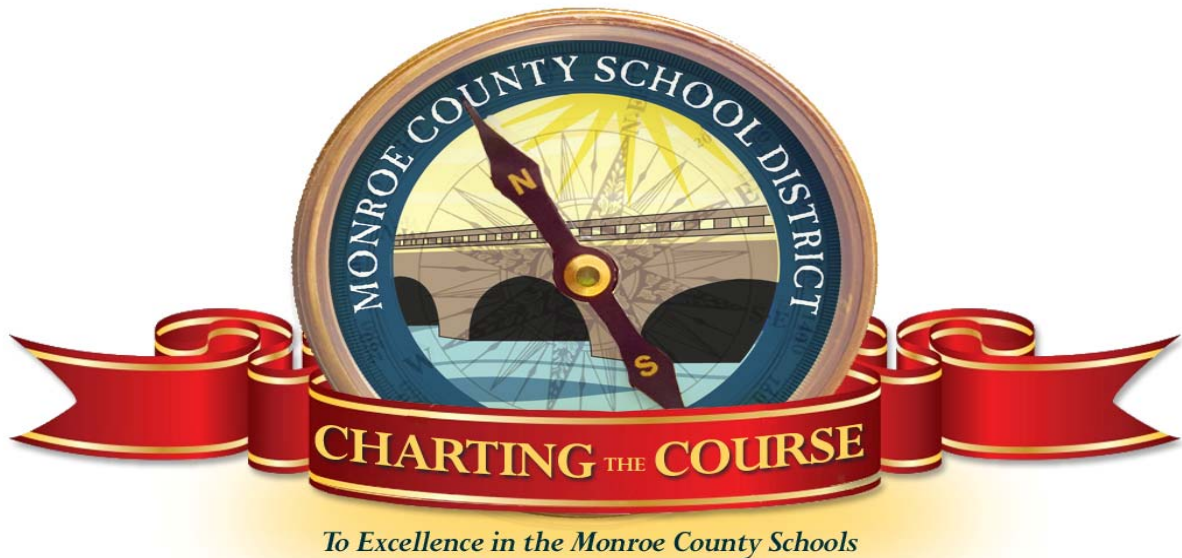
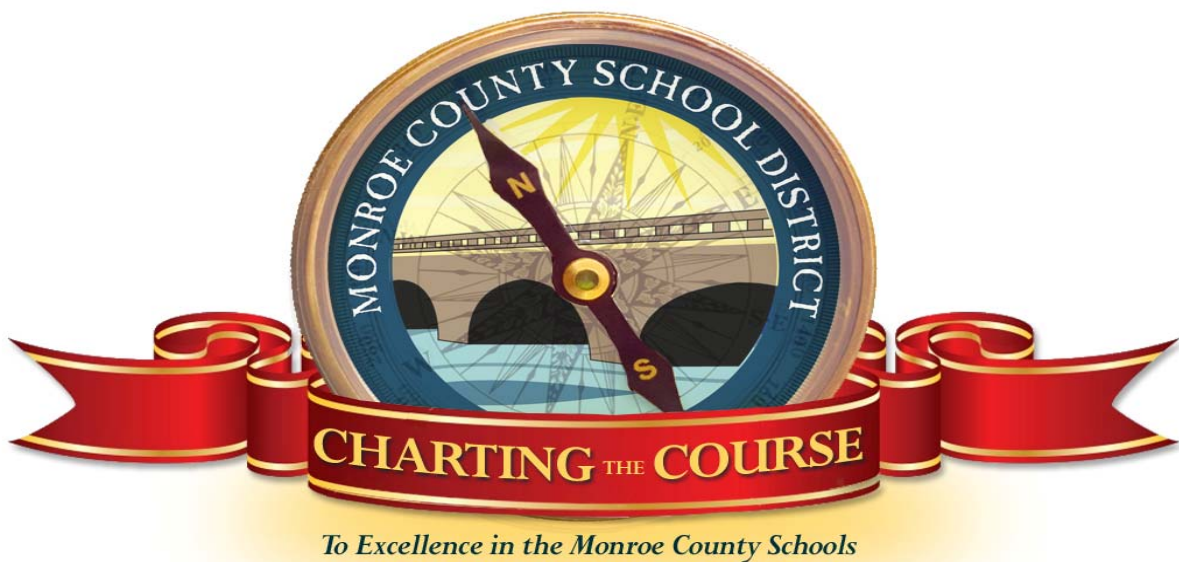


Comprehensive Annual Financial Report
Monroe County School District, Florida
For the Fiscal Year Ended June 30, 2018



Monroe County School District
Key West, Florida

Comprehensive Annual Financial Report
Monroe County School District, Florida
For the Fiscal Year Ended June 30, 2018



Mark T. Porter, Superintendent

Prepared by the
Finance Department

Monroe County School District
241 Trumbo Road
Key West, Florida 33040

www.keysschools.com

MONROE COUNTY SCHOOL DISTRICT, FLORIDA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Fiscal Year Ended June 30, 2018

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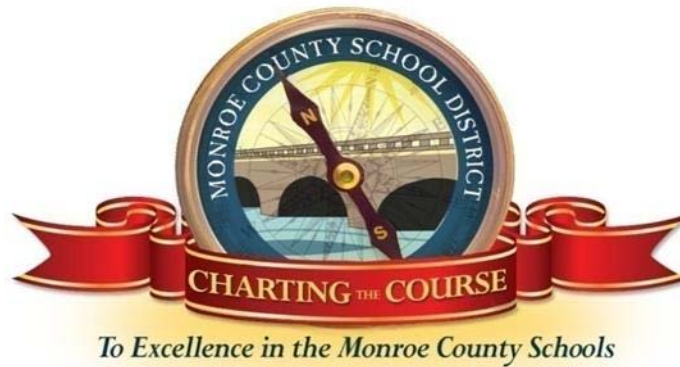
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MARK T. PORTER
Superintendent of Schools



Members of the Board

District # 1
BOBBY HIGHSMITH
Chairman

District # 2
ANDY GRIFFITHS

District # 3
MINDY CONN
Vice-Chairman

District # 4
JOHN R. DICK

District # 5
DR. SUE WOLTANSKI

December 14, 2018

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

We are pleased to submit to you the Comprehensive Annual Financial Report (the "CAFR") of the District School Board of Monroe County (the "District"). State law requires that all school districts publish, after the close of each fiscal year, a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP), and audited in accordance with governmental auditing standards generally accepted in the United States of America by a licensed certified public accountant. Responsibility for the accuracy, completeness and fairness of the information presented, including all disclosures, rests with the District's management. This report will provide the stakeholders of the school district with comprehensive financial data in a format enabling them to gain an understanding of the financial affairs and standing of the District.

This report consists of management's representations concerning the finances of the District. Consequently, management assumes full responsibility for the completeness and reliability of all the information presented in this report. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to protect District assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

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

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www.KeysSchools.com

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 the Single Audit Act of 1996 and 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 basic 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, Schedule of Findings and Questioned costs, Summary Schedule of Prior Audit Findings, and the independent auditor's reports on of internal control over financial reporting 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 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.

Profile of the School District

The District and its governing body (School 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 District school officials in accordance with Chapter 1001.30, Florida Statutes. The District consists of five elected officials responsible for the adoption of policies, which govern the operation of public schools in Monroe County. The Superintendent of Schools (Superintendent) is responsible for the administration and management of the schools within the applicable parameters of Florida Statutes, State Board of Education (SBE) 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 SBE Rule 6A-1.001, Florida Administrative Code.

The geographic boundaries of the District are those of Monroe County. The County is comprised of a string of subtropical islands that stretch more than one hundred miles into the Atlantic Ocean covering approximately 983 square miles of land mass. These islands are connected in a chain-like fashion to the mainland by a series of 42 bridges. The County seat, Key West, is approximately 150 miles southwest of Miami and 90 miles north of Cuba. The County operates under a constitution adopted in 1823 and has a current estimated population of 77,295 persons. Within its borders are five municipalities: Islamorada, Key Colony Beach, Key West, Layton, and Marathon.

This report contains the audited financial statements of all operations over which the School Board is financially accountable. Various component units were evaluated to determine whether they should be considered as part of the District's reporting entity. Accordingly, included are all funds of the District, the Monroe School Board Leasing Corporation, and six charter schools. The Monroe School Board Leasing Corporation was formed by the School Board to be lessor in connection with financing the acquisition and/or

construction of certain educational facilities. The charter schools are public schools operating under performance contracts with the District.

During the 2017-2018 fiscal year, the District operated 10 schools, including 3 elementary schools, 4 K-8 schools, a combination middle high school, 2 high schools; sponsored 6 charter schools that are component units of the District and reported serving approximately 8,125 unweighted full-time equivalent students. For the 2018-2019 fiscal year no significant increase of unweighted full-time equivalent students is expected.

The District receives the majority of its operating funds through a State funding formula that is intended to equalize funding received from the State and local property tax between districts within the State. Charter schools operating through a contract with the District are provided with their proportionate share of these funds, based on the number of reported full-time equivalent students enrolled at the charter schools.

The District serves students from infants through adults. Students in the District represent a diverse community of learners, including a variety of ethnic and cultural backgrounds. The student population breaks down as follows: 45.6 percent White Non-Hispanic, 38.9 percent Hispanic, 10.7 percent Black Non-Hispanic and 4.8 percent are Asian/ Pacific Islander or other. In addition to the various educational programs offered to K-12 students, the District offers pre-kindergarten services including: programs for babies of teen parents who are progressing toward achieving high school diplomas; pre-kindergarten programs for three and four year old disabled students; programs for eligible low income and at-risk students; and voluntary pre-kindergarten services for four year-old students.

The District also offers programs for adults to learn the necessary skills in order to enter the workforce or increase opportunities for advancement in current positions. Also, students from foreign countries have the opportunity to learn communication skills through the District's English for Speakers of Other Languages (ESOL) programs, and all citizens can take fee supported courses to increase personal development in various subjects.

The annual budget serves as the foundation for the District's financial planning and control. The District establishes and maintains budgetary controls, the objective of which is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the District. Activities of all governmental fund types are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot exceed the appropriated amount) is established at the object level for all funds.

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

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

Economic Condition and Outlook

The population of Monroe County increased from approximately 73,209 in 2010 to a population of 77,295 in 2018 or 5.8 percent. The Florida Price Level Index prepared for the Florida Department of Education (FDOE) now ranks Monroe County 2nd out of 67 counties in the State. In the 2016-17 fiscal year, Monroe County ranked 3rd in the State.

Due to the County's unique geography, tourism is significant part of the local economy making the Florida Keys and Key West a major domestic and international tourist destination. Five of the ten top taxpayers are in the hospitality industry. Sales tax collections decreased approximately 4.2 percent in the 2017-18 fiscal year because of Hurricane Irma. The assessed tax roll increased by \$2.2 billion or 9.04 percent. Unemployment in Monroe County is 3.2 percent which is less than the State average of 3.9 percent.

The District recognizes that continued enhancement of the local economy is of mutual benefit to both the District and Monroe County and an excellent system of public education is a significant factor in attracting new business and industry to the county. The District is one of the county's largest employers, employing approximately 1,100 full and part-time employees, mostly teachers.

Major Initiatives

Charting the Course to Excellence – The School Board approved the adoption of a new Strategic Plan, *Charting the Course of Excellence*, in October of 2013 and its implementation is ongoing. *Charting the Course to Excellence* is the result of many hours of teamwork performed by Monroe County community leaders and District employees who took on the task of redefining the path of education for our students. During that time the District developed a mission and vision statement, identified strategic objectives and goals necessary to carry out that mission, and established action plans to lead the District through the mission. The strategic planning team also identified six strategic objectives to accomplish the *Charting the Course to Excellence* mission. This cumulative and continuous effort resulted in the creation of the District's mission statement: *"The mission of the Monroe County School District is to empower all students to become responsible and contributing global citizens."*

Strategic objectives were identified as necessary steps to achieve our mission and vision. Those objectives were identified as: 1) Climate and Culture for Excellence; 2) Outstanding Student Achievement; 3) Effective Communication and Community Engagement; 4) High Performing Workforce; 5) Leader in Technology and Innovation; and 6) Accountable Resource Management. From these objectives several goal areas were established and action plans created to achieve those goal areas. Progress as it relates to the strategic objectives is measured on an annual basis.

Accomplishments - One of the ways to judge a school district is to compare the results of its students on national and statewide testing and the accomplishments of its staff. The District believes that its students and staff have performed well based on various tests and accomplishments. Thirteen of sixteen Monroe County Schools (including charters) received an "A" or "B". Of those thirteen, nine schools earned an "A". In addition, the District received district-wide accreditation from AdvancEd Accreditation Commission in the

2014-15 fiscal year. This honor was the result of a lot of hard work by the school board and staff to ensure a quality education for all students.

Long-Term Financial Planning

Providing adequate facilities to all students is fundamental to maintaining an effective education system. It speaks to a range of standards, including safety, class size, and equity. The District's school building ages, including major additions, range from 1971 to 2013. The District has a facilities plan to rebuild, remodel, and renovate schools and sites, which shall take place over a number of years.

The District follows procedures established by State Law 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 object level (e.g. salaries, benefits, capital outlay and purchased services) within each activity (e.g. instruction, student transportation services, and school administration) and may be amended by resolution at any Board meeting prior to the due date for the annual financial report.

Unassigned fund balance in the General Fund is 6.7 percent of total General Fund expenditures and assigned and unassigned fund balance in the General Fund (6.9 percent of General Fund expenditures) exceeds the District policy of 5 percent of General Fund annual expenditures, as described below. During the initial planning of the budget each year, the District budgets the amount of unassigned fund balance from the previous year as the budgeted beginning fund balance in the subsequent fiscal year.

Relevant Financial Policies

The policy of the Board is to contain costs so that annual expenditures do not exceed the annual resources. Furthermore, the Board shall maintain a fund balance in its operating funds that are not classified as restricted, committed, or non-spendable at a minimum of 5 percent of the annual General Fund expenditures. However, it is the Board's intent to be in the upper quartile of Florida school districts in fund balance annually. This will be achieved through prudent fiscal management.

Acknowledgements

The Association of School Business Officials International (ASBO) awarded *The Certificate of Excellence in Financial Reporting* to the Monroe County School District for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2017. This was the fourth year that the District received this prestigious award. In order to be awarded *The Certificate of Excellence in Financial Reporting* from ASBO, the District must publish an easily readable and efficiently organized CAFR. This report satisfies both GAAP and applicable legal requirements. The Certificate of Excellence is valid for a period of one year only. We believe that our CAFR continues to meet the Certificate of Excellence program requirements and we are submitting it to ASBO to determine its eligibility for award of the certificate.

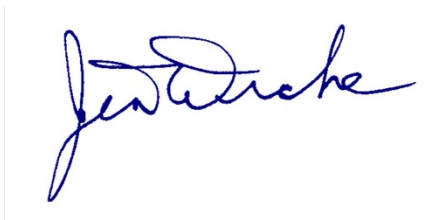
The preparation of the CAFR was made possible by the dedicated service of the entire staff of the District's Finance Department, whose hard work and excellence once more prevails. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report.

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, in an accountable and progressive manner. We also thank the citizens of Monroe County, whose cooperation, support and assistance have contributed greatly to the successful operation of this innovative school system.

Sincerely yours,

A handwritten signature in blue ink, appearing to read "Mark T. Porter". The signature is fluid and cursive, with the first name "Mark" being more prominent.

Mark T. Porter
Superintendent of Schools

A handwritten signature in blue ink, appearing to read "Jim Drake". The signature is fluid and cursive, with the first name "Jim" being more prominent.

Jim Drake, CPA
Executive Director of Finance and Performance

MONROE COUNTY SCHOOL BOARD, FLORIDA
SCHOOL BOARD MEMBERS



Mr. Bobby Highsmith, Chairman
Member from District 1
Member since November 2014
Current term expires November 2022



Ms. Mindy Conn, Vice Chair
Member from District 3
Member since November 2016
Current term expires November 2020



Mr. Andy Griffiths
Member from District 2
Member since November 1992
Current term expires November 2020



Mr. John R. Dick
Member from District 4
Member since November 2006
Current term expires November 2022



Dr. Sue Woltanski
Member from District 5
Member since November 2018
Current term expires November 2022

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
LIST OF PRINCIPAL OFFICIALS - APPOINTED

Mark T. Porter, Superintendent

Theresa Axford, Executive Director of Teaching and Learning

Patrick Lefere, Executive Director of Operations and Planning

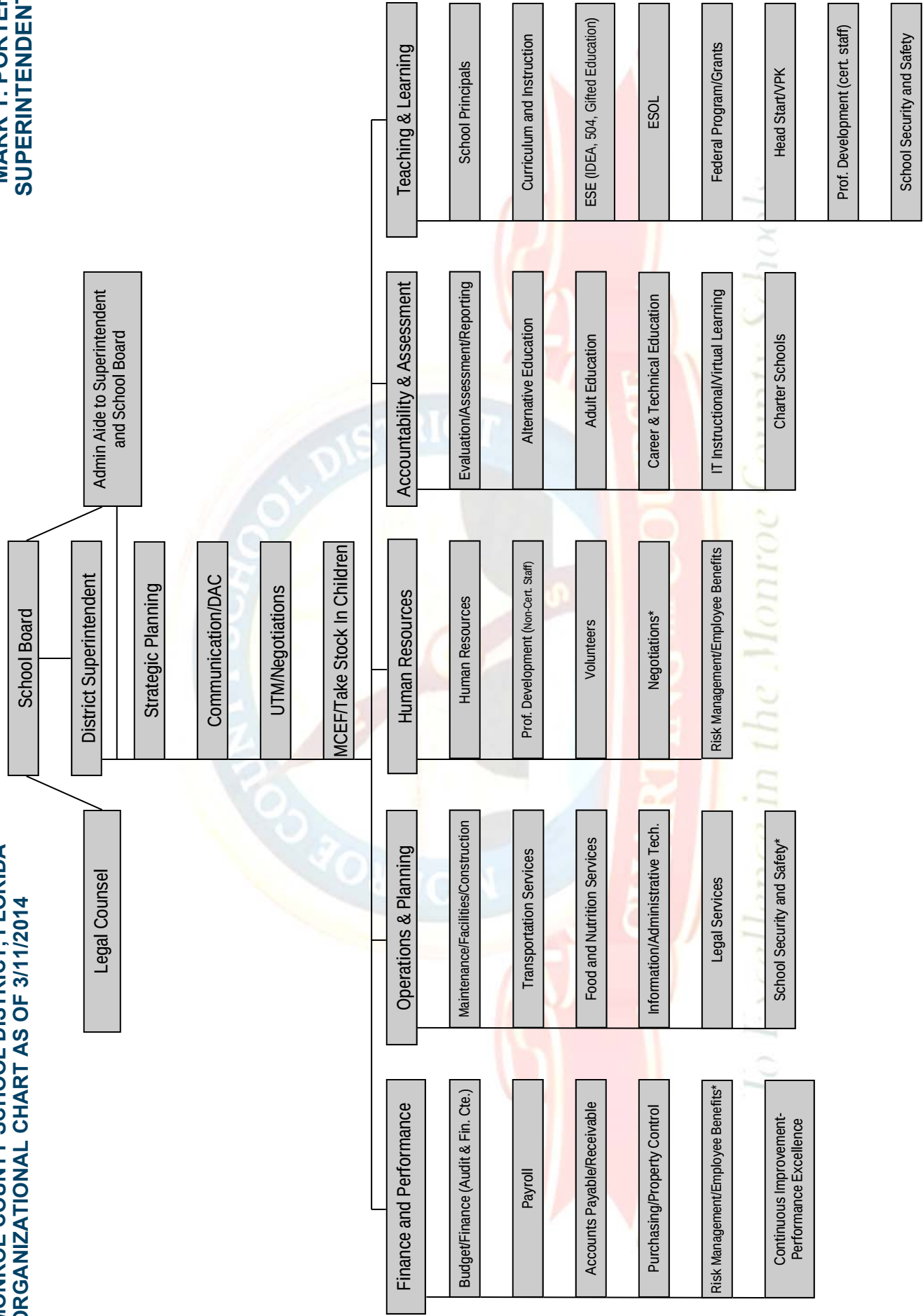
Dr. Ramon Dawkins, Executive Director of Human Resources

Dr. Dave Murphy, Executive Director of Accountability and Assessment

Jim Drake, CPA, Executive Director of Finance and Performance

**MONROE COUNTY SCHOOL DISTRICT, FLORIDA
ORGANIZATIONAL CHART AS OF 3/11/2014**

**MARK T. PORTER
SUPERINTENDENT**





ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

Monroe County School District, Florida

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

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



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

John D. Musso, CAE
Executive Director



Sherrill F. Norman, CPA
Auditor General

AUDITOR GENERAL STATE OF FLORIDA

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



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

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

INDEPENDENT AUDITOR'S REPORT

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 Monroe County District School Board, as of and for the fiscal year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the school internal funds, which represent 9 percent of the assets and 27 percent of the liabilities of the aggregate remaining fund information. In addition, we did not audit the financial statements of the aggregate discretely presented component units, which represent 100 percent of the transactions and account balances of the aggregate discretely presented component units' columns. Those statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for the school internal funds and the aggregate discretely presented component units, are based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the Monroe County District School Board, as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparisons for the general and major special revenue funds for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

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

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that **MANAGEMENT'S DISCUSSION AND ANALYSIS**, the **Schedule of Changes in the District's Total OPEB Liability and Related Ratios**, **Schedule of Changes in Net Pension Liability and Related Ratios – Early Retirement Plan**, **Schedule of Employer Contributions – Early Retirement Plan**, **Schedule of Investment Returns – Early Retirement Plan**, **Schedule of the District's Proportionate Share of the Net Pension Liability – Florida Retirement System Pension Plan**, **Schedule of District Contributions – Florida Retirement System Pension Plan**, **Schedule of the District's Proportionate Share of the Net Pension Liability – Health Insurance Subsidy Pension Plan**, and **Schedule of District Contributions – Health Insurance Subsidy Pension Plan**, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate

operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary and Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The combining and individual fund statements and schedules, and the introductory and statistical sections, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Also, the accompanying **SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**, as required by Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the basic financial statements.

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

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

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued a report dated December 12, 2018, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, rules, regulations, contracts, and grant agreements and other matters included under the heading **INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the District's internal control over financial reporting or on compliance.

That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

Respectfully submitted,

A handwritten signature in blue ink that reads "Sherrill F. Norman". The signature is fluid and cursive, with the first name "Sherrill" and last name "Norman" clearly legible, and "F." as a small initial between them.

