiency(ies) identified that are
not considered to be a material weakness(es)? yes x none reported

Type of auditor's report on compliance for
major programs: Unmodified

Any audit findings disclosed that are
required to be reported in accordance with
2 CFR 200.516(a) yes x no

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

FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Part I — Summary of Auditor's Results (continued)

Federal Awards Section (continued)

Identification of major programs:

<u>Name of Program or Cluster</u>	<u>CFDA Number</u>
Special Education Cluster	84.027 & 84.173
Student Financial Assistance Program	84.007 & 84.063

Dollar threshold used to determine Type A programs:

Federal	\$ 1,140,340
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Auditee qualified as low-risk auditee for federal purposes?	<u> x </u> yes <u> </u> no
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SCHOOL BOARD OF SARASOTA COUNTY, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

FOR THE FISCAL YEAR ENDED JUNE 30, 2019

Part II — Financial Statement Findings

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

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

Part III — Findings and Questioned Costs - Major Federal Awards

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

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

Summary Schedule of Prior Audit Findings

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

Independent Auditor's Management Letter

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

Report on the Financial Statements

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the School Board of Sarasota County, Florida (the "District") as of and for the year ended June 30, 2019 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 11, 2019. We did not audit the financial statements of the aggregate discretely presented component units; those financial statements were audited by other auditors.

Auditor's Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; 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); and Chapter 10.800, Rules of the Auditor General.

Other Reporting Requirements

We have issued our Report of Independent Auditor on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*, Report of Independent Auditor on Compliance for Each Major Program and on Internal Control over Compliance Required by the Uniform Guidance, Schedule of Findings and Questioned Costs, and Report of the Independent Accountant on Compliance with Local Government Investment Policies. Disclosures in those reports and schedule, which are dated December 11, 2019, should be considered in conjunction with this management letter.

Prior Audit Findings

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

Financial Condition and Management

Section 10.804(1)(f)2., Rules of the Auditor General, requires us to communicate whether or not the District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the specific conditions met. In connection with our audit, we determined that the District did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

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

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

Transparency

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

Additional Matters

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

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, Federal and other granting agencies, District School Board members, and applicable management and is not intended to be, and should not be, used by anyone other than these specified parties.

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

Tampa, Florida
December 11, 2019

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

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

We have examined the School Board of Sarasota County, Florida's (the "District") compliance with the local government investment policy requirements of Section 218.415, Florida Statutes, during the year ended June 30, 2019. Management of the District is responsible for the District's compliance with the specified requirements. Our responsibility is to express an opinion on the District's compliance with the specified requirements based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the District complied, in all material respects, with the specified requirements referenced above. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material noncompliance, whether due to fraud or error. We believe that the evidence obtained is sufficient and appropriate to provide a reasonable basis for our opinion.

Our examination does not provide a legal determination on the District's compliance with the specified requirements.

In our opinion, the District complied, in all material respects, with the local investment policy requirements of Section 218.415, Florida Statutes during the year ended June 30, 2019.

The purpose of this report is to comply with the audit requirements of Section 218.415, Florida Statutes, and Rules of the Auditor General.



Tampa, Florida
December 11, 2019