Sherrill F. Norman, CPA
Tallahassee, Florida
December 12, 2018
Audit Report No. 2019-078

MANAGEMENT'S DISCUSSION AND ANALYSIS

The management of the Monroe County District School Board has prepared the following discussion and analysis to provide an overview of the District's financial activities for the fiscal year ended June 30, 2018. The information contained in the Management's Discussion and Analysis (MD&A) is intended to highlight significant transactions, events, and conditions and should be considered in conjunction with the District's financial statements and notes to financial statements found immediately following the MD&A.

FINANCIAL HIGHLIGHTS

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

- As of June 30, 2018, the assets and deferred outflows of resources exceed the liabilities and deferred inflows of resources by \$261.9 million.
- In total, net position decreased \$1.4 million, which represents a 0.5 percent decrease from the 2016-17 fiscal year, primarily due to the implementation of Governmental Accounting Standards Board (GASB) Statement No. 75, which resulted in a decrease in beginning net position of \$5.3 million. For more information on this adjustment, please refer to the notes to financial statements, Note II.
- General revenues total \$136.4 million, or 96.6 percent of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions total \$4.8 million, or 3.4 percent of all revenues.
- Expenses total \$137.4 million. Only \$4.8 million of these expenses was offset by program specific charges, with the remainder paid from general revenues.
- At the end of the current fiscal year, the fund balance of the General Fund totals \$7.7 million, which is \$2.2 million less than the prior fiscal year balance. The General Fund assigned and unassigned fund balances totaled \$7.2 million, or 7.5 percent of total General Fund revenues.
- Capital related debt increased by \$28 million, or 24.1 percent, due to the issuance of certificates of participation.

OVERVIEW OF FINANCIAL STATEMENTS

The basic financial statements consist of three components: (1) government-wide financial statements; (2) fund financial statements; and (3) notes to financial statements. This report also includes supplementary information intended to furnish additional details to support the basic financial statements.

Government-wide Financial Statements

The government-wide financial statements provide both short-term and long-term information about the District's overall financial condition in a manner similar to those of a private-sector business. The statements include a statement of net position and a statement of activities that

are designed to provide consolidated financial information about the governmental activities of the District presented on the accrual basis of accounting. The statement of net position provides information about the District's financial position, its assets, liabilities, and deferred inflows/outflows of resources, using an economic resources measurement focus. Assets plus deferred outflows of resources, less liabilities and deferred inflows of resources, equals net position, which is a measure of the District's financial health. The statement of activities presents information about the change in the District's net position, the results of operations, during the fiscal year. An increase or decrease in net position is an indication of whether the District's financial health is improving or deteriorating.

All of the District's activities and services are reported in the government-wide financial statements as governmental activities. The District's governmental activities include instruction, student support services, instructional support services, administrative support services, facility maintenance, transportation, and food services. Property taxes and State revenues finance most of these activities. Additionally, all capital and debt financing activities are reported as governmental activities.

The government-wide statements present the District's activities in the following 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 six separate legal entities in this report. Big Pine Elementary Academy, Inc.; Key West Independent Education, Inc., d/b/a Key West Collegiate School; Key West Montessori Elementary Charter School, Inc.; Montessori Island Charter School, Inc., d/b/a Treasure Village Montessori; Ocean Studies Charter School, Inc.; and Sigsbee Charter School, Inc., are legally separate organizations and component units that are included in this report because they meet the criteria for inclusion provided by generally accepted accounting principles. Financial information for these component units is reported separately from the financial information presented for the primary government.
- The Monroe County School Board Leasing Corporation (Leasing Corporation), although also a legally separate entity, was formed to facilitate financing for the acquisition of facilities and equipment for the District. Due to the substantive economic relationship between the District and the Leasing Corporation, the Leasing Corporation has been included as an integral part of the primary government.

Fund Financial Statements

Fund financial statements are one of the components of the basic financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements and prudent fiscal management. Certain funds are established by law while others are created by legal agreements, such as bond covenants. Fund financial statements provide more detailed information about the District's

financial activities, focusing on its most significant or “major” funds rather than fund types. This is in contrast to the entity-wide perspective contained in the government-wide statements. All of the District’s funds may be classified within one of the broad categories discussed below.

Governmental Funds: Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in assessing a government’s near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government’s near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The governmental funds balance sheet and statement of revenues, expenditures, and changes in fund balances provide detailed information about the District’s most significant funds. The District’s major funds are the General Fund; Special Revenue – Other Fund, Debt Service – ARRA Economic Stimulus Fund; Capital Projects – Section 1011.71(2), F.S., Local Capital Improvement Tax Fund; and Capital Projects – Other Fund. Data from the other governmental funds are combined into a single, aggregated presentation.

The District adopts an annual appropriated budget for its governmental funds. Budgetary to actual comparisons have been provided for these funds to demonstrate compliance with the budget.

Proprietary Funds: Proprietary funds, such as internal service funds, are established to account for activities in which a fee is charged for services. Internal service funds are used to report activities that provide goods and services to support the District’s other programs and functions through user charges. The District uses the internal service funds to account for self-insurance programs, which are supported, in part, through user charges. Since these services predominantly benefit governmental functions, the internal service funds have been included within governmental activities in the government-wide financial statements. Proprietary funds provide the same type of information as the government-wide financial statements. The internal service funds are combined into a single, aggregated column in the proprietary fund financial statements.

Fiduciary Funds: Fiduciary funds are used to report assets held in a trustee or fiduciary capacity for the benefit of external parties, such as student activity funds. Fiduciary funds are not reflected in the government-wide statements because the resources are not available to support the

District's own programs. In its fiduciary capacity, the District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes.

The District uses a pension trust fund to account for the resources used to finance the early retirement plan.

The District uses agency funds to account for resources held for student activities and groups.

Notes to Financial Statements

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

Other Information

In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the District's net pension liability; its progress in funding its early retirement plan obligation; and its obligation to provide other postemployment benefits to its employees.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position over time may serve as a useful indicator of a government's financial health. The following is a summary of the District's net position as of June 30, 2018, compared to net position as of June 30, 2017:

Net Position, End of Year

(In thousands)

	Governmental Activities		
	6-30-18	6-30-17	Increase (Decrease)
Current and Other Assets	\$ 157,752	\$ 155,068	\$ 2,684
Capital Assets, Net	312,808	275,897	36,911
Total Assets	470,560	430,965	39,595
Deferred Outflows of Resources	26,295	22,689	3,606
Long-Term Liabilities	220,015	182,096	37,919
Other Liabilities	11,693	7,744	3,949
Total Liabilities	231,708	189,840	41,868
Deferred Inflows of Resources	3,280	519	2,761
Net Position:			
Net Investment in Capital Assets	246,499	233,880	12,619
Restricted	48,943	53,035	(4,092)
Unrestricted (Deficit)	(33,575)	(23,620)	(9,955)
Total Net Position	\$ 261,867	\$ 263,295	\$ (1,428)

Monroe County School District, Florida
For the Fiscal Year Ended June 30, 2018

The largest portion of the District's net position is investment in capital assets (e.g., land; buildings; furniture, fixtures, and equipment; motor vehicles; and audio visual materials and computer software), net of related debt and unspent proceeds. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the investment in capital assets is reported net of related debt and unspent proceeds, the resources used to repay the debt must be provided from other sources, since the capital assets cannot be used to liquidate these liabilities.

The restricted portion of the District's net position represents resources that are subject to external restrictions on how they may be used. The deficit unrestricted net position was the result, in part, of accruing \$6.8 million in compensated absences payable, \$8.5 million in other postemployment benefit obligations, and \$56.7 million in net pension liability.

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

Monroe County School District, Florida
For the Fiscal Year Ended June 30, 2018

Operating Results for the Fiscal Year Ended
(In Thousands)

	Governmental Activities		
	6-30-18	6-30-17	Increase (Decrease)
Program Revenues:			
Charges for Services	\$ 1,305	\$ 1,624	\$ (319)
Operating Grants and Contributions	3,215	2,697	518
Capital Grants and Contributions	258	328	(70)
General Revenues:			
Property Taxes, Levied for Operational Purposes	76,240	72,870	3,370
Property Taxes, Levied for Capital Projects	13,326	12,190	1,136
Local Sales Taxes	16,982	17,730	(748)
Grants and Contributions, Not Restricted to Specific Programs	25,878	25,402	476
Unrestricted Investment Earnings	2,162	1,120	1,042
Miscellaneous	1,871	1,180	691
Total Revenues	141,237	135,141	6,096
Functions/Program Expenses:			
Instruction	73,002	70,286	2,716
Student Support Services	5,697	5,325	372
Instructional Media Services	546	518	28
Instruction and Curriculum Development Services	2,846	2,803	43
Instructional Staff Training Services	1,388	1,268	120
Instruction Related Technology	1,945	1,751	194
School Board	655	715	(60)
General Administration	792	782	10
School Administration	5,082	5,049	33
Facilities Services	10,700	8,837	1,863
Fiscal Services	1,167	1,146	21
Food Services	3,751	3,523	228
Central Services	2,005	1,821	184
Student Transportation Services	4,224	4,058	166
Operation of Plant	7,626	7,007	619
Maintenance of Plant	2,826	2,737	89
Administrative Technology Services	400	411	(11)
Community Services	956	898	58
Unallocated Interest on Long-Term Debt	5,294	3,064	2,230
Unallocated Depreciation Expense	6,513	5,727	786
Total Functions/Program Expenses	137,415	127,726	9,689
Change in Net Position	3,822	7,415	(3,593)
Net Position, Beginning of Year	263,295	255,880	7,415
Adjustments to Beginning Net Position (1)	(5,250)		(5,250)
Net Position - Beginning, Restated	258,045	255,880	2,165
Net Position - Ending	\$ 261,867	\$ 263,295	\$ (1,428)

Note: (1) Adjustment to beginning net position is due to implementation of GASB Statement No. 75 in the 2017-18 fiscal year.

The largest revenue source is local property taxes (63.4 percent). Revenues from State and local sources for current operations are primarily received through the Florida Education Finance Program (FEFP) funding formula. The FEFP formula utilizes student enrollment data, and is

designed to maintain equity in funding across all Florida school districts, taking into consideration the District's funding ability based on the local property tax base.

Property tax revenues increased by \$4.5 million, or 5.3 percent, as a result of an increase in taxable assessed values.

Instruction expenses represent 53.1 percent of total governmental expenses in the 2017-18 fiscal year. Instruction expenses increased by \$2.7 million, or 3.9 percent, from the previous fiscal year due mainly from an increase in salaries and related benefits.

Unallocated interest on long-term debt increased \$2.2 million, or 72.8 percent, during the 2017-18 fiscal year, due mainly to new scheduled interest expenses on the 2017 Sales Tax Revenue Bonds.

Facilities services increased \$1.9 million, or 21.1 percent, during the fiscal year as a result of an increase in repair and maintenance expenses.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

Governmental Funds

The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. Specifically, unassigned fund balance may serve as a useful measure of a government's net resources available for discretionary use as it represents the portion of fund balance that has not been limited to a particular purpose by an external party, the District, or a group or individual delegated authority by the Board to assign resources for particular purposes.

The total fund balances of governmental funds decreased by \$3 million during the fiscal year to \$136.8 million at June 30, 2018. Approximately 5 percent of this amount is unassigned fund balance (\$6.9 million), which is available for spending at the District's discretion. The remainder of the fund balance is nonspendable, restricted, or assigned to indicate that it is 1) not in spendable form (\$0.5 million), 2) restricted for particular purposes (\$126.8 million), or 3) assigned for particular purposes (\$2.6 million).

Major Governmental Funds

The General Fund is the District's chief operating fund. At the end of the current fiscal year, unassigned fund balance is \$6.9 million, while the total fund balance is \$7.7 million. As a measure of the General Fund's liquidity, it may be useful to compare the total assigned and unassigned fund balances to General Fund total revenues. The total assigned and unassigned fund balance is 7.5 percent of the total General Fund revenues, while total fund balance represents approximately 8.1 percent of total General Fund revenues.

Total fund balance of the general fund decreased by \$2.2 million during the fiscal year. Key factors impacting the change in fund balance are as follows:

- Increase in the local property values resulted in increased tax revenues of \$3.4 million.
- Total expenditures increased by \$5.4 million, or 5.5 percent, due mainly to an increase in salaries and related benefits.

The Special Revenue – Other Fund accounts for the financial resources of certain Federal grant programs. Revenues and expenditures totaled \$5.6 million each, which were mainly used for instruction, student support services, instruction and curriculum development services, and instructional staff training services for the 2017-18 fiscal year. Because grant revenues attributed to the grants accounted for in this fund are not recognized until expenditures are incurred, this fund generally does not accumulate a fund balance.

The Debt Service – ARRA Economic Stimulus Fund had a total fund balance of \$16.2 million, which is restricted for debt service. The significant activity during the fiscal year was the qualified school construction bond (QSCB) certificates of participation sinking fund payments. Proceeds to fund these payments were transferred in from various capital projects funds and received from a 5.49 percent interest subsidy which is paid directly to the District by the United States Treasury.

The Capital Projects – Section 1011.71(2), F.S., Local Capital Improvement Tax Fund has a total fund balance of \$6.4 million. These funds are restricted for the acquisition, construction, and maintenance of capital assets. The fund balance increased in the current year primarily due to an increase in the local property values that resulted in increased tax revenues of \$1.1 million. Of the total fund balance, \$0.8 million has been encumbered for specific projects.

The Capital Projects – Other Fund has a total fund balance of \$98.7 million. The restricted fund balance of \$96.4 million is restricted for the acquisition, construction, and maintenance of capital assets. The assigned fund balance of \$2.3 million was assigned by the Board for capital projects. The fund balance decreased \$5.3 million in the current fiscal year primarily due to facilities acquisition and construction expenses of \$40.3 million related to the construction of Plantation Key School, Gerald Adams Elementary School, and Stanley Switlick Elementary, offset by proceeds of \$35 million received from the issuance of Certificates of Participation (COPS), Series 2018A. Of the total fund balance, \$54 million has been encumbered for specific projects.

GENERAL FUND BUDGETARY HIGHLIGHTS

During the 2017-18 fiscal year, the District amended its General Fund budget several times, which resulted in an increase in total budgeted revenues of \$1.2 million, or 1.2 percent. At the same time, final appropriations were more than the original budgeted amounts by \$2.5 million. Budget revisions occurred primarily from changes in estimated State funding levels and corresponding adjustments to planned expenditures to ensure maintenance of an adequate fund balance.

Actual revenues were \$2.4 million less than the final budgeted amounts mainly due to decreases in Federal and State revenues as a result of reductions in grant funding and a slight decrease in enrollment due to Hurricane Irma, respectively. Similarly, actual expenditures were \$2.9 million, or 2.7 percent, less than final budget amounts primarily due to unfilled but budgeted positions and continued cost containment measures implemented by the District. The actual ending fund

balance exceeded the estimated fund balance contained in the final amended budget by \$0.5 million.

CAPITAL ASSETS AND LONG-TERM DEBT

Capital Assets

The District's investment in capital assets for its governmental activities as of June 30, 2018, is \$312.8 million (net of accumulated depreciation). This investment in capital assets includes land; construction in progress; improvements other than buildings; buildings and fixed equipment; furniture, fixtures, and equipment; motor vehicles; and audio visual materials and computer software. The total increase in capital assets for the current fiscal year was 13.4 percent. The increase in capital assets is attributable to the increase in construction in progress for the replacement schools during the fiscal year.

Additional information on the District's capital assets can be found in notes I.G.4. and III.C. to the financial statements.

Long-Term Debt

At June 30, 2018, the District has total long-term debt outstanding of \$144.3 million, comprised of \$62.3 million and \$5.9 million of Sales Tax Revenue bonds payable and unamortized premiums, respectively, and \$72.1 million and \$4 million of COPS and unamortized premiums, respectively. During the current fiscal year, retirement of debt was \$6.5 million.

During the current fiscal year, the District issued COPS, Series 2018A, totaling \$31.3 million and unamortized premiums totaling \$4 million, which are secured by a pledge of \$51.1 million of the District's local capital outlay millage revenues. The pledged millage revenues are committed until final maturity of the debt, or June 1, 2036. The remainder of the District's long-term debt is secured solely by specified revenue sources.

Additional information on the District's long-term debt can be found in notes III.H.1. through III.H.3. to the financial statements.

OTHER MATTERS OF SIGNIFICANCE

The latest enrollment projections for the District indicate an increase of approximately 40 students during the 2018-19 fiscal year, which will increase future State revenue.

Employer contributions to the Florida Retirement System increased for regular employees from 7.92 to 8.26 percent of payroll for the 2018-19 fiscal year.

Housing prices are expected to increase the taxable assessed value for the 2018-19 fiscal year.

Contract settlements with both of the District's unions, the teachers' union and school-related personnel union, have been reached for the 2018-19 fiscal year.

REQUESTS FOR INFORMATION

This report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. Questions concerning information provided in the MD&A or other required supplementary information, and financial statements and notes thereto, or requests for additional financial information should be addressed to the Executive Director of Finance and Performance, Monroe County District School Board, 241 Trumbo Road, Key West, FL 33040.

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
STATEMENT OF NET POSITION
JUNE 30, 2018

	Primary Government Governmental Activities	Component Units
ASSETS		
Cash	\$ 51,411,288	\$ 5,403,264
Investments	47,317,289	911,618
Accounts Receivable	5,619	420,942
Due from Other Agencies	3,347,817	93,080
Due from Insurer	493,879	
Prepaid Items	576,197	243,987
Deposits Receivable	44,664	37,655
Other Assets		8,638
Restricted Investments	54,472,459	
Inventories	82,396	
Capital Assets:		
Non-Depreciable	52,993,325	2,831,470
Depreciable (Net)	259,815,173	7,772,676
Total Assets	470,560,106	17,723,330
DEFERRED OUTFLOWS OF RESOURCES		
Pensions	26,295,421	
LIABILITIES		
Salaries and Benefits Payable	3,113,148	518,145
Payroll Deductions and Withholdings Payable	108,054	
Accounts Payable	4,491,120	150,764
Sales Tax Payable	170	
Construction Contracts Payable - Retained Percentage	2,684,653	
Deposits Payable	183,868	
Due to Other Agencies	1,112,828	
Unearned Revenue		138,100
Noncurrent Liabilities:		
Portion Due Within One Year	11,026,517	140,761
Portion Due In More Than One Year	208,988,454	147,631
Total Liabilities	231,708,812	1,095,401
DEFERRED INFLOWS OF RESOURCES		
Other Postemployment Benefits	270,345	
Pensions	3,009,474	
Total Deferred Inflows of Resources	3,279,819	
NET POSITION		
Net Investment in Capital Assets	246,499,265	10,501,420
Restricted for:		
Capital Projects	26,473,938	
Debt Service	21,138,719	
Food Service	1,179,748	
State Required Carryover Programs	150,027	
Unrestricted	(33,574,801)	6,126,509
Total Net Position	\$ 261,866,896	\$ 16,627,929

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

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary Government:				
Governmental Activities:				
Instruction	\$ 73,001,885	\$ 24,020	\$	\$
Student Support Services	5,697,459			
Instructional Media Services	546,258			
Instruction and Curriculum Development Services	2,845,974			
Instructional Staff Training Services	1,387,515			
Instruction Related Technology	1,944,749			
School Board	654,867			
General Administration	792,046			
School Administration	5,082,371			
Facilities Services	10,699,868			257,802
Fiscal Services	1,166,504			
Food Services	3,750,844	548,830	3,215,215	
Central Services	2,005,151			
Student Transportation Services	4,224,494	118,660		
Operation of Plant	7,626,188			
Maintenance of Plant	2,825,663			
Administrative Technology Services	399,989			
Community Services	956,224	613,343		
Unallocated Interest on Long-Term Debt	5,293,995			
Unallocated Depreciation Expense*	6,512,727			
Total Governmental Activities	\$ 137,414,771	\$ 1,304,853	\$ 3,215,215	\$ 257,802
Component Units				
Charter Schools	\$ 12,412,562	\$ 314,819	\$ 394,598	\$ 616,997

General Revenues:

Taxes:

Property Taxes, Levied for Operational Purposes

Property Taxes, Levied for Capital Projects

Local Sales Taxes

Grants and Contributions, Not Restricted to Specific Programs

Unrestricted Investment Earnings

Miscellaneous

Total General Revenues

Change in Net Position

Net Position - Beginning

Adjustment to Beginning Net Position

Net Position - Beginning, Restated

Net Position - Ending

* This amount excludes the depreciation that is included in the direct expenses of the various functions.

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

Net (Expense) Revenue and Changes in Net Position	
Primary Government Governmental Activities	Component Units
\$ (72,977,865)	\$
(5,697,459)	
(546,258)	
(2,845,974)	
(1,387,515)	
(1,944,749)	
(654,867)	
(792,046)	
(5,082,371)	
(10,442,066)	
(1,166,504)	
13,201	
(2,005,151)	
(4,105,834)	
(7,626,188)	
(2,825,663)	
(399,989)	
(342,881)	
(5,293,995)	
(6,512,727)	
<u>(132,636,901)</u>	
	<u>(11,086,148)</u>
76,239,935	
13,325,623	
16,982,267	
25,878,789	12,439,595
2,161,734	42,575
1,870,610	1,232,190
<u>136,458,958</u>	<u>13,714,360</u>
3,822,057	2,628,212
263,295,153	13,999,717
(5,250,314)	
<u>258,044,839</u>	<u>13,999,717</u>
<u>\$ 261,866,896</u>	<u>\$ 16,627,929</u>

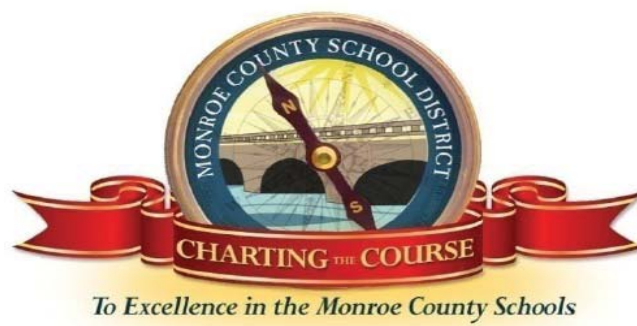
MONROE COUNTY SCHOOL DISTRICT, FLORIDA
BALANCE SHEET
GOVERNMENTAL FUNDS
June 30, 2018

	General Fund	Special Revenue - Other Fund
ASSETS		
Cash	\$ 11,420,654	\$
Investments		
Accounts Receivable	5,619	
Due from Other Funds	35,909	
Due from Other Agencies	1,045,836	325,022
Prepaid Items	405,610	
Restricted Investments		
Inventories	26,263	
Total Assets	\$ 12,939,891	\$ 325,022
LIABILITIES AND FUND BALANCES		
Liabilities:		
Salaries and Benefits Payable	\$ 3,113,148	\$
Payroll Deductions and Withholdings Payable	93,689	9,453
Accounts Payable	947,816	199,567
Sales Tax Payable	170	
Construction Contracts Payable - Retained Percentage		
Deposits Payable	104,121	
Due to Other Funds		61,886
Due to Other Agencies	934,967	54,116
Total Liabilities	5,193,911	325,022
Fund Balances:		
Nonspendable:		
Inventories	26,263	
Prepaid Items	405,610	
Total Nonspendable Fund Balance	431,873	
Restricted for:		
Capital Projects		
Debt Service		
Food Service		
State Required Carryover Programs	150,027	
Total Restricted Fund Balance	150,027	
Assigned for:		
Capital Projects		
Carryover/Contractual Agreements	254,170	
Total Assigned Fund Balance	254,170	
Unassigned Fund Balance	6,909,910	
Total Fund Balances	7,745,980	
TOTAL LIABILITIES AND FUND BALANCES	\$ 12,939,891	\$ 325,022

(Continued)

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

Debt Service - AARA Economic Stimulus Fund	Capital Projects - Section 1011.71(2), F.S., Local Capital Improvement Tax Fund	Capital Projects - Other Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$	\$ 6,100,900	\$ 22,172,653 47,317,289	\$ 2,414,931	\$ 42,109,138 47,317,289 5,619 387,055 3,178,885 405,610 54,472,459 82,396
	325,169 3,300	1,322,007	25,977 482,720	
16,159,722		33,322,906	4,989,831 56,133	
<u>\$ 16,159,722</u>	<u>\$ 6,429,369</u>	<u>\$ 104,134,855</u>	<u>\$ 7,969,592</u>	<u>\$ 147,958,451</u>
\$	\$	\$	\$	\$ 3,113,148 108,054 3,534,458 170 2,684,653 183,868 387,055 1,111,086
	27,596	2,327,192 2,684,653 319,448 102,847	4,912 32,287 79,747 5,721 19,156	
	27,596	5,434,140	141,823	11,122,492
			56,133	82,396 405,610 488,006
			56,133	
16,159,722	6,401,773	96,386,261	1,669,024 4,978,997 1,123,615	104,457,058 21,138,719 1,123,615 150,027 126,869,419
<u>16,159,722</u>	<u>6,401,773</u>	<u>96,386,261</u>	<u>7,771,636</u>	
		2,314,454		2,314,454 254,170 2,568,624 6,909,910
		2,314,454		
16,159,722	6,401,773	98,700,715	7,827,769	136,835,959
<u>\$ 16,159,722</u>	<u>\$ 6,429,369</u>	<u>\$ 104,134,855</u>	<u>\$ 7,969,592</u>	<u>\$ 147,958,451</u>



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MONROE COUNTY SCHOOL DISTRICT, FLORIDA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
June 30, 2018

Total Fund Balances - Governmental Funds **\$ 136,835,959**

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 the governmental funds.

Capital Asset Not Being Depreciated	\$	52,993,325	
Capital Asset Being Depreciated		352,061,553	
Accumulated Depreciation		<u>(92,246,380)</u>	312,808,498

Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. 5,527,030

The deferred outflows of resources and deferred inflows of resources related to pensions are applied to future periods and, therefore, are not reported in the governmental funds.

Deferred Outflows Related to Pension	\$	26,295,421	
Deferred Inflows Related to Pension		<u>(3,009,474)</u>	23,285,947

The deferred inflows of resources related to other postemployment benefits are applicable to future periods and, therefore, are not reported in the governmental funds.

Deferred Inflows Related to OPEB			(270,345)
----------------------------------	--	--	-----------

Long-term liabilities are not due and payable in the current fiscal year and, therefore, are not reported as liabilities in the governmental funds. Long-term liabilities at fiscal year-end consist of:

Bonds Payable, Net	\$	(68,156,376)	
Certificates of Participation Payable, Net		(76,108,399)	
Compensated Absences Payable		(6,774,266)	
Net Pension Liability		(56,748,726)	
Other Postemployment Benefits Payable		<u>(8,532,426)</u>	<u>(216,320,193)</u>

Net Position - Governmental Activities **\$ 261,866,896**

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

**MONROE COUNTY SCHOOL DISTRICT, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	General Fund	Special Revenue - Other Fund
REVENUES		
Federal Direct Sources:		
Federal Impact, Current Operations	\$ 242,450	\$
Miscellaneous Federal Direct		1,319,313
Total Federal Direct Sources	242,450	1,319,313
Federal Through State and Local Sources:		
Medicaid	376,668	
Food Service		
Other Federal Through State Sources	750	4,316,628
Other Federal Through Local Sources	289,079	
Total Federal Through State and Local Sources	666,497	4,316,628
State Sources:		
Categorical Educational Program - Class Size Reduction	9,176,370	
Florida Education Finance Program	4,325,008	
Workforce Development Program	757,807	
Voluntary Prekindergarten	529,757	
Motor Vehicle License Tax (Capital Outlay and Debt Service)	3,878	
School Recognition	395,965	
Sales Tax Distribution	223,250	
Diagnostic and Learning Resources Centers	212,446	
Discretionary Lottery Funds	15,003	
Mobile Home License Tax	31,876	
Food Service Supplement		
Miscellaneous	1,221,759	
Total State Sources	16,893,119	
Local Sources:		
Ad Valorem Taxes	76,239,935	
Sales Taxes		
Food Service Sales		
Interest Income	309,210	
Miscellaneous	1,740,891	
Total Local Sources	78,290,036	
Total Revenues	96,092,102	5,635,941

(Continued)

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

Debt Service - AARA Economic Stimulus Fund	Capital Projects - Section 1011.71 (2), F.S., Local Capital Improvement Tax Fund	Capital Projects - Other Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$	\$	\$	\$	\$
1,845,957				242,450
				3,165,270
1,845,957				3,407,720
				376,668
			3,181,364	3,181,364
				4,317,378
				289,079
			3,181,364	8,164,489
				9,176,370
				4,325,008
				757,807
				529,757
			257,802	261,680
				395,965
				223,250
				212,446
				15,003
				31,876
			33,850	33,850
			594,824	1,816,583
			886,476	17,779,595
	13,325,623			89,565,558
		16,982,267		16,982,267
			548,830	548,830
176,295	146,395	1,380,327	149,507	2,161,734
25,908	180,403	549,605	39,854	2,536,661
202,203	13,652,421	18,912,199	738,191	111,795,050
2,048,160	13,652,421	18,912,199	4,806,031	141,146,854

(Continued)

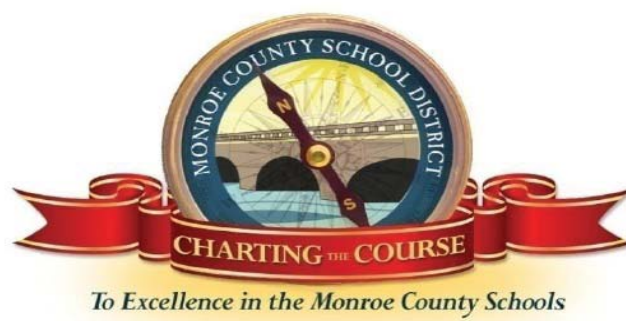
**MONROE COUNTY SCHOOL DISTRICT, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	General Fund	Special Revenue - Other Fund
EXPENDITURES		
Current - Education:		
Instruction	\$ 68,656,621	\$ 2,976,466
Student Support Services	4,609,527	961,562
Instructional Media Services	533,854	
Instruction and Curriculum Development Services	1,666,443	1,113,442
Instructional Staff Training Services	999,999	356,164
Instruction Related Technology	1,897,305	1,160
School Board	649,715	
General Administration	585,656	192,553
School Administration	4,962,885	
Facilities Services	710,969	
Fiscal Services	1,139,272	
Food Services	10,682	
Central Services	1,968,282	
Student Transportation Services	3,773,569	
Operation of Plant	7,617,436	1,775
Maintenance of Plant	2,773,766	
Administrative Technology Services	390,380	
Community Services	944,381	
Capital Outlay:		
Facilities Acquisition and Construction		
Charter School Local Capital Improvement		
Other Capital Outlay	91,127	32,819
Debt Service:		
Principal		
Interest and Fiscal Charges		
Total Expenditures	<u>103,981,869</u>	<u>5,635,941</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(7,889,767)</u>	
OTHER FINANCING SOURCES (USES)		
Insurance Loss Recoveries	89,974	
Certificates of Participation Issued		
Premium on Certificates of Participation Issued		
Transfers In	5,586,693	
Transfers Out		
Total Other Financing Sources (Uses)	<u>5,676,667</u>	
Net Change in Fund Balances	<u>(2,213,100)</u>	
Fund Balances, Beginning	<u>9,959,080</u>	
Fund Balances, Ending	<u><u>\$ 7,745,980</u></u>	<u><u>\$ 0</u></u>

(Continued)

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

Debt Service - ARRA Economic Stimulus Fund	Capital Projects - Section 1011.71 (2),F.S., Local Capital Improvement Tax Fund	Capital Projects - Other Fund	Nonmajor Governmental Funds	Total Governmental Funds
\$	\$	\$	\$	\$
				71,633,087
				5,571,089
				533,854
				2,779,885
				1,356,163
				1,898,465
				649,715
				778,209
				4,962,885
	2,455,931	7,480,153	41,794	10,688,847
				1,139,272
			3,700,894	3,711,576
				1,968,282
				3,773,569
				7,619,211
				2,773,766
				390,380
				944,381
	64,088	40,222,672	4,245	40,291,005
	957,917			957,917
	1,310,262	2,006,000	74,311	3,514,519
			6,465,000	6,465,000
2,054,000			3,122,950	5,176,950
2,054,000	4,788,198	49,708,825	13,409,194	179,578,027
(5,840)	8,864,223	(30,796,626)	(8,603,163)	(38,431,173)
				89,974
		30,966,022	293,978	31,260,000
		4,033,978		4,033,978
1,953,606			9,296,248	16,836,547
	(7,137,024)	(9,538,510)	(161,013)	(16,836,547)
1,953,606	(7,137,024)	25,461,490	9,429,213	35,383,952
1,947,766	1,727,199	(5,335,136)	826,050	(3,047,221)
14,211,956	4,674,574	104,035,851	7,001,719	139,883,180
\$ 16,159,722	\$ 6,401,773	\$ 98,700,715	\$ 7,827,769	\$ 136,835,959



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MONROE COUNTY SCHOOL DISTRICT, FLORIDA
RECONCILIATION OF THE GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

Net Change in Fund Balances - Governmental Funds **\$ (3,047,221)**

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

Capital outlays are reported in governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays exceeds depreciation expense in the current period. 36,994,475

In the statement of activities, the loss on disposal or sale of capital assets is reported, whereas in the governmental funds, the proceeds from the sale increase financial resources. Thus, the change in net position differs from the change in fund balance by the undepreciated cost of the capital assets disposed or sold. (82,665)

Issuing long-term bonded debt is an other financing source in the governmental funds, but issuing new debt increases long-term liabilities in the statement of net position. This is the long-term debt that was issued in the current period.

Certificates of Participation (31,260,000)

Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces longterm liabilities in the statement of net position. The following details the amount of long-term debt principal repaid in the current period. 6,465,000

Governmental funds report the effect of premiums, discounts, and prepaid insurance in the year debt is issued, but these amounts are deferred and amortized over the life of the debt in the statement of activities. The following details effects of premiums in the current period:

Premium on Certificates of Participation Issued	\$ (4,033,978)	
Amortization of Premium on Certificates of Participation	27,579	
Amortization of Premium on Bonds	813,293	(3,193,106)

In the statement of activities, the cost of compensated absences is measured by the amounts earned during the fiscal year, while in the governmental funds, expenditures are recognized based on the amounts actually paid for compensated absences. This is the net amount of compensated absences earned in excess of the amount paid in the current fiscal year. (511,148)

Governmental funds report District OPEB contributions as expenditures. However, in the statement of activities, the cost of OPEB benefits earned net of employee contributions, as determined through an actuarial valuation, is reported as an OPEB expense.

Decrease in OPEB Liability	\$ 285,888	
Increase in Deferred Inflows of Resources - OPEB	(270,345)	15,543

Governmental funds report contributions to defined benefit plans as expenditures. However, in the statement of activities, the amount contributed to defined benefit plans reduces future net pension liability and is reported as part of deferred outflows of resources. 4,633,846

In the statement of activities, pension expense is recorded for the District's proportionate share of collective pension expense of the cost-sharing defined benefit plans in which the District participates. Also included in pension expense are amounts required to be amortized in accordance with GASB Statement No. 68. (8,401,038)

Internal service funds are used by management to charge the cost of certain activities, such as insurance, to individual funds. The net revenue of internal service funds is reported with governmental activities. 2,208,371

Change in Net Position - Governmental Activities **\$ 3,822,057**

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

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	General Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
REVENUES				
Federal Direct Sources:				
Federal Impact, Current Operations	\$ 300,000	\$ 300,000	\$ 242,450	\$ (57,550)
Miscellaneous Federal Direct	485,000	350,000		(350,000)
Total Federal Direct Sources	785,000	650,000	242,450	(407,550)
Federal Through State and Local Sources:				
Medicaid	500,000	376,668	376,668	
Other Federal Through State Sources		750	750	
Other Federal Through Local Sources	120,000	289,079	289,079	
Total Federal Through State and Local Sources	620,000	666,497	666,497	
State Sources:				
Categorical Educational Program - Class Size Reduction	9,288,426	9,288,426	9,176,370	(112,056)
Florida Education Finance Program	5,064,292	5,064,292	4,325,008	(739,284)
Workforce Development Program	757,565	757,807	757,807	
Workforce Education Performance Incentives	6,000	6,000		(6,000)
Voluntary Prekindergarten	555,493	555,493	529,757	(25,736)
Motor Vehicle License Tax (Capital Outlay and Debt Service)	4,795	4,795	3,878	(917)
School Recognition	278,836	395,965	395,965	
Sales Tax Distribution	223,250	223,250	223,250	
Diagnostic and Learning Resources Centers	211,378	212,446	212,446	
Discretionary Lottery Funds	139,503	139,503	15,003	(124,500)
Mobile Home License Tax	30,000	33,000	31,876	(1,124)
Miscellaneous	338,000	1,297,065	1,221,759	(75,306)
Total State Sources	16,897,538	17,978,042	16,893,119	(1,084,923)
Local Sources:				
Ad Valorem Taxes	77,074,102	77,074,102	76,239,935	(834,167)
Interest Income	120,000	309,210	309,210	
Miscellaneous	1,805,000	1,825,039	1,740,891	(84,148)
Total Local Sources	78,999,102	79,208,351	78,290,036	(918,315)
Total Revenues	97,301,640	98,502,890	96,092,102	(2,410,788)
EXPENDITURES				
Current - Education:				
Instruction:				
Salaries	38,866,025	40,125,704	39,941,940	183,764
Employee Benefits	13,547,151	13,234,133	13,189,165	44,968
Purchased Services	13,420,196	13,821,060	13,202,891	618,169
Energy Services	5,000	5,000	2,891	2,109
Materials and Supplies	1,810,559	1,724,710	1,337,824	386,886
Capital Outlay	459,941	431,241	139,355	291,886
Other	674,053	858,731	842,555	16,176
Total Instruction	68,782,925	70,200,579	68,656,621	1,543,958
Student Support Services:				
Salaries	3,160,664	3,200,187	3,194,746	5,441
Employee Benefits	1,107,709	1,091,331	1,090,206	1,125
Purchased Services	248,600	334,818	314,707	20,111
Materials and Supplies	12,154	11,610	8,653	2,957
Capital Outlay	2,000	2,051	1,215	836
Total Student Support Services	4,531,127	4,639,997	4,609,527	30,470

(Continued)

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

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

General Fund				
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES				
Current - Education: (continued)				
Instructional Media Services:				
Salaries	\$ 375,786	\$ 379,893	\$ 379,893	\$
Employee Benefits	123,001	128,054	128,054	
Purchased Services	3,000	2,074	1,830	244
Materials and Supplies	1,804	1,795	1,795	
Capital Outlay	33,374	33,037	22,282	10,755
Total Instructional Media Services	536,965	544,853	533,854	10,999
Instruction and Curriculum Development Services:				
Salaries	1,261,985	1,249,811	1,245,772	4,039
Employee Benefits	374,683	369,587	363,804	5,783
Purchased Services	108,900	53,702	41,774	11,928
Materials and Supplies	14,200	9,497	6,124	3,373
Capital Outlay	1,900	5,883	5,883	
Other	2,975	3,647	3,086	561
Total Instruction and Curriculum Development Services	1,764,643	1,692,127	1,666,443	25,684
Instructional Staff Training Services:				
Salaries	538,283	783,744	752,971	30,773
Employee Benefits	149,861	174,704	173,353	1,351
Purchased Services	79,611	79,860	61,527	18,333
Materials and Supplies	2,380	2,668	1,507	1,161
Other	17,158	14,349	10,641	3,708
Total Instructional Staff Training Services	787,293	1,055,325	999,999	55,326
Instruction Related Technology:				
Salaries	1,457,667	1,435,323	1,416,589	18,734
Employee Benefits	461,175	456,494	440,882	15,612
Purchased Services	35,300	35,300	8,131	27,169
Energy Services	1,000	1,000		1,000
Materials and Supplies	8,000	7,584	380	7,204
Capital Outlay	1,050	1,050	493	557
Other	50	33,384	30,830	2,554
Total Instruction Related Technology	1,964,242	1,970,135	1,897,305	72,830
School Board:				
Salaries	154,695	157,785	157,785	
Employee Benefits	140,803	143,337	143,337	
Purchased Services	415,468	417,977	330,209	87,768
Materials and Supplies	1,450	1,450	53	1,397
Other	20,600	20,600	18,331	2,269
Total School Board	733,016	741,149	649,715	91,434

(Continued)

**MONROE COUNTY SCHOOL DISTRICT, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	General Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget -
	Original	Final		Positive (Negative)
EXPENDITURES				
Current - Education: (continued)				
General Administration:				
Salaries	\$ 427,760	\$ 429,642	\$ 423,802	\$ 5,840
Employee Benefits	134,420	133,107	132,040	1,067
Purchased Services	24,585	23,372	21,077	2,295
Energy Services	1,000	1,000		1,000
Materials and Supplies	27,100	25,928	5,480	20,448
Capital Outlay	790			
Other	15,500	12,984	3,257	9,727
Total General Administration	631,155	626,033	585,656	40,377
School Administration:				
Salaries	3,744,604	3,659,456	3,659,456	
Employee Benefits	1,253,905	1,198,823	1,198,824	(1)
Purchased Services	47,741	41,026	27,095	13,931
Materials and Supplies	52,641	51,019	42,183	8,836
Capital Outlay	5,209	9,429	6,036	3,393
Other	9,669	32,009	29,291	2,718
Total School Administration	5,113,769	4,991,762	4,962,885	28,877
Facilities Services:				
Salaries	387,675	351,223	337,468	13,755
Employee Benefits	123,534	110,816	104,172	6,644
Purchased Services	246,357	267,474	261,653	5,821
Energy Services	7,000	4,484	1,202	3,282
Materials and Supplies	3,660	5,975	4,985	990
Capital Outlay	1,340	1,490	1,239	251
Other	750	750	250	500
Total Facilities Services	770,316	742,212	710,969	31,243
Fiscal Services:				
Salaries	821,230	834,032	834,032	
Employee Benefits	263,554	243,525	243,525	
Purchased Services	15,154	51,256	50,321	935
Energy Services	400			
Materials and Supplies	3,650	1,187	987	200
Capital Outlay	25,400	1,820	1,820	
Other	3,000	8,587	8,587	
Total Fiscal Services	1,132,388	1,140,407	1,139,272	1,135
Food Services:				
Salaries		9,666	9,666	
Employee Benefits		1,016	1,016	
Total Food Services		10,682	10,682	
Central Services:				
Salaries	993,831	928,965	922,504	6,461
Employee Benefits	865,500	849,274	821,659	27,615
Purchased Services	139,246	232,910	149,140	83,770
Energy Services	5,000			
Materials and Supplies	12,470	14,841	13,093	1,748
Capital Outlay		54,980	45,534	9,446
Other	6,050	17,297	16,352	945
Total Central Services	2,022,097	2,098,267	1,968,282	129,985

(Continued)

**MONROE COUNTY SCHOOL DISTRICT, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	General Fund			
	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual Amounts	
EXPENDITURES				
Current - Education: (continued)				
Student Transportation Services:				
Salaries	\$ 1,903,917	\$ 2,157,581	\$ 2,141,979	\$ 15,602
Employee Benefits	842,806	853,515	853,515	
Purchased Services	287,165	287,630	275,843	11,787
Energy Services	260,000	294,751	283,011	11,740
Materials and Supplies	173,496	150,623	144,315	6,308
Other	56,400	74,906	74,906	
Total Student Transportation Services	3,523,784	3,819,006	3,773,569	45,437
Operation of Plant:				
Salaries	279,881	249,254	213,707	35,547
Employee Benefits	113,927	107,770	80,864	26,906
Purchased Services	5,245,378	5,649,399	5,069,028	580,371
Energy Services	2,054,200	2,214,508	2,214,508	
Materials and Supplies	26,250	35,235	31,196	4,039
Capital Outlay	3,500	8,138	8,133	5
Total Operation of Plant	7,723,136	8,264,304	7,617,436	646,868
Maintenance of Plant:				
Salaries	1,641,411	1,589,425	1,589,425	
Employee Benefits	615,723	572,953	572,953	
Purchased Services	363,491	353,012	272,605	80,407
Energy Services	36,000	20,078	17,811	2,267
Materials and Supplies	364,800	278,318	274,933	3,385
Capital Outlay	34,000	47,989	42,769	5,220
Other	10,070	10,070	3,270	6,800
Total Maintenance of Plant	3,065,495	2,871,845	2,773,766	98,079
Administrative Technology Services:				
Salaries	274,653	294,298	294,298	
Employee Benefits	79,972	82,264	81,983	281
Purchased Services	7,125	15,125	12,352	2,773
Materials and Supplies	2,900	2,900	952	1,948
Capital Outlay	1,100	1,100	795	305
Other	3,550	3,550		3,550
Total Administrative Technology Services	369,300	399,237	390,380	8,857
Community Services:				
Salaries	355,121	370,445	362,734	7,711
Employee Benefits	237,721	152,594	133,886	18,708
Purchased Services	335,718	442,661	432,661	10,000
Materials and Supplies	12,700	19,159	9,320	9,839
Capital Outlay	1,500	1,740	1,740	
Other		4,040	4,040	
Total Community Services	942,760	990,639	944,381	46,258

(Continued)

**MONROE COUNTY SCHOOL DISTRICT, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
GENERAL FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	General Fund		
	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Original	Final	
Capital Outlay:			
Other Capital Outlay	\$	\$ 91,127	\$ 91,127
Total Expenditures	104,394,411	106,889,686	2,907,817
Deficiency of Revenues Over Expenditures	(7,092,771)	(8,386,796)	497,029
OTHER FINANCING SOURCES			
Insurance Loss Recoveries		89,974	89,974
Transfers In	5,285,637	5,586,693	5,586,693
Total Other Financing Sources	5,285,637	5,676,667	5,676,667
Net Change in Fund Balance	(1,807,134)	(2,710,129)	497,029
Fund Balance, Beginning	9,959,080	9,959,080	9,959,080
Fund Balance, Ending	\$ 8,151,946	\$ 7,248,951	\$ 7,745,980

**MONROE COUNTY SCHOOL DISTRICT, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
SPECIAL REVENUE - OTHER FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Special Revenue - Other Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Federal Direct Sources:				
Miscellaneous Federal Direct	\$ 1,427,407	\$ 1,440,224	\$ 1,319,313	\$ (120,911)
Federal Through State Sources:				
Vocational Education Acts	72,067	71,951	66,868	(5,083)
Adult General Education	113,251	113,251	89,761	(23,490)
English Literacy and Civics Education	39,526	39,526	38,015	(1,511)
Teacher Quality State Grants	324,319	305,558	226,149	(79,409)
Individuals with Disabilities Education Act	5,240,038	5,310,458	1,879,172	(3,431,286)
Elementary And Secondary Education Act, Title I	2,052,045	2,112,467	1,499,956	(612,511)
English Language Acquisition Grants Title III	21,963	21,964	116,906	94,942
21st Century Schools Title IV		43,106	19,375	(23,731)
Other Federal Through State Sources	509,745	701,560	380,426	(321,134)
Total Federal Through State Sources	8,372,954	8,719,841	4,316,628	(4,403,213)
Total Revenues	9,800,361	10,160,065	5,635,941	(4,524,124)
EXPENDITURES				
Current - Education:				
Instruction:				
Salaries	2,509,149	2,677,683	1,979,559	698,124
Employee Benefits	1,088,206	1,150,988	707,766	443,222
Purchased Services	382,711	389,604	97,687	291,917
Materials and Supplies	214,799	254,079	119,653	134,426
Capital Outlay	569,761	550,490	33,545	516,945
Other	73,192	100,540	38,256	62,284
Total Instruction	4,837,818	5,123,384	2,976,466	2,146,918
Student Support Services:				
Salaries	803,164	736,621	675,511	61,110
Employee Benefits	319,574	306,018	215,264	90,754
Purchased Services	119,134	96,716	49,885	46,831
Materials and Supplies	62,342	77,848	19,562	58,286
Capital Outlay	56,889	52,895	1,340	51,555
Other	100			
Total Student Support Services	1,361,203	1,270,098	961,562	308,536

(Continued)

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

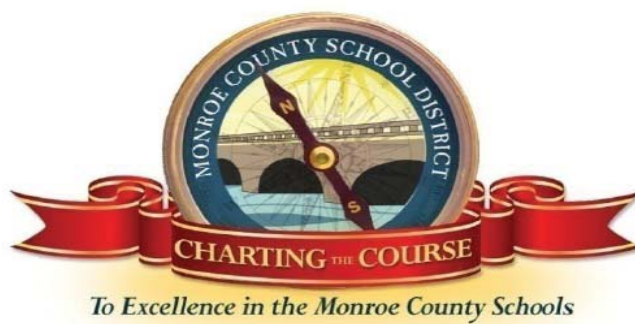
**MONROE COUNTY SCHOOL DISTRICT, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
SPECIAL REVENUE - OTHER FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Special Revenue - Other Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
EXPENDITURES				
Current - Education: (continued)				
Instruction and Curriculum Development Services:				
Salaries	\$ 868,791	\$ 922,334	\$ 778,295	\$ 144,039
Employee Benefits	292,960	319,298	264,083	55,215
Purchased Services	100,875	93,775	40,629	53,146
Energy Services	2,235	1,235	635	600
Materials and Supplies	43,024	49,878	17,073	32,805
Capital Outlay	709,559	711,659	8,227	703,432
Other	11,604	7,446	4,500	2,946
Total Instruction and Curriculum Development Services	2,029,048	2,105,625	1,113,442	992,183
Instructional Staff Training Services:				
Salaries	290,990	280,376	207,250	73,126
Employee Benefits	114,062	115,861	47,293	68,568
Purchased Services	327,620	362,455	93,916	268,539
Materials and Supplies	33,585	34,238	6,305	27,933
Capital Outlay			1,400	(1,400)
Other	5,050	9,000		9,000
Total Instructional Staff Training Services	771,307	801,930	356,164	445,766
Instruction Related Technology:				
Salaries	940	1,018	940	78
Employee Benefits	197	284	220	64
Total Instructional Related Technology	1,137	1,302	1,160	142
General Administration:				
Other Expenses	268,423	289,582	192,553	97,029
School Administration:				
Purchased Services	138,816	108,816		108,816
Other Expenses	15,000	10,000		10,000
Total School Administration	153,816	118,816		118,816
Central Services:				
Purchased Services	1,298	31,298		31,298
Other		9,000		9,000
Total Central Services	1,298	40,298		40,298
Student Transportation Services:				
Energy Services	6,000	6,000		6,000
Capital Outlay	363,686	363,686		363,686
Total Student Transportation Services	369,686	369,686		369,686

(Continued)

**MONROE COUNTY SCHOOL DISTRICT, FLORIDA
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE - BUDGET TO ACTUAL
SPECIAL REVENUE - OTHER FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Special Revenue - Other Fund		
	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
	Original	Final	
EXPENDITURES			
Current - Education: (continued)			
Operation of Plant:			
Purchased Services	\$ 6,425	\$ 6,425	\$ 1,775
Maintenance of Plant:			
Purchased Services	200	100	100
Capital Outlay:			
Other Capital Outlay		32,819	32,819
Total Expenditures	9,800,361	10,160,065	4,524,124
Excess of Revenues Over Expenditures			
Net Change in Fund Balance			
Fund Balance, Beginning			
Fund Balance, Ending	\$ 0	\$ 0	\$ 0



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MONROE COUNTY SCHOOL DISTRICT, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2018

	Governmental Activities - Internal Service Funds
ASSETS	
Current Assets:	
Cash	\$ 9,302,150
Due from Other Agencies	168,932
Due from Insurer	493,879
Prepaid Items	170,587
Deposits Receivable	44,664
Total Assets	10,180,212
LIABILITIES	
Current Liabilities:	
Accounts Payable	956,662
Due to Other Agencies	1,742
Estimated Insurance Claims Payable	1,978,041
Total Current Liabilities	2,936,445
Noncurrent Liabilities:	
Estimated Insurance Claims Payable	1,716,737
Total Liabilities	4,653,182
NET POSITION	
Unrestricted	\$ 5,527,030

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

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Governmental Activities - Internal Service Funds
OPERATING REVENUES	
Premium Contributions	\$ 15,207,871
Insurance Loss Recoveries	400,795
Total Operating Revenues	<u>15,608,666</u>
OPERATING EXPENSES	
Salaries	206,673
Employee Benefits	127,730
Purchased Services	1,771,784
Materials and Supplies	16,448
Capital Outlay	3,492
Insurance Claims	11,390,014
Total Operating Expenses	<u>13,516,141</u>
Operating Income	<u>2,092,525</u>
NONOPERATING REVENUES	
Interest Revenue	90,846
Miscellaneous	25,000
Total Nonoperating Revenues	<u>115,846</u>
Change in Net Position	2,208,371
Total Net Position, Beginning	<u>3,318,659</u>
Total Net Position, Ending	<u><u>\$ 5,527,030</u></u>

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

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Governmental Activities - Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES	
Cash Received from Board Funds and Participants	\$ 15,630,150
Cash Received from Loss Recoveries	400,795
Cash Payments to Suppliers for Goods and Services	(2,119,961)
Cash Payments to Employees for Services	(334,417)
Cash Payments for Insurance Claims	(11,818,170)
Net Cash Provided by Operating Activities	1,758,397
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES	
Miscellaneous	25,000
CASH FLOWS FROM INVESTING ACTIVITIES	
Interest Income	90,846
Net Increase in Cash	1,874,243
Cash, Beginning	7,427,907
Cash, Ending	\$ 9,302,150
Reconciliation of Operating Income to Net Cash Provided by Operating Activities:	
Operating Income	\$ 2,092,525
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Changes in Assets and Liabilities:	
Decrease in Accounts Receivable	8,946
Increase in Deposits Receivable	(44,664)
Decrease in Due from Insurer	625,187
Increase in Due from Other Agencies	(168,932)
Increase in Prepaid Items	(8,465)
Decrease in Payroll Deductions and Withholdings Payable	(14)
Decrease in Accounts Payable	(319,772)
Increase in Due to Other Agencies	1,742
Decrease Estimated Insurance Claims Payable	(428,156)
Total Adjustments	(334,128)
Net Cash Provided by Operating Activities	\$ 1,758,397

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

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
June 30, 2018

	Pension Trust Fund	Agency Funds
ASSETS		
Cash and Cash Equivalents	\$ 200,753	\$ 1,741,296
Investments in Florida PRIME	<u>1,668</u>	
TOTAL ASSETS	<u><u>\$ 202,421</u></u>	<u><u>\$ 1,741,296</u></u>
LIABILITIES		
Internal Accounts Payable		<u><u>\$ 1,741,296</u></u>
NET POSITION		
Held in Trust for Pension Benefits	<u><u>\$ 202,421</u></u>	

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

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018

	Pension Trust Fund
ADDITIONS	
Contributions:	
Employer	\$ 58,828
Investment Earnings:	
Interest	<u>2,982</u>
Total Additions	<u>61,810</u>
DEDUCTIONS	
Benefits Paid to Participants	<u>58,828</u>
Change in Net Position	2,982
Net Position - Beginning	<u>199,439</u>
Net Position - Ending	<u><u>\$ 202,421</u></u>

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

**MONROE COUNTY
SCHOOL DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2018**

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Description of Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities are normally supported by taxes, intergovernmental revenues, and other nonexchange transactions. The primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities presents a comparison between direct expenses and program revenues for each function or program of the Monroe County School District's (District) 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 expense associated with the District's transportation department is allocated to the student transportation services function, while remaining depreciation expense is not readily associated with a particular function and is reported as unallocated.

B. Reporting Entity

The Monroe County District School Board (Board) has direct responsibility for operation, control, and supervision of District schools and is considered a primary government for financial reporting. The District is considered part of the Florida system of public education, operates under the general direction of the Florida Department of Education (FDOE), and is governed by State law and State Board of Education (SBE) rules. The governing body of the District is the Board, which 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 Monroe 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 application of these criteria provides for identification of any legally separate entities for which the Board is financially accountable and other organizations for which the nature and significance of their relationship with the Board are such that exclusion would cause the District's basic financial statements to be misleading.

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

Blended Component Unit. Blended component units are, in substance, part of the District's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the District. The Monroe County School Board Leasing Corporation (Leasing Corporation) was formed to facilitate financing for the acquisition of facilities and equipment as further discussed in

MONROE COUNTY
SCHOOL DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

Note III.H.1. Due to the substantive economic relationship between the District and the Leasing Corporation, the financial activities of the Leasing Corporation are included in the accompanying basic financial statements. Separate financial statements for the Leasing Corporation are not published.

Discretely Presented Component Units. The component units' columns in the government-wide financial statements include the financial data of the District's other component units. A separate column is used to emphasize that they are legally separate from the District.

The District's charter schools, Big Pine Elementary Academy, Inc.; Key West Independent Education, Inc., d/b/a Key West Collegiate School; Key West Montessori Elementary Charter School, Inc.; Montessori Island Charter School, Inc., d/b/a Treasure Village Montessori; Ocean Studies Charter School, Inc.; and Sigsbee Charter School, Inc., are not-for-profit corporations organized pursuant to Chapter 617, Florida Statutes, the Florida Not For Profit Corporation Act, and Section 1002.33, Florida Statutes. The charter schools operate under a charter approved by their sponsor, the Monroe County District School Board. The charter schools are considered to be component units of the District because the District is financially accountable for the charter schools as the District established the charter schools by approval of the charter, which is tantamount to the initial appointment of the charter schools, and there is the potential for the charter schools to impose specific financial burdens on the District. In addition, pursuant to the Florida Constitution, the charter schools are public schools and the District is responsible for the operation, control, and supervision of public schools within the District.

The financial data reported on the accompanying statements was derived from the charter schools' audited financial statements for the fiscal year ended June 30, 2018. The audit reports are filed in the District's administrative offices at 241 Trumbo Road, Key West, Florida, 33040.

C. Basis of Presentation: Government-Wide Financial Statements

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

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

D. Basis of Presentation: Fund Financial Statements

The fund financial statements provide information about the District's funds, including the fiduciary funds and blended component units. Separate statements for each fund category - governmental, proprietary, and fiduciary - are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The District reports the following major governmental funds:

MONROE COUNTY
SCHOOL DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

- 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.
- Special Revenue – Other Fund – to account for certain Federal grant program resources.
- Debt Service – ARRA Economic Stimulus Fund – to account for principal and interest payments related to the ARRA Qualified School Construction Bonds.
- Capital Projects – Section 1011.71(2), F.S., Local Capital Improvement Tax Fund – to account for financial resources generated by the local capital improvement tax levy to be used for educational capital outlay needs, including new construction, renovation and remodeling projects.
- Capital Projects – Other Fund – to account for financial resources earmarked for capital projects, generated by all sources not required to be reported in any other fund, such as local sales tax, certificates of participation, and Federal Emergency Management Agency proceeds.

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

- Internal Service Funds – to account for the District’s individual self-insurance programs.
- Pension Trust Fund – to account for resources used to finance the early retirement program.
- Agency Funds – to account for resources of the school internal funds, which are used to administer moneys collected at several schools in connection with school, student athletic, class, and club activities.

During the course of operations, the District has activity between funds for various purposes. Any residual balances outstanding at fiscal year end are reported as due from/to other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in and out. While reported in fund financial statements, transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column.

E. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

MONROE COUNTY
SCHOOL DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. 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 as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues, except for certain grant revenues, are recognized as soon as they are both 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. For this purpose, the District considers revenues to be available if they are collected within 45 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. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 45 days of year-end). Expenditures are generally recognized when the related fund liability is incurred, as under accrual accounting. However, debt service expenditures, claims and judgments, pension benefits, other postemployment benefits, and compensated absences, are only recorded when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources. Allocations of cost, such as depreciation, are not recognized in governmental funds.

The proprietary and pension benefit trust funds are reported using the economic resources measurement focus and the accrual basis of accounting. The agency funds have no measurement focus but utilize the accrual basis of accounting for reporting its assets and liabilities.

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

F. Budgetary Basis of Accounting. The Board follows procedures established by State law 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 State law and SBE rules.
- Appropriations are controlled at the object level (e.g., salaries, purchased services, and capital outlay) within each activity (e.g., instruction, student transportation services, and school administration) and may be amended by resolution at any Board meeting prior to the due date for the annual financial report.

MONROE COUNTY
SCHOOL DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

- 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.

G. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance

1. Cash and Cash Equivalents

The District's cash and cash equivalents include cash on hand, demand deposits, and certificates of deposit. Cash deposits are held by banks qualified as public depositories under Florida law. All deposits are insured by Federal depository insurance, up to specified limits, or collateralized with securities held in Florida's multiple financial institution collateral pool as required by Chapter 280, Florida Statutes.

2. Investments

Investments consist of amounts placed with the SBA for participation in the Florida PRIME investment pool created by Section 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, which the SBA indicates is a Securities and Exchange Commission Rule 2a7-like external investment pool, are similar to money market funds in which shares are owned in the fund rather than the underlying investments. These investments are reported at fair value, which is amortized cost.

Investments made locally consist of amounts in United States Treasury Notes and money market funds and are reported at fair value.

Types and amounts of investments held at fiscal year-end are described in a subsequent note.

3. Inventories and Prepaid Items

Inventories consist of purchased and donated foods for the food service program and fuel for the District's vehicles which are held for consumption in the course of District operations. Inventories are stated at cost, except that United States Department of Agriculture donated foods are stated at their fair value as determined at the time of donation to the District's food service program by the Florida Department of Agriculture and Consumer Services, Bureau of Food Distribution. The weighted-average method is used in pricing the fuel inventory. The first-in, first-out method is used in pricing the purchased and donated foods inventories. The costs of inventories are recorded as expenditures when used rather than purchased.

MONROE COUNTY
SCHOOL DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

4. Capital Assets

Expenditures for capital assets acquired or constructed for general District purposes are reported in the governmental fund that financed the acquisition or construction. The capital assets so acquired are reported at cost in the government-wide statement of net position but are not reported in the governmental fund financial statements. Capital assets are defined by the District as those costing 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 are depreciated using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Improvements Other Than Buildings	15 years
Buildings and Fixed Equipment	50 years
Furniture, Fixtures, and Equipment	3 - 15 years
Motor Vehicles	7 - 10 years
Audio Visual Materials and Computer Software	3 - 5 years

Current year information relative to changes in capital assets is described in a subsequent note.

5. Pensions

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

The District's retirement plans and related amounts are described in a subsequent note.

MONROE COUNTY
SCHOOL DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

6. Long-Term Liabilities

Long-term obligations that will be financed from resources to be received in the future by governmental funds are reported as liabilities in the government-wide statement of net position. Debt premiums are deferred and amortized over the life of the debt using the straight-line method which approximates the effective interest methods. Debt 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 debt premiums during the current period. The face amount of debt issued is reported as other financing sources.

Changes in long-term liabilities for the current year are reported in a subsequent note.

7. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense) until then. The District has one item that qualifies for reporting in this category. The deferred outflows of resources related to pensions are discussed in a subsequent note.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The District has two types of items that qualify for reporting in this category. The deferred inflows of resources related to pensions and other postemployment benefits (OPEB) are discussed in subsequent notes.

8. Net Position Flow Assumption

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

9. Fund Balance Flow Assumptions

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

**MONROE COUNTY
SCHOOL DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018**

using any of the components of unrestricted fund balance. Further, when components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

10. Fund Balance Policies

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The District itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification may include amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision-making authority. The Board is the highest level of decision-making authority for the District that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation. The District reported no committed balances at June 30, 2018.

Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as committed. The Board classifies amounts as assigned based on actions of the Superintendent, as authorized by Board Policy 6320. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

The District has adopted Board Policy 6235, which provides that the Board shall maintain a fund balance in its operating fund that are not classified as restricted, committed, or non-spendable at a minimum of 5 percent of the General Fund's annual expenditures. At June 30, 2018, the District met this policy with unassigned and assigned fund balances totaling 6.89 percent of General Fund expenditures.

H. Revenues and Expenditures/Expenses

1. Program Revenues

Amounts reported as program revenues include charges paid by the recipient of the goods or services offered by the program, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than program revenues. Revenues that are not classified as program revenues are presented as general revenues. The

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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.

2. State Revenue Sources

Significant revenues from State sources for current operations include the Florida Education Finance Program administered by the FDOE 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 FDOE. The FDOE 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 periods following the date of the original reporting. Such amendments may impact funding allocations for subsequent fiscal years. The FDOE may also adjust subsequent fiscal period allocations based upon an audit of the District's compliance in determining and reporting FTE and related data. Normally, such adjustments are treated as reductions or additions of revenue in the fiscal year when the adjustments are made.

The State provides financial assistance to administer certain educational programs. 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 fiscal year to be expended for the same educational programs. The FDOE generally requires that these educational program revenues be accounted for in the General Fund. A portion of the fund balance of the General Fund is restricted in the governmental fund financial statements for the balance of categorical and earmarked educational program resources.

The State allocates gross receipts taxes, generally known as Public Education Capital Outlay money, to the District on an annual basis. The District is authorized to expend these funds only upon applying for and receiving an encumbrance authorization from the FDOE.

A schedule of revenue from State sources for the current year is presented in a subsequent note.

3. District Property Taxes

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

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

The Board adopted the 2017 tax levy on September 26, 2017. Tax bills are mailed in October and taxes are payable between November 1 of the year assessed and March 31 of the following year at discounts of up to 4 percent for early payment.

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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 Monroe County Tax Collector at fiscal year-end but not yet remitted to the District.

Millages and taxes levied for the current year are presented in a subsequent note.

4. Capital Outlay Surtax

On November 4, 2014, the voters of Monroe County approved the continuation of the one-half cent school capital outlay surtax on sales in the County for 10 years, effective January 1, 2016. The surtax proceeds are used to upgrade and address security needs at school facilities, equip schools with modern technology, construct new or replacement facilities, provide for renovations to existing school structure and other permitted capital improvements, in accordance with Section 212.055(6), Florida Statutes.

5. 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.

6. Compensated Absences

In the government-wide financial statements, compensated absences (i.e., paid absences for employee vacation leave and sick leave) are accrued as liabilities to the extent that it is probable that the benefits will result in termination payments. A liability for these amounts is reported in the governmental fund financial statements only if it has matured, such as for occurrences of employee resignations and retirements. The liability for compensated absences includes salary-related benefits, where applicable.

7. Proprietary Funds Operating and Nonoperating Revenues and Expenses

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

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II. ACCOUNTING CHANGE

Governmental Accounting Standards Board Statement No. 75. The District implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which replaces GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended. This statement addresses accounting and financial reporting for OPEB provided to employees of state and local government employers; establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expenses; requires governments to report a liability, deferred outflows of resources, deferred inflows of resources, and expenses on the face of the financial statement for the OPEB that they provide; and requires more extensive note disclosures and supplementary information about their OPEB liability. The beginning net position of the District was decreased by \$5,250,314 due to the implementation of GASB Statement No. 75. The District's total OPEB liability reported at June 30, 2018, increased by \$5,250,314 to \$8,818,314 as of July 1, 2017, due to the transition in the valuation methods under GASB Statement No. 45 to GASB Statement No. 75. Beginning balances for deferred outflows/inflows of resources were not restated.

III. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

A. Cash Deposits with Financial Institutions

Custodial Credit Risk-Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to the District or will not be able to recover collateral securities that are in the possession of an outside party. The District does not have a policy for custodial credit risk; however, Board Policy 6140, provides that all public funds shall be deposited in a qualified public depository, unless exempt under the laws of the State. All bank balances of the District are fully insured or collateralized as required by Chapter 280, Florida Statutes.

B. Investments

Fair Value Measurement

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The District's investments in United State Treasury Notes accounts are valued using Level 1 inputs.

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Interest Rate Risk

As of June 30, 2018, the District had the following investments and maturities:

<u>Investments</u>	<u>Maturities</u>	<u>Fair Value</u>
SBA:		
Florida PRIME	30 Day Weighted Average	\$ 47,318,957
Money Market Funds:		
Fidelity Institutional Money Market Government Portfolio - Class I (1)	26 Day Weighted Average	950
Fidelity Institutional Money Market Treasury Portfolio - Class I (2)	23 Day Weighted Average	54,978
US Bank Money Market Deposit Account (3)	Daily	33,336,237
US Treasury Note (4)	August 31, 2018	4,359,833
US Treasury Notes State & Local Government Series (4)	December 29, 2020	561,689
US Treasury Notes (1)	November 30, 2018	16,158,772
Total Investments		\$ 101,791,416

- Notes: (1) These investments are held by a paying agent in connection with the Qualified School Construction Bonds financing arrangement (see Note III.H.1.).
- (2) These investments are held by a paying agent in connection with the Qualified Zone Academy Bonds (QZAB) financing arrangement (see Note III.H.1.).
- (3) These investments are held by a paying agent in connection with the Certificate of Participation Series 2018A financing arrangements (see Note III.H.1.).
- (4) These investments are held by a paying agent in connection with the QZAB financing arrangement (see Note III.H.1.).

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Section 218.415(17), Florida Statutes, limits investment maturities to provide sufficient liquidity to pay obligations as they come due. The District's investment policy (Policy) provides that an attempt will be made to match investment maturities with known cash needs and anticipated cash flow requirements. The Policy limits current short-term funds investments to a maximum of one year, and investments of bond reserves, construction moneys, and other core funds to a term appropriate to the need for moneys and in accordance with debt covenants, but not to exceed 3 years.

Florida PRIME and the District's money market funds use a weighted average days to maturity (WAM). A portfolio's WAM reflects the average maturity in days based on final maturity or reset date, in the case of floating rate instruments. WAM measures the sensitivity of the portfolio to interest rate changes.

For Florida PRIME, Section 218.409(8)(a), Florida Statutes, states that "The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the Executive Director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the Trustees, the Joint Legislative Auditing Committee, the Investment Advisory Council, and the Participant Local Government Advisory Council. The Trustees shall convene an emergency meeting as soon as practicable from the time the Executive Director has instituted such measures and review the necessity of those

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measures. If the Trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the Executive Director until the Trustees are able to meet to review the necessity for the moratorium. If the Trustees agree with such measures, the Trustees shall vote to continue the measures for up to an additional 15 days. The Trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the Trustees exceed 15 days.” As of June 30, 2018, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant’s daily access to 100 percent of their account value.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Section 218.415(16), Florida Statutes, limits investments to the SBA’s Florida PRIME, or any other intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act as provided in Section 163.01, Florida Statutes; Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency; interest-bearing time deposits in qualified public depositories, as defined in Section 280.02, Florida Statutes; direct obligations of the United States Treasury; Federal agencies and instrumentalities; rated or unrated bonds, notes or instruments backed by the full faith and credit of the government of Israel; securities of, or other interest in, an open-ended or closed-ended management type investment company or investments trust registered under the Investment Company Act of 1940; and other investments authorized by law or by resolution for a school district. The District’s investment policy authorizes investing in the Local Government Surplus Funds Trust Fund, or any intergovernmental pool authorized pursuant to the Florida Interlocal Cooperation Act as provided in Section 163.01, Florida Statutes; United States Government securities; SEC registered money market funds; interest-bearing time deposits or saving accounts; securities of, or other interest in, an open-ended or closed-ended management type investment company or investments trust registered under the Investment Company Act of 1940; and other investments as authorized by State law and not prohibited by the investment policy.

The District’s investment in Florida PRIME is rated AAAm by Standard & Poor’s.

The Fidelity Institutional Money Market Government Portfolio – Class I normally invests at least 99.5 percent of the fund’s total assets in cash equivalents, United States Government securities or repurchase agreements for those securities. As of June 30, 2018, the District’s investments in the Fidelity Institutional Money Market Government Portfolio – Class I were rated AAAm by Standard & Poor’s and AAA-mf by Moody’s Investors Service.

The Fidelity Institutional Money Market Treasury Portfolio – Class I normally invest at least 99.5 percent of the fund’s total assets in cash equivalents, United States Treasury securities or repurchase agreements for those securities. As of June 30, 2018, the District’s investments in the Fidelity Institutional Money Market Treasury Portfolio – Class I were rated AAAm by Standard & Poor’s and AAA-mf by Moody’s Investors Service.

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The District's investment in the US Treasury Notes is not rated by Standard & Poor's and is rated Aaa by Moody's Investors Service. This investment is made pursuant to the QZAB financing agreement, and thus is not subject to the District's investment policy.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the District will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. Section 218.415(18), Florida Statutes, requires the District to earmark all investments and (1) if registered with the issuer or its agents, the investment must be immediately placed for safekeeping in a location that protects the governing body's interest in the security; (2) if in book entry form, the investment must be held for the credit of the governing body by a depository chartered by the Federal Government, the State, or any other state or territory of the United States which has a branch or principal place of business in this State, or by a national association organized and existing under the laws of the United States which is authorized to accept and execute trusts and which is doing business in this State, and must be kept by the depository in an account separate and apart from the assets of the financial institution; or (3) if physically issued to the holder but not registered with the issuer or its agents, the investment 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, shall be 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.

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's investment policy limits investments, which are subject to concentration of credit risk, to a maximum of 10 percent of available moneys. This policy does not apply to pension moneys, trust funds, and debt proceeds where there are other existing policies, resolutions, or indentures in effect for the investment of such moneys. Moneys held by State agencies (e.g., SBA) are also not subject to the provisions of this policy.

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C. Changes in Capital Assets

Changes in capital assets are presented in the table below:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balance</u>
GOVERNMENTAL ACTIVITIES				
Capital Assets Not Being Depreciated:				
Land	\$ 6,665,175	\$ 2,951,748	\$	\$ 9,616,923
Construction In Progress	6,993,549	36,382,853		43,376,402
Total Capital Assets Not Being Depreciated	13,658,724	39,334,601		52,993,325
Capital Assets Being Depreciated:				
Improvements Other Than Buildings	13,058,668	632,082		13,690,750
Buildings and Fixed Equipment	312,782,959	324,323		313,107,282
Furniture, Fixtures, and Equipment	15,496,479	2,739,127	2,160,035	16,075,571
Motor Vehicles	8,333,114	775,391	795,868	8,312,637
Audio Visual Materials and Computer Software	1,713,764		838,451	875,313
Total Capital Assets Being Depreciated	351,384,984	4,470,923	3,794,354	352,061,553
Less Accumulated Depreciation for:				
Improvements Other Than Buildings	11,288,490	358,099		11,646,589
Buildings and Fixed Equipment	57,947,259	4,254,204		62,201,463
Furniture, Fixtures, and Equipment	13,011,565	1,265,092	2,094,678	12,181,979
Motor Vehicles	5,683,259	499,752	778,560	5,404,451
Audio Visual Materials and Computer Software	1,216,447	433,902	838,451	811,898
Total Accumulated Depreciation	89,147,020	6,811,049	3,711,689	92,246,380
Total Capital Assets Being Depreciated, Net	262,237,964	(2,340,126)	82,665	259,815,173
Governmental Activities Capital Assets, Net	<u>\$ 275,896,688</u>	<u>\$ 36,994,475</u>	<u>\$ 82,665</u>	<u>\$ 312,808,498</u>

Depreciation expense was charged to functions as follows:

<u>Function</u>	<u>Amount</u>
GOVERNMENTAL ACTIVITIES	
Student Transportation Services	\$ 380,987
Unallocated	6,430,062
Total Depreciation Expense - Governmental Activities	<u>\$ 6,811,049</u>

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D. Retirement Plans

1. FRS – Defined Benefit Pension Plans

General Information about the FRS

The FRS was created in Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1998 to add the Deferred Retirement Option Program (DROP) under the defined benefit plan and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution pension plan is the FRS Investment Plan. Chapter 112, Florida Statutes, established the Retiree 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 and HIS pension expense totaled \$8,401,038 for the fiscal year ended June 30, 2018.

FRS Pension Plan

Plan Description. The FRS Pension Plan (Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a DROP for eligible employees. The general classes of membership are:

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

Employees enrolled in the Plan prior to July 1, 2011, vest at 6 years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at 8 years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible

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for normal retirement benefits at age 65 or any time after 33 years of creditable service. Employees enrolled in the Plan may include up to 4 years of credit for military service toward creditable service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

The DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS participating employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Benefits Provided. Benefits under the Plan are computed on the basis of age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the 5 highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the 8 highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits. The following chart shows the percentage value for each year of service credit earned:

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

As provided in Section 121.101, Florida Statutes, if the member was 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 was initially enrolled before July 1, 2011, and has service credit

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on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost of living adjustment is a proportion of 3 percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3 percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

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

<u>Class</u>	<u>Percent of Gross Salary</u>	
	<u>Employee</u>	<u>Employer (1)</u>
FRS, Regular	3.00	7.92
FRS, Elected County Officers	3.00	45.50
FRS, Senior Management Service	3.00	22.71
DROP - Applicable to		
Members from All of the Above Classes	0.00	13.26
FRS, Reemployed Retiree	(2)	(2)

Notes: (1) 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.

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

The District's contributions to the Plan totaled \$3,625,662 for the fiscal year ended June 30, 2018.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2018, the District reported a liability of \$37,176,502 for its proportionate share of the Plan's net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017. The District's proportionate share of the net pension liability was based on the District's 2016-17 fiscal year contributions relative to the total 2016-17 fiscal year contributions of all participating members. At June 30, 2017, the District's proportionate share was 0.125684063 percent, which was an increase of 0.002583024 from its proportionate share measured as of June 30, 2016.

For the fiscal year ended June 30, 2018, the District recognized the Plan pension expense of \$6,525,288. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 3,411,908	\$ 205,939
Change of assumptions	12,493,930	
Net difference between projected and actual earnings on FRS pension plan investments		921,327
Changes in proportion and differences between District FRS contributions and proportionate share of contributions	1,173,233	149,025
District FRS contributions subsequent to the measurement date	3,625,662	
Total	\$ 20,704,733	\$ 1,276,291

The deferred outflows of resources related to pensions resulting from District contributions to the Plan subsequent to the measurement date, totaling \$3,625,662, will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ending June 30</u>	<u>Amount</u>
2019	\$ 2,262,289
2020	5,460,403
2021	3,799,319
2022	801,601
2023	2,526,380
Thereafter	952,788
Total	\$ 15,802,780

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

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

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

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

The long-term expected rate of return on pension plan investments was not based on historical returns, but instead is based on a forward-looking capital market economic model. The allocation policy's

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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%	3.0%	3.0%	1.8%
Fixed Income	18%	4.5%	4.4%	4.2%
Global Equities	53%	7.8%	6.6%	17.0%
Real Estate (Property)	10%	6.6%	5.9%	12.8%
Private Equity	6%	11.5%	7.8%	30.0%
Strategic Investments	12%	6.1%	5.6%	9.7%
Total	100%			
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 7.1 percent. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. The discount rate used in the 2017 valuation was updated from 7.6 percent to 7.1 percent.

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 7.1 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 (6.1 percent) or 1 percentage point higher (8.1 percent) than the current rate:

	1% Decrease (6.1%)	Current Discount Rate (7.1%)	1% Increase (8.1%)
District's proportionate share of the net pension liability	\$ 67,287,244	\$ 37,176,502	\$ 12,177,705

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.

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HIS Pension Plan

Plan Description. 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 Florida Department of Management Services, Division of Retirement.

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

Contributions. The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended June 30, 2018, the contribution rate was 1.66 percent of payroll pursuant to Section 112.363, Florida Statutes. The District contributed 100 percent of its statutorily required contributions for the current and preceding 3 years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

The District's contributions to the HIS Plan totaled \$1,008,184 for the fiscal year ended June 30, 2018.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2018, the District reported a net pension liability of \$19,572,224 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 1 year, net of the District's proportionate share of the HIS Plan's fiduciary net position available to pay that amount. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016, and update procedures were used to determine liabilities as of July 1, 2017. The District's proportionate share of the net pension liability was based on the District's 2016-17 fiscal year contributions relative to the total 2016-17 fiscal year contributions of all participating members. At June 30, 2017, the District's proportionate share was 0.183046944 percent, which was an increase of 0.00472989 percent from its proportionate share measured as of June 30, 2016.

For the fiscal year ended June 30, 2018, the District recognized HIS Plan pension expense of \$1,875,750. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$	\$ 40,752
Change of assumptions	2,751,182	1,692,431
Net difference between projected and actual earnings on HIS pension plan investments	10,854	
Changes in proportion and differences between District HIS contributions and proportionate share of HIS contributions	1,820,468	
District HIS contributions subsequent to the measurement date	1,008,184	
Total	<u>\$ 5,590,688</u>	<u>\$ 1,733,183</u>

The deferred outflows of resources related to pensions resulting from District contributions to the HIS Plan subsequent to the measurement date, totaling \$1,008,184, will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ending June 30</u>	<u>Amount</u>
2019	\$ 707,796
2020	705,742
2021	704,756
2022	566,210
2023	319,717
Thereafter	(154,900)
Total	<u>\$ 2,849,321</u>

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

Inflation	2.60 percent
Salary increases	3.25 percent, average, including inflation
Municipal bond rate	3.58 percent

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

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

Discount Rate. The discount rate used to measure the total pension liability was 3.58 percent. 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. The discount rate changed from 2.85 percent to 3.58 percent.

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

	1% Decrease (2.58%)	Current Discount Rate (3.58%)	1% Increase (4.58%)
District's proportionate share of the net pension liability	\$ 22,334,499	\$ 19,572,224	\$ 17,271,401

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.

2. FRS – Defined Contribution Pension Plan

The SBA administers the defined contribution plan officially titled the FRS Investment Plan (Investment Plan). The Investment Plan is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. District employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of investment funds. Retirement benefits are based upon the value of the member's account upon retirement. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The

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Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to 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 Plan member accounts during the 2017-18 fiscal year were as follows:

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

For all membership classes, employees are immediately vested in their own contributions and are vested after 1 year of service for employer contributions and investment earnings, regardless of membership class. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the 5-year period, the employee will regain control over their account. If the employee does not return within the 5-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2018, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the District.

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 in which the member may either transfer the account balance to the FRS Pension Plan when approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan, or remain in the Investment Plan and rely upon that account balance for retirement income.

The District's Investment Plan pension expense totaled \$935,464 for the fiscal year ended June 30, 2018.

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3. Early Retirement Plan

Plan Description

As authorized by Section 1012.685, Florida Statutes, the Board implemented an Early Retirement Plan (ERP) effective July 1, 1992. The ERP is a single-employer public employee retirement system (PERS) and was offered for only one year. The purpose of the ERP was to provide eligible District employees, who elected to retire under the early retirement provisions of the FRS described in Note III.D.1., with a monthly benefit equal to the statutory reduction of the normal retirement benefits when early retirement precedes the normal retirement age of 62.

Plan Administration

The Board administers the ERP assets in a pension trust fund and is responsible for their investment. The Board appoints and removes the ERP administrator. The ERP does not issue a stand-alone financial report and is not included in the report of a public employee retirement system of another entity.

Plan Membership

As of June 30, 2018, employee membership data related to the ERP were as follows:

Summary of Population Statistics

Inactive Plan Members or Beneficiaries Currently Receiving Benefits	8
Inactive Plan Members Entitled to But Not Yet Receiving Benefits	0
Active Plan Members	<u>0</u>
Total	<u><u>8</u></u>

Benefits Provided

All full-time United Teachers of Monroe bargaining unit members or administrative support personnel who were members of the FRS or the Teachers Retirement System (TRS) and who had attained the age of 55 as of August 1, 1992, completed 25 or more years of creditable service as determined by the FRS or the TRS, and have made application for benefits on or before June 10, 1992, are eligible to be members of the ERP. Benefits are paid in the amount of early payment reduction in monthly benefits from the FRS or the TRS as a consequence of early retirement.

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JUNE 30, 2018**

Contributions and Reserves

The ERP was established by the Board on July 1, 1992, and may be amended by Board action. Pursuant to the ERP agreement, no contribution shall be required or permitted from any member. Board contributions shall be sufficient to meet the annual pension cost of the ERP and to amortize the unfunded actuarial accrued liability within 5.62 years based on the July 1, 2017, actuarial study.

Periodic employer contributions to the ERP are determined on an actuarial basis using the aggregate cost method. Under this actuarial cost method, a funding cost is developed for the ERP as a level dollar amount per individual. The level dollar amount is calculated as the excess of the total future benefit liability over accumulated assets and future employee contributions, with this excess spread over the life expectancy for current retired participants and their beneficiaries. The normal cost is equal to the level dollar amount multiplied by the total life expectancy for retired participants and their beneficiaries solely during the year immediately following the valuation date. The actuarial accrued liability is equal to the accumulated assets. Therefore, under the aggregate cost method, no unfunded accrued liability is developed.

Significant actuarial assumptions used to compute annual required contributions are the same as those used to determine the actuarial accrued liability.

Contributions to the ERP in the 2017-18 fiscal year amounted to \$58,828, all of which were paid by the Board, and were \$4,254 more than the actuarially determined contribution requirement of \$54,574 determined through the actuarial valuation performed as of July 1, 2017.

All of the assets in the District's Pension Trust Fund are legally required reserves. None of the assets have been designated by the Board for any other specific purpose. Costs of administering the ERP are financed through the ERP's resources (employer contributions and investment earnings).

Summary of Significant Accounting Policies

Significant accounting policies related to basis of accounting and method of asset valuation are disclosed in Note I. Investment disclosures related to the pension trust fund are in Note III.B.

Investments

Investment Policy. The District manages the ERP's assets in accordance with the Board's investment policy discussed in Note III.B., the same as for all other District investments. ERP investments at June 30, 2018, consisted of amounts placed with the Florida PRIME investment pool.

Rate of Return. For the year ended June 30, 2018, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 1.79 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

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Net Pension Liability

The components of the net pension liability of the ERP at June 30, 2018, were as follows:

Total Pension Liability	\$ 526,580
Plan Fiduciary Net Position	<u>(202,421)</u>
Net Pension Liability	<u>\$ 324,159</u>
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	38.4%

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

Investment rate of return	3%
Projected salary increases	Not Applicable
Postemployment benefit increases	3%

Post-Retirement Mortality: Sex-distinct rates set forth in the RP-2000 Combined Mortality Table with full generational improvements in mortality using Scale BB.

The Total Pension Liability used in calculating the Net Pension Liability presented above is based on the actuarial valuation performed as of July 1, 2017. Actuarial update procedures were used to roll forward the Total Pension Liability to June 30, 2018, the ERP's fiscal year end.

As total investments represent less than a percent of total ERP assets, the District did not calculate the long-term expected rate of return on ERP investments.

Discount Rate. The discount rate used to measure the total pension liability was 3 percent (2.75 percent, per annum, is attributable to long-term inflation). This rate was used to discount all future benefit payments.

Sensitivity of the Net Pension Liability to Changes in the Discount Rate. The following presents the normal cost rate of the ERP calculated using the discount rate of 3 percent, as well as what the normal cost rate would be if it were calculated using a discount rate that is 1 percentage point lower (2 percent) or 1 percentage point higher (4 percent) than the current rate:

	1% Decrease (2%)	Current Discount Rate (3%)	1% Increase (4%)
Net Pension Liability	\$ 359,692	\$ 324,159	\$ 292,388

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E. Other Postemployment Benefit Obligations

Plan Description. The Other Postemployment Benefits Plan (OPEB Plan) is a single-employer defined benefit plan administered by the District that provides OPEB for all employees who satisfy the District's retirement eligibility provisions. Pursuant to the provisions of Section 112.0801, Florida Statutes, former employees who retire from the District are eligible to participate in the District's healthcare and life insurance coverage. Retirees and their eligible dependents shall be offered the same healthcare coverage as is offered to active employees at a premium cost of no more than the premium cost applicable to active employees. 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 retiree healthcare costs are generally greater than active employee healthcare costs. The OPEB Plan contribution requirements and benefit terms of the District and the OPEB Plan members are established and may be amended through action from the Board. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Benefits Provided. The OPEB Plan provides healthcare and life insurance benefits for retirees and their dependents. In addition to the implicit subsidy described above, the benefit terms provide for payment of 100 percent of a capped subsidy for non-Medicare-eligible retirees that retire with 20 or more years of service to the District and 50 percent of a capped subsidy for non-Medicare-eligible retirees that retire with less than 20 years and more than 10 years of service to the District. There is no subsidy for Medicare-eligible retirees and retirees with less than 10 years of service to the District. The plan also provides all retirees with \$2,500 of life insurance benefits.

Employees Covered by Benefit Terms. At June 30, 2018, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	70
Inactive Employees Entitled to But Not Yet Receiving Benefits	0
Active Employees	<u>907</u>
Total	<u>977</u>

Total OPEB Liability. The District's total OPEB liability of \$8,532,426 was measured as of June 30, 2018 and was determined by an actuarial valuation as of that date.

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Actuarial Assumptions and Other Inputs. The total OPEB liability was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Inflation Rate	2.50 percent
Salary increase Rate	2.00 percent
Discount rate	3.87 percent
Municipal Bond Rate Basis	Bond Buyer General Obligation 20-year Municipal Bond Index
Mortality Rates	RP-2014 generational table scales using MP-17 and applied on a gender specific basis
Healthcare Cost Trend Rates	6.5 percent for 2018, decreasing 0.5 percent per year to an ultimate rate of 4.5 percent for 2022 and later years
Administrative Expenses	Per-capita administrative costs are based on current administrative fees.

The demographic actuarial assumptions for retirement and withdrawal used in the June 30, 2018, valuation were based on the results of the July 1, 2017, FRS Actuarial Valuation, which were developed by the FRS from an Actuarial Experience Study.

The participation percentage is the assumed rate of future eligible retirees who elect to continue health coverage at retirement. It is assumed that 80 percent of all employees and their dependents who are eligible for early retirement benefits will participate in the retiree medical plan. This assumes that a one-time irrevocable election to participate is made at retirement. The expected annual claim costs were developed using historical claim experience through March 2018. The age 60 adjusted claim costs are presented in the table below:

<u>Per Capita Cost</u>	<u>Age 60 Claim Cost</u>
Buy up	\$ 12,997
Core	10,773
HDHP	9,828

The plan election percentage is based on current retiree plan elections, future retirees are assumed to elect the Buy up plan at 54 percent, the core plan at 43 percent and the remaining are assumed to elect the HDHP.

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Changes in the Total OPEB Liability. Below are the details regarding the total OPEB liability for the measurement period from July 1, 2017 to June 30, 2018.

	<u>Amount</u>
Balance at June 30, 2017, as Restated	<u>\$ 8,818,314</u>
Changes for the year:	
Service Cost	323,659
Interest	340,907
Changes in Assumptions or Other Inputs	(284,574)
Benefit Payments	<u>(665,880)</u>
Net Changes	<u>(285,888)</u>
Balance at June 30, 2018	<u><u>\$ 8,532,426</u></u>

Changes of assumptions and other inputs reflect a change in the discount rate from 3.58 percent in 2017 to 3.87 percent in 2018.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate. The following table presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (2.87 percent) or 1 percentage point higher (4.87 percent) than the current rate:

	<u>1% Decrease (2.87%)</u>	<u>Current Discount Rate (3.87%)</u>	<u>1% Increase (4.87%)</u>
Total OPEB Liability	\$ 9,592,000	\$ 8,532,426	\$ 7,668,000

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates. The following table presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage point lower (5.5 percent decreasing to 3.5 percent) or 1 percentage point higher (7.5 percent decreasing to 5.5 percent) than the current healthcare cost trend rates:

	<u>1% Decrease (5.5% decreasing to 3.5%)</u>	<u>Healthcare Cost Trend Rates (6.5% decreasing to 4.5%)</u>	<u>1% Increase (7.5% decreasing to 5.5%)</u>
Total OPEB Liability	\$ 7,959,000	\$ 8,532,426	\$ 9,225,000

OPEB Expense and Deferred Inflows of Resources Related to OPEB. For the fiscal year ended June 30, 2018, the District recognized OPEB expense of \$650,338. At June 30, 2018, the District reported deferred inflows of resources related to OPEB from the following sources:

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<u>Description</u>	<u>Deferred Inflows of Resources</u>
Change of Assumptions or Other Inputs	\$ 270,345

The amount recognized in the deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<u>Fiscal Year Ending June 30</u>	<u>Amount</u>
2019	\$ (14,229)
2020	(14,229)
2021	(14,229)
2022	(14,229)
2023	(14,229)
Thereafter	(199,200)
Total	\$ (270,345)

F. Construction and Other Significant Commitments

Construction Contracts. The following is a schedule of major construction contract commitments at June 30, 2018:

<u>Project</u>	<u>Contract Amount</u>	<u>Completed to Date</u>	<u>Balance Committed</u>
Gerald Adams Elementary	\$ 29,831,678	\$ 15,858,241	\$ 13,973,437
Plantation Key Elementary/Middle	27,387,982	14,808,181	12,579,801
Stanley Switlik Elementary	10,622,188	1,040,294	9,581,894
Total	\$ 67,841,848	\$ 31,706,716	\$ 36,135,132

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

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

<u>Major Funds</u>					
<u>General</u>	<u>Special Revenue - Other</u>	<u>Capital Projects - Section 1011.71(2), F.S., Local Capital Improvement Tax</u>	<u>Capital Projects - Other</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 28,045	\$ 38,432	\$ 841,445	\$ 53,993,924	\$ 9,492	\$ 54,911,338

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G. Risk Management Programs

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Property and casualty, including workers' compensation coverage and group medical insurance for its employees, retirees, and their dependents is being provided on a self-insured basis up to specified limits. The District has entered into agreements with various insurance companies to provide specific excess coverage of claim amounts above the stated amount on an individual claim basis, and aggregate excess coverage when total claims minus specific excess coverage exceeds the loss fund established annually by the District. The District has contracted with an insurance administrator to administer these self-insurance programs, including the processing, investigating, and payment of claims.

Under the plan for property and casualty, including workers' compensation, the District's liability is limited to various per occurrence amounts ranging between \$1,000 and \$10 million, depending on the type of peril coverage. The District's commercial property insurance for wind damage provides for a \$50 million primary limit with a \$5 million sublimit per named windstorm after a deductible of 5 percent of total insured values per location subject to a minimum of \$10 million per occurrence. All other windstorm/hail coverage provides for a \$100,000 deductible per occurrence.

The plan for group medical insurance provides that the District contributes premiums as a fringe benefit to employees. The District also contributes for dependent coverage for several administrative employees. Dependent coverage for other employees and coverage for retirees and their dependents is by prepaid premium. The District's liability under the group medical plan is limited to \$275,000 annually for each person. The District's reimbursement from excess insurance coverage for aggregate claims is limited to a total of \$2 million annually.

Settled claims resulting from the risks described above have not exceeded commercial insurance coverage in any of the past 3 fiscal years.

A liability in the amount of \$3,694,778 was actuarially determined to cover estimated incurred, but not reported, insurance claims payable for the group medical, workers' compensation, and automobile and general liability self-insurance programs at June 30, 2018.

The following schedule represents the changes in claims liability for the past 2 fiscal years for the District's self-insurance program:

<u>Fiscal Year</u>	<u>Beginning-of-Fiscal-Year Liability</u>	<u>Current-Year Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>Balance at Fiscal Year-End</u>
2016-17	\$ 4,066,722	\$ 14,751,770	\$ (14,695,558)	\$ 4,122,934
2017-18	4,122,934	11,390,014	(11,818,170)	3,694,778

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H. Long-Term Liabilities

1. Certificates of Participation

The Monroe School Board Leasing Corporation (Leasing Corporation) was formed by the District to be lessor in connection with financing the acquisition and/or construction of certain educational facilities. On October 15, 1996, the District entered into a financing arrangement, characterized as a lease-purchase agreement with the Leasing Corporation, whereby the District secured financing and refinancing of various educational facilities, sites, and equipment. On December 29, 2005, the Leasing Corporation issued Certificates of Participation, Qualified Zone Academy Bonds (QZAB), Series 2005, in the amount of \$4,842,000 for heating, ventilation, and conditioning; electrical; and general facilities improvements at several District properties. Under the terms of the lease agreement, the District is required to make ten annual payments of \$341,008 each, which are deposited with a trustee and invested in accordance with a security delivery agreement until maturity and, when combined with interest earnings, will be sufficient to pay off the principal balance in full, at maturity on December 29, 2020. On August 1, 2013, the Board transferred Glynn Archer Elementary to the City of Key West, Florida, and such facility ceased being used as a qualified zone academy. In accordance with Federal tax law, an escrow deposit agreement was established on October 29, 2013, and \$561,689 (the amount of QZAB funds spent on the Glynn Archer Elementary facility) was deposited into the account. Such funds will remain on deposit until December 29, 2020, the date the 2005 QZAB matures.

On June 24, 2010, Certificates of Participation, Series 2010A, were issued under the Qualified School Construction Bond program in the amount of \$36,000,000 to finance the construction of a new middle school. The Qualified School Construction Bond program was established under the American Recovery and Reinvestment Act of 2009, to provide for a taxable obligation to be issued by the school district with a Federal subsidy for interest. The Series 2010A Certificates were issued by the Leasing Corporation as direct pay bonds whereby the District pays interest of 5.7 percent and receives a 5.49 percent interest subsidy, which is paid directly to the District by the United States Treasury. Under the terms of the trust agreement, the District is required to make annual payments of \$2,117,647 each, which are to be deposited with a trustee and invested in accordance with a trust agreement until maturity and, when combined with interest earnings, will be sufficient to pay off the principal balance in full, at maturity on June 1, 2027.

On May 18, 2018, Certificates of Participation, Series 2018A, were issued in the amount of \$31,260,000 to finance construction at Stanley Switlik Elementary, to be repaid from the proceeds of rents paid by the District.

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	<u>Amount Outstanding</u>	<u>Interest Rates (Percent)</u>	<u>Annual Maturity To</u>
Certificates of Participation:			
Series 2018A	\$ 31,260,000	3 - 5	2036
Plus: Unamortized Premiums	<u>4,006,399</u>		
Total Certificates of Participation, Net	<u>\$ 35,266,399</u>		

As a condition of the financing arrangements, the District has given a ground lease on District property to the Leasing Corporation, with a rental fee of \$1 per year. The initial term of the lease is 25 years commencing on October 15, 1996, and ending August 1, 2021. A separate ground lease commencing on June 1, 2010, and ending on June 1, 2032, was given to the Leasing Corporation for the facilities being financed by the Series 2010A Certificates. An additional ground lease commencing on May 18, 2018, and ending on June 1, 2036, was given to the Leasing Corporation for the facility being financed by the Series 2018A Certificates. The properties covered by the ground leases are, together with the improvements constructed thereon from the financing proceeds, leased back to the District. If the District fails to renew the leases and to provide for the rent payments through to term, the District may be required to surrender the sites included under the Ground Lease Agreements for the benefit of the securers of the certificates for a period of time specified by the arrangements which may be up to 30 years from the date of inception of the arrangement.

The District properties included in the ground leases under these arrangements are as follows:

- Gerald Adams Elementary School
- Horace O'Bryant Middle School
- Marathon High School
- Stanley Switlik Elementary School
- Sugarloaf Middle School

On March 30, 2015, the District entered into a Forward Delivery Agreement (Sinking Fund Agreement) among the Trustee for the Series 2010A Certificates of Participation and the Deutsche Bank AG, New York Branch (the Provider). Under the terms of the agreement, the District agreed to purchase Treasury securities on a periodic basis from the Provider at a fixed rate of return for delivery to the Trustee and deposit into the sinking fund. As a result, the District locked in a long-term fixed rate of return for future sinking fund deposits and reduced the amount of their annual sinking fund deposits from \$2,117,647 to \$1,745,563, an annual savings of \$372,084. The Board's total cash flow savings over the remaining life of the Series 2010A Certificates of Participation will be \$4,835,296.

MONROE COUNTY
SCHOOL DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

Except for the QZAB, Series 2005 issue, which fully matures on December 29, 2020, with interest paid by the Federal Government in the form of annual tax credits to the holders of the certificates, the lease payments are payable by the District, semiannually, on payment dates and interest rates ranging as follows:

<u>Certificates</u>	<u>Payment Dates</u>	<u>Interest Rates</u>
Series 2010A	June 1 and December 1	5.7 (0.21 net) percent
Series 2018A	June 1 and December 1	3 - 5 percent

The following is a schedule by years of future minimum lease payments under the lease agreements together with the present value of minimum lease payments as of June 30:

<u>Fiscal Year Ending June 30</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2019	\$ 3,914,693	\$ 325,000	\$ 3,589,693
2020	3,916,350	390,000	3,526,350
2021	8,757,750	5,247,000	3,510,750
2022	3,914,550	420,000	3,494,550
2023	3,912,750	435,000	3,477,750
2024-2028	55,465,950	40,405,000	15,060,950
2029-2033	19,067,250	14,400,000	4,667,250
2034-2036	11,435,050	10,480,000	955,050
Total Minimum Lease Payments	\$ 110,384,343	\$ 72,102,000	\$ 38,282,343

2. Bonds Payable

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

<u>Bond Type</u>	<u>Amount Outstanding</u>	<u>Interest Rates (Percent)</u>	<u>Annual Maturity To</u>
District Sales Tax Revenue Bonds:			
Series 2017	\$ 62,260,000	2-5	2026
Plus: Unamortized Premiums	5,896,376		
Total Bonds Payable, Net	<u>\$ 68,156,376</u>		

The bonds were issued to finance capital outlay projects of the District. The following is a description of the bonded debt issues:

District Revenue Bonds

The Board issued Sales Tax Revenue Bonds, Series 2017, on January 19, 2017, totaling \$68,725,000. These bonds are authorized by Chapters 212, 1001, 1011, and 1013, Florida Statutes. These bonds are secured by a pledge of the proceeds received by the District from the levy and collection of a one-half cent discretionary sales surtax pursuant to Section 212.055(6), Florida Statutes, and all moneys including investments thereof in the funds and accounts established pursuant to the bond resolution.

MONROE COUNTY
SCHOOL DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

The bonds were issued for the purpose of financing the costs of acquisition, construction, equipping, installation of, and renovation to, various capital improvements and educational facilities.

The District has pledged a combined total of \$74,318,675 of discretionary surtax sales revenues (sales tax revenues) in connection with the Series 2017 Sales Tax Revenue Bond issues described above. The pledged sales tax revenues are committed until final maturity of the debt, or October 1, 2025. Assuming a nominal growth rate of 0 percent in the collection of sales tax revenues, which are levied through October 1, 2025, approximately 57 percent of this revenue stream has been pledged in connection with debt service on the revenue bonds.

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

Fiscal Year Ending June 30	Total	Principal	Interest
District Sales Tax Revenue Bonds:			
2019	\$ 9,288,850	\$ 6,660,000	\$ 2,628,850
2020	9,291,950	6,935,000	2,356,950
2021	9,290,375	7,215,000	2,075,375
2022	9,289,500	7,520,000	1,769,500
2023	9,289,500	7,880,000	1,409,500
2024-2026	27,868,500	26,050,000	1,818,500
Total District Sales Tax Revenue Bonds	<u>\$ 74,318,675</u>	<u>\$ 62,260,000</u>	<u>\$ 12,058,675</u>

3. Changes in Long-Term Liabilities

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

Description	Beginning Balance	Additions	Deductions	Ending Balance	Due In One Year
GOVERNMENTAL ACTIVITIES					
Estimated Insurance Claims Payable	\$ 4,122,934	\$ 11,390,014	\$ 11,818,170	\$ 3,694,778	\$ 1,978,041
Bonds Payable	68,725,000		6,465,000	62,260,000	6,660,000
Unamortized Premiums	6,709,669		813,293	5,896,376	813,293
Bonds Payable, Net	<u>75,434,669</u>		<u>7,278,293</u>	<u>68,156,376</u>	<u>7,473,293</u>
Certificates of Participation Payable	40,842,000	31,260,000		72,102,000	325,000
Unamortized Premiums		4,033,978	27,579	4,006,399	223,613
Certificates of Participation Payable, Net	<u>40,842,000</u>	<u>35,293,978</u>	<u>27,579</u>	<u>76,108,399</u>	<u>548,613</u>
Compensated Absences Payable	6,263,118	1,013,975	502,827	6,774,266	500,000
Net Pension Liability	51,865,224	30,582,246	25,698,744	56,748,726	526,570
Other Postemployment Benefits Payable (Note 1)	8,818,314	664,566	950,454	8,532,426	
Total Governmental Activities	<u>\$ 187,346,259</u>	<u>\$ 78,944,779</u>	<u>\$ 46,276,067</u>	<u>\$ 220,014,971</u>	<u>\$ 11,026,517</u>

Note 1 – OPEB beginning balance adjusted for adoption of GASB Statement No. 75 as described in Note II.

MONROE COUNTY
SCHOOL DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

For the governmental activities, compensated absences, pensions, and other postemployment benefits are generally liquidated with resources of the General Fund. The estimated insurance claims are generally liquidated with the resources of the proprietary funds, as discussed in Note III.G.

I. Fund Balance Reporting

In addition to committed and assigned fund balance categories discussed in the Fund Balance Policies note disclosure, fund balances may be classified as follows:

- **Nonspendable Fund Balance.** Nonspendable fund balance is the net current financial resources that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Generally, not in spendable form means that an item is not expected to be converted to cash.
- **Restricted Fund Balance.** Restricted fund balance is 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.
- **Unassigned Fund Balance.** The unassigned fund balance is the portion of fund balance that is the residual classification for the General Fund. This balance represents amounts that have not been assigned to other funds and that have not been restricted, committed, or assigned for specific purposes.

J. Interfund Receivables and Payables

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

Funds	Interfund	
	Receivables	Payables
Major:		
General	\$ 35,909	\$
Special Revenue:		
Other		61,886
Capital Projects:		
Section 1011.71(2), F.S., Local Capital		
Improvement Tax	325,169	
Other		319,448
Nonmajor Governmental	25,977	5,721
Total	\$ 387,055	\$ 387,055

The amounts due to the General Fund and the nonmajor governmental funds from the Special Revenue – Other Fund is to finance authorized activities of grants and contracts, which are financed on a cost reimbursement basis. The amount due to the Capital Projects – Section 1011.71(2), F.S., Local Capital Improvement Tax Fund is for a temporary loan of cash relating to Capital Projects – Other Fund Certificate

MONROE COUNTY
SCHOOL DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018

of Participation, Series 2018A project fund and Capital Projects – Public Education Capital Outlay Fund is to finance authorized capital projects, which are financed on a cost reimbursement basis.

K. Revenues

1. Schedule of State Revenue Sources

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

<u>Source</u>	<u>Amount</u>
Categorical Educational Program - Class Size Reduction	\$ 9,176,370
Florida Education Finance Program	4,325,008
Florida Best and Brighter Scholarship Program	964,000
Workforce Development Program	757,807
Voluntary Prekindergarten	529,757
Gross Receipts Tax (Public Education Capital Outlay)	433,811
School Recognition	395,965
Motor Vehicle License Tax (Capital Outlay and Debt Service)	261,680
Sales Tax Distribution	223,250
Diagnostic and Learning Resources Centers	212,446
Charter School Capital Outlay	161,013
Food Service Supplement	33,850
Mobile Home License Tax	31,876
District Discretionary Lottery	15,003
Miscellaneous	257,759
Total	\$ 17,779,595

Accounting policies relating to certain State revenue sources are described in Note I.H.2.

2. Property Taxes

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

<u></u>	<u>Millages</u>	<u>Taxes Levied</u>
GENERAL FUND		
Nonvoted School Tax:		
Required Local Effort	1.608	\$ 44,107,673
Basic Discretionary Local Effort	0.748	20,517,749
Voted School Tax:		
Additional Operating	0.500	13,715,072
CAPITAL PROJECTS FUNDS		
Nonvoted Tax:		
Local Capital Improvements	0.500	13,715,072
Total	3.356	\$ 92,055,566

**MONROE COUNTY
SCHOOL DISTRICT, FLORIDA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
JUNE 30, 2018**

L. Interfund Transfers

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

Funds	Interfund	
	Transfers In	Transfers Out
Major:		
General	\$ 5,586,693	\$
Debt Service:		
ARRA Economic Stimulus	1,953,606	
Capital Projects:		
Section 1011.71(2), F.S., Local		
Capital Improvement Tax		7,137,024
Other		9,538,510
Nonmajor Governmental	9,296,248	161,013
Total	\$ 16,836,547	\$ 16,836,547

Interfund transfers represent permanent transfer of moneys between funds. The transfers out of the Capital Projects – Section 1011.71(2), F.S., Local Capital Improvement Tax Fund to the Debt Service – ARRA Economic Stimulus Fund and the nonmajor Debt Service – Other Fund were to make debt service payments for the certificates of participation. The transfers out of the Capital Projects – Other Fund to the nonmajor Debt Service – Other Fund were to make debt service payments for the sales tax revenue bonds. Additionally, the transfers out of the Capital Projects – Section 1011.71, F.S. Local Capital Improvement Tax Fund to the General Fund were to reimburse maintenance, capital expenditures, and property and casualty insurance premiums recorded in the General Fund. The transfers out of the nonmajor governmental funds were to the General Fund for charter school capital outlay expenditures.

**MONROE COUNTY SCHOOL DISTRICT, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL
OTHER POSTEMPLOYMENT BENEFITS LIABILITY AND RELATED
RATIOS**

	<u>2018</u>
Total OPEB Liability	
Service Cost	\$ 323,659
Interest	340,907
Changes of Assumptions or Other Inputs	(284,574)
Benefit Payments	<u>(665,880)</u>
Net Change in Total OPEB Liability	(285,888)
Total OPEB Liability - Beginning, as Restated	<u>8,818,314</u>
Total OPEB Liability - Ending	<u><u>\$ 8,532,426</u></u>
Covered-Employee Payroll	\$ 60,976,222
Total OPEB Liability as a Percentage of Covered-Employee Payroll	13.99%

Notes to Schedule:

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits.

Changes of Assumptions. The discount rate was changed from 3.58 percent at June 30, 2016 to 3.87 percent at June 30, 2017.

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS -
EARLY RETIREMENT PLAN
LAST TEN FISCAL YEARS

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Total Pension Liability:				
Service Cost	\$	\$	\$	\$
Interest	12,589	13,833	17,690	18,748
Demographic Experience	50,684	5,419	(102,872)	
Changes of Assumptions	73,953		12,829	
Benefit Payments, Including Refunds of Member Contributions	(58,828)	(58,511)	(56,808)	(53,754)
Net Change in Total Pension Liability	<u>78,398</u>	<u>(39,259)</u>	<u>(129,161)</u>	<u>(35,006)</u>
Total Pension Liability, Beginning	<u>448,182</u>	<u>487,441</u>	<u>616,602</u>	<u>651,608</u>
Total Pension Liability, Ending (A)	<u><u>\$ 526,580</u></u>	<u><u>\$ 448,182</u></u>	<u><u>\$ 487,441</u></u>	<u><u>\$ 616,602</u></u>
Plan Fiduciary Net Position:				
Employer Contributions	\$ 58,828	\$ 58,511	\$ 56,808	\$ 55,152
Net Investment Income	2,982	1,310	1,003	923
Benefit Payments, Including Refunds of Member Contributions	(58,828)	(58,511)	(56,808)	(55,152)
Administrative Expense				
Net Change in Plan Fiduciary Net Position	<u>2,982</u>	<u>1,310</u>	<u>1,003</u>	<u>923</u>
Plan Fiduciary Net Position, Beginning	<u>199,439</u>	<u>198,129</u>	<u>197,126</u>	<u>196,203</u>
Plan Fiduciary Net Position, Ending (B)	<u><u>\$ 202,421</u></u>	<u><u>\$ 199,439</u></u>	<u><u>\$ 198,129</u></u>	<u><u>\$ 197,126</u></u>
Net Pension Liability, Ending (A)-(B)	<u><u>\$ 324,159</u></u>	<u><u>\$ 248,743</u></u>	<u><u>\$ 289,312</u></u>	<u><u>\$ 419,476</u></u>
Plan Fiduciary Net Position As a Percentage of the Total Pension Liability	38.44%	44.50%	40.65%	31.97%
Covered Payroll	(1)	(1)	(1)	(1)
Net Pension Liability As a Percentage of Covered Payroll	(1)	(1)	(1)	(1)

Note: (1) The Covered Payroll and Net Pension Liability as a Percentage of Covered Payroll are not presented because all participants in the plan are retired.

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 19,741	\$ 14,471 25,601	\$ 14,471 25,601	\$ 5,622 26,920	\$ 5,621 26,920	\$ 12,976 31,396
1,610	78,647				25,826
<u>(53,546)</u> (32,195)	<u>(51,986)</u> 66,733	<u>(50,472)</u> (10,400)	<u>(48,855)</u> (16,313)	<u>(48,558)</u> (16,017)	<u>(47,283)</u> 22,915
<u>\$ 683,803</u>	<u>617,070</u>	<u>627,470</u>	<u>643,783</u>	<u>659,800</u>	<u>636,885</u>
<u>\$ 651,608</u>	<u>\$ 683,803</u>	<u>\$ 617,070</u>	<u>\$ 627,470</u>	<u>\$ 643,783</u>	<u>\$ 659,800</u>
\$ 53,546 578	\$ 51,986 13	\$ 50,500 14	\$ 50,000 11	\$ 63,976 8	\$ 63,976 10
(53,546)	(51,986)	(50,472)	(48,855) (855)	(48,558) (2,006)	(47,283) (2,512)
<u>578</u>	<u>13</u>	<u>42</u>	<u>301</u>	<u>13,420</u>	<u>14,191</u>
195,625	195,612	195,570	195,269	181,849	167,658
<u>\$ 196,203</u>	<u>\$ 195,625</u>	<u>\$ 195,612</u>	<u>\$ 195,570</u>	<u>\$ 195,269</u>	<u>\$ 181,849</u>
<u>\$ 455,405</u>	<u>\$ 488,178</u>	<u>\$ 421,458</u>	<u>\$ 431,900</u>	<u>\$ 448,514</u>	<u>\$ 477,951</u>
30.11%	28.61%	31.70%	31.17%	30.33%	27.56%
(1)	(1)	(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)	(1)	(1)

**MONROE COUNTY SCHOOL DISTRICT, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF EMPLOYER CONTRIBUTIONS -
EARLY RETIREMENT PLAN
LAST TEN FISCAL YEARS**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Actuarially Determined Contribution	\$ 54,574	\$ 47,569	\$ 47,569	\$ 50,885
Contributions in Relation to the Actuarially Determined Contribution	58,828	58,511	79,754	55,152
Contributions Deficiency (Excess)	<u>\$ (4,254)</u>	<u>\$ (10,942)</u>	<u>\$ (32,185)</u>	<u>\$ (4,267)</u>
Covered Payroll	(1)	(1)	(1)	(1)
Contributions as a Percentage of Covered Payroll	(1)	(1)	(1)	(1)

Notes to Schedule:

Valuation Date: Actuarially determined contribution rates are calculated as of July 1 of the fiscal year in which contributions are reported.

(1) The Covered Payroll and Net Pension Liability as a Percentage of Covered Payroll are not presented because all participants in the plan are retired.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Aggregate Cost Method
Amortization Method	Level Dollar, Closed
Remaining Amortization Period	5.62 years
Asset Valuation Method	Market Value
Inflation	N/A - All participants in plan are retired.
Salary Increases	N/A - All participants in plan are retired.
Investment Rate of Return	3% per annum
Cost of Living Adjustment	3% per annum
Retirement Age	N/A - All participants in plan are retired.
Mortality	Sex-distinct rates set forth in the RP-2000 Combined Mortality Table, with full generational improvements in mortality using Scale BB.

<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>	<u>2009</u>
\$ 50,885	\$ 49,857	\$ 49,857	\$ 50,365	\$ 50,365	\$ 63,976
53,546	51,986	50,500	50,000	63,976	63,976
<u>\$ (2,661)</u>	<u>\$ (2,129)</u>	<u>\$ (643)</u>	<u>\$ 365</u>	<u>\$ (13,611)</u>	<u>\$ 0</u>
(1)	(1)	(1)	(1)	(1)	(1)
(1)	(1)	(1)	(1)	(1)	(1)

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF INVESTMENT RETURNS -
EARLY RETIREMENT PLAN
June 30, 2018

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Annual Money-Weighted Rate of Return, Net of Investment Expense	1.79%	0.78%	0.60%	1.93%	1.94%

Note: GASB Statement No. 67 was adopted for the 2013-14 fiscal year and 10-year trend information will be developed from that date forward.

**MONROE COUNTY SCHOOL DISTRICT, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION -
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY -
FLORIDA RETIREMENT SYSTEM PENSION PLAN (1)**

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's Proportion of the FRS Net Pension Liability	0.125684063%	0.123101039%	0.124639896%	0.119195080%	0.112980889%
District's Proportionate Share of the FRS Net Pension Liability (2)	\$ 37,176,502	\$ 31,083,110	\$ 16,098,914	\$ 7,272,653	\$ 19,449,039
District's Covered Payroll (3)	\$ 58,404,686	\$ 56,592,210	\$ 51,999,967	\$ 48,305,552	\$ 45,772,676
District's Proportionate Share of the FRS Net Pension Liability as a Percentage of Its Covered Payroll	63.65%	54.92%	30.96%	15.06%	42.49%
FRS Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	83.89%	84.88%	92.00%	96.09%	88.54%

**SCHEDULE OF DISTRICT CONTRIBUTIONS -
FLORIDA RETIREMENT SYSTEM PENSION PLAN (1)**

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required FRS Contribution	\$ 3,625,662	\$ 3,271,866	\$ 3,002,015	\$ 3,038,827	\$ 2,610,878
FRS Contributions in Relation to the Contractually Required Contribution	3,625,662	3,271,866	3,002,015	3,038,827	2,610,878
FRS Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll (3)	\$ 60,976,222	\$ 58,404,686	\$ 56,592,210	\$ 51,999,967	\$ 48,305,552
FRS Contributions as a Percentage of Covered Payroll	5.95%	5.60%	5.30%	5.84%	5.40%

Notes: (1) The amounts presented for each fiscal year were determined as of June 30.

(2) Changes of Assumptions. The long-term expected rate of return used to determine total pension liability decreased from 7.6 percent to 7.1 percent from the June 30, 2016, measurement date to the June 30, 2017, measurement date causing an increase in the liability. In addition, the active member mortality assumption was updated.

(3) Covered payroll includes defined benefit actives, investment plan members, and members in DROP.

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION -
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY –
HEALTH INSURANCE SUBSIDY PENSION PLAN (1)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's Proportion of the HIS Net Pension Liability	0.183046944%	0.178317054%	0.167641538%	0.158905880%	0.152803671%
District's Proportionate Share of the HIS Net Pension Liability (2)	\$ 19,572,224	\$ 20,782,114	\$ 17,096,800	\$ 14,858,088	\$ 13,303,569
District's Covered Payroll (3)	\$ 58,404,686	\$ 56,592,210	\$ 51,999,967	\$ 48,305,552	\$ 45,772,676
District's Proportionate Share of the HIS Net Pension Liability as a Percentage of Its Covered Payroll	33.51%	36.72%	32.88%	30.76%	29.06%
HIS Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	1.64%	0.97%	0.50%	0.99%	1.78%

SCHEDULE OF DISTRICT CONTRIBUTIONS –
HEALTH INSURANCE SUBSIDY PENSION PLAN (1)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually Required HIS Contribution	\$ 1,008,184	\$ 968,737	\$ 913,989	\$ 640,830	\$ 544,358
HIS Contributions in Relation to the Contractually Required Contribution	1,008,184	968,737	913,989	640,830	544,358
HIS Contribution Deficiency (Excess)	\$ -	\$ -	\$ -	\$ -	\$ -
District's Covered Payroll (3)	\$ 60,976,222	\$ 58,404,686	\$ 56,592,210	\$ 51,999,967	\$ 48,305,552
HIS Contributions as a Percentage of Covered Payroll	1.65%	1.66%	1.62%	1.23%	1.13%

Notes: (1) The amounts presented for each fiscal year were determined as of June 30.

(2) Changes of Assumptions. The municipal bond rate used to determine total pension liability increased from 2.85 percent to 3.58 percent from the June 30, 2016, measurement date to the June 30, 2017, measurement date causing a decrease in the liability.

(3) Covered payroll includes defined benefit actives, investment plan members, and members in DROP.

Nonmajor Governmental Funds

Special Revenue Fund

The Special Revenue Fund accounts for certain revenues derived from the State of Florida, Federal government, and other local and private sources that are required to finance designated activities. Activities included within the fund 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.

Debt Service Fund

The Debt Service Fund accounts for the payment of principal and interest on long-term debt.

Debt Service - Other Fund - To account for and report on the payment of principal, interest, and related costs on the sales tax bond issues, certificates of participation issues, and other debt issues.

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 (PECO) Fund - To account for and report on funds received from the State for the construction and maintenance of schools.

Capital Outlay & Debt Service Fund - To account for and report on the excess dollars received through the State's Capital Outlay and Debt Service program used for construction and maintenance of schools.

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
June 30, 2018

		Special Revenue Fund	
	Total Nonmajor Governmental Funds	Total Nonmajor Special Revenue Fund	Food Service Fund
ASSETS			
Cash	\$ 2,414,931	\$ 1,137,924	\$ 1,137,924
Due from Other Funds	25,977	25,977	25,977
Due from Other Agencies	482,720	84,982	84,982
Restricted Investments	4,989,831		
Inventories	56,133	56,133	56,133
Total Assets	\$ 7,969,592	\$ 1,305,016	\$ 1,305,016
LIABILITIES AND FUND BALANCES			
Liabilities:			
Payroll Deductions and Withholdings Payable	\$ 4,912	\$ 4,912	\$ 4,912
Accounts Payable	32,287	21,453	21,453
Deposits Payable	79,747	79,747	79,747
Due to Other Funds	5,721		
Due to Other Agencies	19,156	19,156	19,156
Total Liabilities	141,823	125,268	125,268
Fund Balances:			
Nonspendable:			
Inventories	56,133	56,133	56,133
Restricted for:			
Capital Projects	1,669,024		
Debt Service	4,978,997		
Food Service	1,123,615	1,123,615	1,123,615
Total Fund Balances	7,827,769	1,179,748	1,179,748
TOTAL LIABILITIES AND FUND BALANCES	\$ 7,969,592	\$ 1,305,016	\$ 1,305,016

Debt Service Fund		Capital Projects Funds		
Total Nonmajor Debt Service Fund	Debt Service - Other Fund	Total Nonmajor Capital Projects Funds	Public Education Capital Outlay (PECO) Fund	Capital Outlay & Debt Service Fund
\$	\$	\$ 1,277,007	\$	\$ 1,277,007
4,989,831	4,989,831	397,738	397,738	
<u>\$ 4,989,831</u>	<u>\$ 4,989,831</u>	<u>\$ 1,674,745</u>	<u>\$ 397,738</u>	<u>\$ 1,277,007</u>
\$	\$	\$	\$	\$
10,834	10,834	5,721	5,721	
<u>10,834</u>	<u>10,834</u>	<u>5,721</u>	<u>5,721</u>	
4,978,997	4,978,997	1,669,024	392,017	1,277,007
<u>4,978,997</u>	<u>4,978,997</u>	<u>1,669,024</u>	<u>392,017</u>	<u>1,277,007</u>
<u>\$ 4,989,831</u>	<u>\$ 4,989,831</u>	<u>\$ 1,674,745</u>	<u>\$ 397,738</u>	<u>\$ 1,277,007</u>

**MONROE COUNTY SCHOOL DISTRICT, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Total Nonmajor Governmental Funds	Special Revenue Fund	
		Total Nonmajor Special Revenue Fund	Food Service Fund
REVENUES			
Federal Through State and Local Sources:			
Food Service	\$ 3,181,364	\$ 3,181,364	\$ 3,181,364
State Sources:			
Motor Vehicle License Tax (Capital Outlay and Debt Service)	257,802		
Food Service Supplement	33,850	33,850	33,850
Miscellaneous	594,824		
Total State Sources	886,476	33,850	33,850
Local Sources:			
Food Service Sales	548,830	548,830	548,830
Interest Income	149,507	16,609	16,609
Miscellaneous	39,854	7,647	7,647
Total Local Sources	738,191	573,086	573,086
Total Revenues	4,806,031	3,788,300	3,788,300

(Continued)

Debt Service Fund		Capital Projects Funds		
Total Nonmajor Debt Service Fund	Debt Service - Other Fund	Total Nonmajor Capital Projects Funds	Public Education Capital Outlay (PECO) Fund	Capital Outlay & Debt Service Fund
\$	\$	\$	\$	\$
		257,802		257,802
		594,824	594,824	
		852,626	594,824	257,802
115,656 32,207	115,656 32,207	17,242		17,242
147,863	147,863	17,242		17,242
147,863	147,863	869,868	594,824	275,044

(Continued)

**MONROE COUNTY SCHOOL DISTRICT, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

		<u>Special Revenue Fund</u>	
	<u>Total Nonmajor Governmental Funds</u>	<u>Total Nonmajor Special Revenue Fund</u>	<u>Food Service Fund</u>
EXPENDITURES			
Current - Education:			
Facilities Services	\$ 41,794	\$	\$
Food Service	3,700,894	3,700,894	3,700,894
Capital Outlay:			
Facilities Acquisition and Construction	4,245	4,245	4,245
Other Capital Outlay	74,311	74,311	74,311
Debt Service:			
Principal	6,465,000		
Interest and Fiscal Charges	3,122,950		
Total Expenditures	<u>13,409,194</u>	<u>3,779,450</u>	<u>3,779,450</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(8,603,163)</u>	<u>8,850</u>	<u>8,850</u>
OTHER FINANCING SOURCES (USES)			
Certificates of Participation Issued	293,978		
Transfers In	9,296,248		
Transfers Out	(161,013)		
Total Other Financing Sources (Uses)	<u>9,429,213</u>		
Net Change in Fund Balances	<u>826,050</u>	<u>8,850</u>	<u>8,850</u>
Fund Balances, Beginning	<u>7,001,719</u>	<u>1,170,898</u>	<u>1,170,898</u>
Fund Balances, Ending	<u>\$ 7,827,769</u>	<u>\$ 1,179,748</u>	<u>\$ 1,179,748</u>

(Continued)

Debt Service Fund		Capital Projects Funds		
Total Nonmajor Debt Service Fund	Debt Service - Other Fund	Total Nonmajor Capital Projects Funds	Public Education Capital Outlay (PECO) Fund	Capital Outlay & Debt Service Fund
\$	\$	\$ 41,794	\$ 41,794	\$
6,465,000	6,465,000			
3,122,738	3,122,738	212		212
9,587,738	9,587,738	42,006	41,794	212
(9,439,875)	(9,439,875)	827,862	553,030	274,832
293,978	293,978			
9,296,248	9,296,248			
-		(161,013)	(161,013)	
9,590,226	9,590,226	(161,013)	(161,013)	
150,351	150,351	666,849	392,017	274,832
4,828,646	4,828,646	1,002,175		1,002,175
\$ 4,978,997	\$ 4,978,997	\$ 1,669,024	\$ 392,017	\$ 1,277,007

Special Revenue Funds

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

Major Special Revenue Funds

Special Revenue - Other Fund - To account for and report on activities of various Federal programs according to the specifications and requirements of each funding source.

Nonmajor Special Revenue Fund

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

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
COMBINING BALANCE SHEET
SPECIAL REVENUE FUNDS
JUNE 30, 2018
(With Comparative Totals for June 30, 2017)

	Special Revenue Funds			
	Governmental Funds			
	Major	Nonmajor	Totals	
	Special Revenue - Other Fund	Food Service Fund	2018	2017
ASSETS				
Cash	\$	\$ 1,137,924	\$ 1,137,924	\$ 1,135,137
Accounts Receivable				6,263
Due from Other Funds		25,977	25,977	
Due from Other Agencies	325,022	84,982	410,004	1,034,932
Inventories		56,133	56,133	99,507
Total Assets	\$ 325,022	\$ 1,305,016	\$ 1,630,038	\$ 2,275,839
LIABILITIES AND FUND BALANCES				
Liabilities:				
Payroll Deductions and Withholdings Payable	\$ 9,453	\$ 4,912	\$ 14,365	\$ 60,094
Accounts Payable	199,567	21,453	221,020	5,770
Deposits Payable		79,747	79,747	70,403
Due to Other Funds	61,886		61,886	953,363
Due to Other Agencies	54,116	19,156	73,272	15,311
Total Liabilities	325,022	125,268	450,290	1,104,941
Fund Balances:				
Nonspendable				
Inventories		56,133	56,133	99,507
Restricted for:				
Food Service		1,123,615	1,123,615	1,071,391
Total Fund Balances		1,179,748	1,179,748	1,170,898
TOTAL LIABILITIES AND FUND BALANCES	\$ 325,022	\$ 1,305,016	\$ 1,630,038	\$ 2,275,839

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(With Comparative Totals for the Fiscal Year Ended June 30, 2017)

	Special Revenue Funds			
	Governmental Funds			
	Major	Nonmajor	Totals	
	Special Revenue - Other Fund	Food Service Fund	2018	2017
REVENUES				
Federal Direct Sources:				
Miscellaneous Federal Direct	\$ 1,319,313	\$	\$ 1,319,313	\$ 1,289,873
Federal Through State Sources:				
Food Service		3,181,364	3,181,364	2,662,351
Other Federal Through State Sources	4,316,628		4,316,628	4,746,504
Total Federal Through State Sources	4,316,628	3,181,364	7,497,992	7,408,855
State Sources:				
Food Service Supplement		33,850	33,850	34,367
Local Sources:				
Food Service Sales		548,830	548,830	839,486
Interest Income		16,609	16,609	7,964
Miscellaneous		7,647	7,647	65
Total Local Sources		573,086	573,086	847,515
Total Revenues	5,635,941	3,788,300	9,424,241	9,580,610

(Continued)

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
SPECIAL REVENUE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(With Comparative Totals for the Fiscal Year Ended June 30, 2017)

	Special Revenue Funds			
	Governmental Funds			
	Major	Nonmajor	Totals	
	Special	Food		
	Revenue -	Service		
	Other	Fund	2018	2017
	Fund			
EXPENDITURES				
Current - Education:				
Instruction	\$ 2,976,466	\$	\$ 2,976,466	\$ 3,234,158
Student Support Services	961,562		961,562	971,048
Instruction and Curriculum Development Services	1,113,442		1,113,442	1,035,420
Instructional Staff Training Services	356,164		356,164	423,455
Instruction Related Technology	1,160		1,160	1,079
General Administration	192,553		192,553	195,260
School Administration				1,184
Food Services		3,700,894	3,700,894	3,457,024
Central Services				
Student Transportation Services				116
Operation of Plant	1,775		1,775	1,715
Capital Outlay:				
Facilities Acquisition and Construction		4,245	4,245	
Other Capital Outlay	32,819	74,311	107,130	194,952
Total Expenditures	5,635,941	3,779,450	9,415,391	9,515,411
Excess of Revenues				
Over Expenditures		8,850	8,850	65,199
OTHER FINANCING SOURCES				
Sale of Capital Assets				2,136
Total Other Financing Sources				2,136
Net Change in Fund Balances		8,850	8,850	67,335
Fund Balances, Beginning		1,170,898	1,170,898	1,103,563
Fund Balances, Ending	\$ 0	\$ 1,179,748	\$ 1,179,748	\$ 1,170,898

**MONROE COUNTY SCHOOL DISTRICT, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
SPECIAL REVENUE - FOOD SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Special Revenue - Food Service Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Federal Through State and Local Sources:				
Food Service	\$ 2,629,360	\$ 3,181,364	\$ 3,181,364	\$
State Sources:				
Food Service Supplement	34,150	33,850	33,850	
Local Sources:				
Food Service	850,650	548,830	548,830	
Interest Income	6,900	16,609	16,609	
Miscellaneous		7,647	7,647	
Total Local Sources	857,550	573,086	573,086	
Total Revenues	3,521,060	3,788,300	3,788,300	
EXPENDITURES				
Current - Education:				
Food Services:				
Salaries	1,246,211	1,257,447	1,192,962	64,485
Employee Benefits	628,631	641,676	567,446	74,230
Purchased Services	221,900	203,747	183,935	19,812
Energy Services	132,600	115,569	107,829	7,740
Materials and Supplies	1,594,799	1,766,380	1,611,747	154,633
Capital Outlay	130,900	15,510	7,557	7,953
Other	24,125	36,675	29,418	7,257
Total Food Services	3,979,166	4,037,004	3,700,894	336,110
Capital Outlay:				
Facilities Acquisition and Construction		4,245	4,245	
Other Capital Outlay		74,311	74,311	
Total Capital Outlay		78,556	78,556	
Total Expenditures	3,979,166	4,115,560	3,779,450	336,110
Excess (Deficiency) of Revenues Over Expenditures	(458,106)	(327,260)	8,850	336,110
Net Change in Fund Balances	(458,106)	(327,260)	8,850	336,110
Fund Balances, Beginning	1,170,898	1,170,898	1,170,898	
Fund Balances, Ending	\$ 712,792	\$ 843,638	\$ 1,179,748	\$ 336,110

Debt Service Funds

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

Major Debt Service Funds

ARRA Economic Stimulus Fund - To account for and report on the payment of principal, interest, and related costs for the Certificates of Participation, Series 2010A, issued under the Qualified School Construction Bond program.

Nonmajor Debt Service Fund

Debt Service - Other Fund - To account for and report on the payment of principal, interest, and related costs on the sales tax bond issues, certificates of participation issues, and other debt issues.

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
COMBINING BALANCE SHEET
DEBT SERVICE FUNDS
JUNE 30, 2018
(With Comparative Totals for June 30, 2017)

	Debt Service Funds			
	Governmental Funds			
	Major	Nonmajor	Totals	
	Debt	Debt		
	Service -	Service -		
	ARRA Economic	Other		
	Stimulus Fund	Fund	2018	2017
ASSETS				
Due From Other Agencies	\$	\$	\$	\$ 920,014
Restricted Investments	16,159,722	4,989,831	21,149,553	19,040,602
Total Assets	<u>\$ 16,159,722</u>	<u>\$ 4,989,831</u>	<u>\$ 21,149,553</u>	<u>\$ 19,960,616</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$	\$ 10,834	\$ 10,834	\$
Due to Other Funds				920,014
Total Liabilities	<u>\$</u>	<u>\$ 10,834</u>	<u>\$ 10,834</u>	<u>\$ 920,014</u>
Fund Balances:				
Restricted for:				
Debt Service	16,159,722	4,978,997	21,138,719	19,040,602
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 16,159,722</u>	<u>\$ 4,989,831</u>	<u>\$ 21,149,553</u>	<u>\$ 19,960,616</u>

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
DEBT SERVICE FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018
(With Comparative Totals for the Fiscal Year Ended June 30, 2017)

	Debt Service Funds			
	Governmental Funds			
	Major	Nonmajor	Totals	
	Debt Service - ARRA Economic Stimulus Fund	Debt Service - Other	2018	2017
REVENUES				
Federal Direct:				
Miscellaneous Federal Direct	\$ 1,845,957	\$	\$ 1,845,957	\$ 1,840,028
State Sources:				
Motor Vehicle License Tax (Capital Outlay and Debt Service)				8,197
Local Sources:				
Interest Income	176,295	115,656	291,951	338,046
Miscellaneous	25,908	32,207	58,115	(3,856)
Total Local Sources	202,203	147,863	350,066	334,190
Total Revenues	2,048,160	147,863	2,196,023	2,182,415
EXPENDITURES				
Debt Service:				
Principal		6,465,000	6,465,000	318,000
Interest and Fiscal Charges	2,054,000	3,122,738	5,176,738	3,402,844
Total Expenditures	2,054,000	9,587,738	11,641,738	3,720,844
Deficiency of Revenues				
Over Expenditures	(5,840)	(9,439,875)	(9,445,715)	(1,538,429)
OTHER FINANCING SOURCES				
Certificates of Participation Issued		293,978	293,978	768,799
Transfers In	1,953,606	9,296,248	11,249,854	2,674,017
Total Other Financing Sources	1,953,606	9,590,226	11,543,832	3,442,816
Net Change in Fund Balances	1,947,766	150,351	2,098,117	1,904,387
Fund Balances, Beginning	14,211,956	4,828,646	19,040,602	17,136,215
Fund Balances, Ending	\$ 16,159,722	\$ 4,978,997	\$ 21,138,719	\$ 19,040,602

**MONROE COUNTY SCHOOL DISTRICT, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
DEBT SERVICE - ARRA ECONOMIC STIMULUS FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Debt Service - ARRA Economic Stimulus Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Federal Direct:				
Miscellaneous Federal Direct	\$ 1,832,123	\$ 1,845,957	\$ 1,845,957	\$
Local Sources:				
Interest Income		176,295	176,295	
Miscellaneous		25,908	25,908	
Total Local Sources		202,203	202,203	
Total Revenues	1,832,123	2,048,160	2,048,160	
EXPENDITURES				
Debt Service:				
Interest and Fiscal Charges	2,055,250	2,054,000	2,054,000	
Deficiency of Revenues Over Expenditures	(223,127)	(5,840)	(5,840)	
OTHER FINANCING SOURCES				
Transfers In	1,968,690	1,953,606	1,953,606	
Net Change in Fund Balances	1,745,563	1,947,766	1,947,766	
Fund Balances, Beginning	14,211,956	14,211,956	14,211,956	
Fund Balances, Ending	\$ 15,957,519	\$ 16,159,722	\$ 16,159,722	\$ 0

**MONROE COUNTY SCHOOL DISTRICT, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
DEBT SERVICE - OTHER FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Debt Service - Other Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Local Sources:				
Interest Income	\$	\$ 115,656	\$ 115,656	\$
Miscellaneous		32,207	32,207	
Total Revenues		147,863	147,863	
EXPENDITURES				
Debt Service:				
Principal	6,465,000	6,465,000	6,465,000	
Interest and Fiscal Charges	2,828,700	3,122,738	3,122,738	
Total Expenditures	9,293,700	9,587,738	9,587,738	
Deficiency of Revenues Over Expenditures	(9,293,700)	(9,439,875)	(9,439,875)	
OTHER FINANCING SOURCES				
Certificates of Participation Issued		293,978	293,978	
Transfers In	9,300,000	9,296,248	9,296,248	
Total Other Financing Sources	9,300,000	9,590,226	9,590,226	
Net Change in Fund Balances	6,300	150,351	150,351	
Fund Balances, Beginning	4,828,646	4,828,646	4,828,646	
Fund Balances, Ending	\$ 4,834,946	\$ 4,978,997	\$ 4,978,997	\$ 0

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, additions to existing buildings, or major renovation projects. Specific funding sources included herein are:

Major Capital Projects Fund

Section 1011.71(2), F.S., Local Capital Improvement Tax Fund - To account for the funds received through the levy of ad valorem taxes for capital outlay purposes.

Capital Projects - Other Fund - To account for and report on funds received from various sources designated for construction remodeling and renovation, expansion of schools and ancillary facilities, and maintenance of schools. Those various sources include sales tax funds collected through a voter approved sales tax referendum; funds received through the issuance of certificates of participation; and local capital improvement funds not required to be accounted for separately.

Nonmajor Capital Projects Funds

Public Education Capital Outlay (PECO) Fund - To account for and report on funds received from the State for the construction and maintenance of schools.

Capital Outlay & Debt Service Fund - To account for capital project activity funded by the District's portion of the State Capital Outlay and Debt Service Program.

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
COMBINING BALANCE SHEET
CAPITAL PROJECTS FUNDS
JUNE 30, 2018
(With Comparative Totals for June 30, 2017)

	Capital Projects Funds					
	Governmental Funds					
	Major		Nonmajor		Totals	
	Section 1011.71(2), F.S., Local Capital Improvement Tax Fund	Capital Projects - Other Fund	Public Education Capital Outlay (PECO) Fund	Capital Outlay & Debt Service Fund	2018	2017
ASSETS						
Cash	\$ 6,100,900	\$ 22,172,653	\$	\$ 1,277,007	\$ 29,550,560	\$ 35,431,057
Investments		47,317,289			47,317,289	74,259,724
Accounts Receivable						45,378
Due from Other Funds	325,169				325,169	984,163
Due from Other Agencies	3,300	1,322,007	397,738		1,723,045	1,504,072
Prepaid Items						100,000
Restricted Investments		33,322,906			33,322,906	
Total Assets	\$ 6,429,369	\$ 104,134,855	\$ 397,738	\$ 1,277,007	\$ 112,238,969	\$ 112,324,394
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts Payable	\$ 27,596	\$ 2,327,192	\$	\$	\$ 2,354,788	\$ 2,242,952
Construction Contracts Payable - Retained Percentage		2,684,653			2,684,653	201,847
Due to Other Funds		319,448	5,721		325,169	64,148
Due to Other Agencies		102,847			102,847	102,847
Total Liabilities	27,596	5,434,140	5,721		5,467,457	2,611,794
Fund Balances:						
Nonspendable:						
Prepaid Amounts						100,000
Restricted for:						
Capital Projects	6,401,773	96,386,261	392,017	1,277,007	104,457,058	106,517,089
Assigned for:						
Capital Projects		2,314,454			2,314,454	3,095,511
Total Fund Balances	6,401,773	98,700,715	392,017	1,277,007	106,771,512	109,612,600
TOTAL LIABILITIES AND FUND BALANCES	\$ 6,429,369	\$ 104,134,855	\$ 397,738	\$ 1,277,007	\$ 112,238,969	\$ 112,224,394

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
CAPITAL PROJECTS FUNDS

June 30, 2018

(With Comparative Totals for the Fiscal Year Ended June 30, 2017)

	Capital Projects Funds					
	Governmental Funds					
	Major		Nonmajor		Totals	
	Section 1011.71(2), F.S., Local Capital Improvement Tax Fund	Capital Projects - Other Fund	Public Education Capital Outlay (PECO) Fund	Capital Outlay & Debt Service Fund	2018	2017
REVENUES						
State Sources:						
Motor Vehicle License Tax (Capital Outlay and Debt Service)	\$	\$	\$	\$ 257,802	\$ 257,802	\$ 319,550
Miscellaneous			594,824		594,824	246,903
Total State Sources			594,824	257,802	852,626	566,453
Local Sources:						
Ad Valorem Taxes	13,325,623				13,325,623	12,190,559
Sales Taxes		16,982,267			16,982,267	17,730,317
Interest Income	146,395	1,380,327		17,242	1,543,964	629,856
Miscellaneous	180,403	549,605			730,008	19,100
Total Local Sources	13,652,421	18,912,199		17,242	32,581,862	30,569,832
Total Revenues	13,652,421	18,912,199	594,824	275,044	33,434,488	31,136,285
EXPENDITURES						
Current:						
Facilities Services	2,455,931	7,480,153	41,794		9,977,878	8,290,024
Capital Outlay:						
Facilities Acquisition and Construction	64,088	40,222,672			40,286,760	6,459,886
Charter School Local Capital Improvement	957,917				957,917	
Other Capital Outlay	1,310,262	2,006,000			3,316,262	1,888,450
Debt Service:						
Interest and Fiscal Charges				212	212	
Total Expenditures	4,788,198	49,708,825	41,794	212	54,539,029	16,638,360
Excess (Deficiency) of Revenues Over Expenditures	8,864,223	(30,796,626)	553,030	274,832	(21,104,541)	14,497,925
OTHER FINANCING SOURCES (USES)						
Certificates of Participation Issued		30,966,022			30,966,022	67,956,201
Premium on Certificates of Participation Issued		4,033,978			4,033,978	7,048,541
Transfers Out	(7,137,024)	(9,538,510)	(161,013)		(16,836,547)	(7,796,928)
Total Other Financing Sources (Uses)	(7,137,024)	25,461,490	(161,013)		18,163,453	67,207,814
Net Change in Fund Balances	1,727,199	(5,335,136)	392,017	274,832	(2,941,088)	81,705,739
Fund Balances, Beginning	4,674,574	104,035,851		1,002,175	109,712,600	28,006,861
Fund Balances, Ending	\$ 6,401,773	\$ 98,700,715	\$ 392,017	\$ 1,277,007	\$ 106,771,512	\$ 109,712,600

**MONROE COUNTY SCHOOL DISTRICT, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
CAPITAL PROJECTS -
SECTION 1011.71(2), F.S., LOCAL CAPITAL IMPROVEMENT TAX FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

Capital Projects - Section 1011.71(2), F.S., Local Capital Improvement Tax Fund				
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Local Sources:				
Ad Valorem Taxes	\$ 13,165,881	\$ 13,325,623	\$ 13,325,623	\$
Interest Income		146,395	146,395	
Miscellaneous		180,403	180,403	
Total Revenues	<u>13,165,881</u>	<u>13,652,421</u>	<u>13,652,421</u>	
EXPENDITURES				
Current - Education:				
Facilities Services		8,261,067	2,455,931	5,805,136
Capital Outlay:				
Facilities Acquisition and Construction	10,586,127	64,088	64,088	
Charter School Local Capital Improvement		1,080,000	957,917	122,083
Other Capital Outlay		1,310,262	1,310,262	
Total Capital Outlay	<u>10,586,127</u>	<u>2,454,350</u>	<u>2,332,267</u>	<u>122,083</u>
Total Expenditures	<u>10,586,127</u>	<u>10,715,417</u>	<u>4,788,198</u>	<u>5,927,219</u>
Excess of Revenues Over Expenditures	<u>2,579,754</u>	<u>2,937,004</u>	<u>8,864,223</u>	<u>5,927,219</u>
OTHER FINANCING USES				
Transfers Out	(7,091,065)	(7,137,024)	(7,137,024)	
Net Change in Fund Balance	<u>(4,511,311)</u>	<u>(4,200,020)</u>	<u>1,727,199</u>	<u>5,927,219</u>
Fund Balance, Beginning	<u>4,674,574</u>	<u>4,674,574</u>	<u>4,674,574</u>	
Fund Balance, Ending	<u>\$ 163,263</u>	<u>\$ 474,554</u>	<u>\$ 6,401,773</u>	<u>\$ 5,927,219</u>

**MONROE COUNTY SCHOOL DISTRICT, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
CAPITAL PROJECTS - OTHER FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

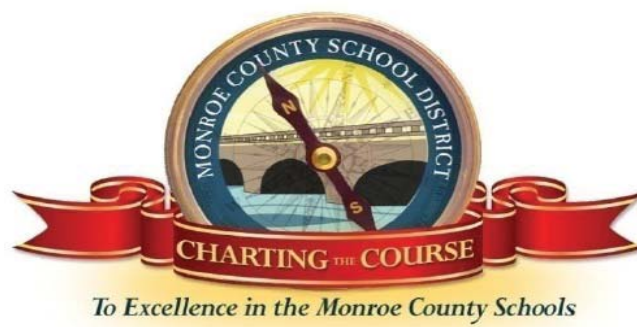
	Capital Projects - Other Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Local Sources:				
Sales Taxes	\$ 18,000,000	\$ 16,982,267	\$ 16,982,267	\$
Interest Income		1,380,327	1,380,327	
Miscellaneous		549,605	549,605	
Total Revenues	18,000,000	18,912,199	18,912,199	
EXPENDITURES				
Current - Education:				
Facilities Services		102,049,782	7,480,153	94,569,629
Capital Outlay:				
Facilities Acquisition and Construction	106,527,044	40,222,672	40,222,672	
Other Capital Outlay		2,006,000	2,006,000	-
Total Capital Outlay	106,527,044	42,228,672	42,228,672	-
Total Expenditures	106,527,044	144,278,454	49,708,825	94,569,629
Excess (Deficiency) of Revenues Over Expenditures	(88,527,044)	(125,366,255)	(30,796,626)	94,569,629
OTHER FINANCING SOURCES (USES)				
Certificates of Participation Issued		30,966,022	30,966,022	
Premium on Certificates of Participation Issued		4,033,978	4,033,978	
Transfers Out	(9,300,000)	(9,538,510)	(9,538,510)	
Total Other Financing Sources (Uses)	(9,300,000)	25,461,490	25,461,490	
Change in Fund Balance	(97,827,044)	(99,904,765)	(5,335,136)	94,569,629
Fund Balance, Beginning	104,035,851	104,035,851	104,035,851	
Fund Balance, Ending	\$ 6,208,807	\$ 4,131,086	\$ 98,700,715	\$ 94,569,629

**MONROE COUNTY SCHOOL DISTRICT, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
CAPITAL PROJECTS - PUBLIC EDUCATION CAPITAL OUTLAY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Capital Projects - Public Education Capital Outlay (PECO) Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
State Sources:				
Miscellaneous	\$ 597,073	\$ 594,824	\$ 594,824	\$
Total Revenues	597,073	594,824	594,824	
EXPENDITURES				
Current - Education:				
Facilities Services	433,811	433,811	41,794	392,017
Excess of Revenue Over Expenditures	163,262	161,013	553,030	392,017
OTHER FINANCING USES				
Transfers Out	(163,262)	(161,013)	(161,013)	
Change in Fund Balance			392,017	392,017
Fund Balance, Beginning				
Fund Balance, Ending	\$ 0	\$ 0	\$ 392,017	\$ 392,017

**MONROE COUNTY SCHOOL DISTRICT, FLORIDA
SCHEDULE OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES - BUDGET TO ACTUAL
CAPITAL PROJECTS - CAPITAL OUTLAY & DEBT SERVICE FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Capital Projects - Capital Outlay & Debt Service Fund			
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
State Sources:				
Motor Vehicle License Tax (Capital Outlay and Debt Service)	\$ 317,372	\$ 257,802	\$ 257,802	\$
Local Sources:				
Interest Income		17,242	17,242	
Total Revenues	317,372	275,044	275,044	
EXPENDITURES				
Current:				
Facilities Services	1,319,547	1,319,547		1,319,547
Debt Service:				
Interest and Fiscal Charges		212	212	
Total Expenditures	1,319,547	1,319,759	212	1,319,547
Excess (Deficiency) of Revenues Over Expenditures	(1,002,175)	(1,044,715)	274,832	1,319,547
Net Change in Fund Balance	(1,002,175)	(1,044,715)	274,832	1,319,547
Fund Balance, Beginning	1,002,175	1,002,175	1,002,175	
Fund Balance, Ending	\$ 0	\$ (42,540)	\$ 1,277,007	\$ 1,319,547



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Internal Service Funds

Internal Service Funds are nonmajor proprietary funds reported as governmental activities. They are used to account for the self-insurance activities of the District. The following funds are included in the Internal Service Funds:

Self Insurance - Workers' Compensation/General Liability - To account for and report on funds received for and used to pay for claims under the District's self-insured property, casualty, liability, and workers' compensation program.

Self Insurance - Vista - To account for and report on funds received for and used to pay administration costs for the District's employee benefit plans.

Self Insurance - Health Insurance - To account for and report on funds received for and used to pay for healthcare claims under the District's self-insured health program.

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
COMBINING STATEMENT OF NET POSITION
PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR END JUNE 30, 2018
(With Comparative Totals for June 30, 2017)

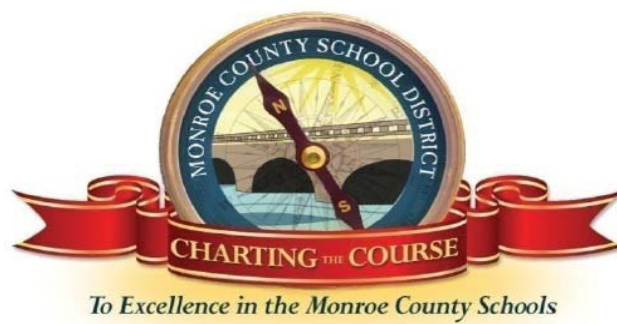
	Proprietary Funds - Internal Service Funds				
	Governmental Activities				
	Self-Insurance		Totals		
	Workers' Compensation/ General Liability	Vista	Health Insurance	2018	2017
ASSETS					
Current Assets					
Cash	\$ 3,477,652	\$ 524,326	\$ 5,300,172	\$ 9,302,150	\$ 7,427,907
Accounts Receivable					8,946
Due from Other Agencies	168,932			168,932	
Due from Insurer	493,879			493,879	1,119,066
Prepaid Items	170,587			170,587	162,122
Deposits Receivable		44,664		44,664	
TOTAL ASSETS	4,311,050	568,990	5,300,172	10,180,212	8,718,041
LIABILITIES					
Current Liabilities:					
Payroll Deductions and Withholdings Payable					14
Due to Other Agencies	871		871	1,742	
Accounts Payable	2,932		953,730	956,662	1,276,434
Estimated Insurance Claims Payable	856,894		1,121,147	1,978,041	1,983,564
Total Current Liabilities	860,697		2,075,748	2,936,445	3,260,012
Noncurrent Liabilities:					
Estimated Insurance Claims Payable	1,716,737			1,716,737	2,139,370
TOTAL LIABILITIES	2,577,434		2,075,748	4,653,182	5,399,382
NET POSITION					
Unrestricted	\$ 1,733,616	\$ 568,990	\$ 3,224,424	\$ 5,527,030	\$ 3,318,659

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
COMBINING STATEMENT OF REVENUES, EXPENSES,
AND CHANGES IN NET POSITION
PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR END JUNE 30, 2018
(With Comparative Totals for the Fiscal Year Ended June 30, 2017)

	Proprietary Funds - Internal Service Funds				
	Governmental Activities				
	Self-Insurance			Totals	
	Workers' Compensation/ General Liability	Vista	Health Insurance	2018	2017
OPERATING REVENUES					
Premium Contributions	\$ 1,688,921	\$ 150,458	\$ 13,368,492	\$ 15,207,871	\$ 14,478,674
Insurance Loss Recoveries		2,085	398,710	400,795	2,575,932
Total Operating Revenues	1,688,921	152,543	13,767,202	15,608,666	17,054,606
OPERATING EXPENSES					
Salaries	103,026		103,647	206,673	187,253
Employees Benefits	54,726	36,707	36,297	127,730	143,016
Purchased Services	353,840	133,757	1,284,187	1,771,784	1,747,722
Materials and Supplies	947		15,501	16,448	11,308
Capital Outlay	896		2,596	3,492	8,259
Insurance Claims	613,589		10,776,425	11,390,014	14,751,770
Total Operating Expenses	1,127,024	170,464	12,218,653	13,516,141	16,849,328
Operating Income (Loss)	561,897	(17,921)	1,548,549	2,092,525	205,278
NONOPERATING REVENUES					
Interest Revenue	55,640	9,492	25,714	90,846	40,531
Miscellaneous			25,000	25,000	50,000
Total Nonoperating Revenues	55,640	9,492	50,714	115,846	90,531
Change in Net Position	617,537	(8,429)	1,599,263	2,208,371	295,809
Total Net Position, Beginning	1,116,079	577,419	1,625,161	3,318,659	3,022,850
Total Net Position, Ending	\$ 1,733,616	\$ 568,990	\$ 3,224,424	\$ 5,527,030	\$ 3,318,659

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
COMBINING STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS - INTERNAL SERVICE FUNDS
FOR THE FISCAL YEAR END JUNE 30, 2018

	Proprietary Funds - Internal Service Funds			
	Governmental Activities			
	Self-Insurance		Totals	
	Workers' Compensation/ General Liability	Vista	Health Insurance	2018
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash Received from Board Funds and Participants	\$ 2,149,421	\$ 106,498	\$ 13,374,231	\$ 15,630,150
Cash Received from Loss Recoveries		2,085	398,710	400,795
Cash Payments to Suppliers for Goods and Services	(361,216)	(134,591)	(1,624,154)	(2,119,961)
Cash Payments to Employees for Services	(157,759)	(36,707)	(139,951)	(334,417)
Cash Payments for Insurance Claims	(1,094,808)		(10,723,362)	(11,818,170)
Net Cash Provided (Used) by Operating Activities	535,638	(62,715)	1,285,474	1,758,397
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Miscellaneous			25,000	25,000
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest Income	55,640	9,492	25,714	90,846
Net Increase (Decrease) in Cash	591,278	(53,223)	1,336,188	1,874,243
Cash, Beginning	2,886,374	577,549	3,963,984	7,427,907
Cash, Ending	\$ 3,477,652	\$ 524,326	\$ 5,300,172	\$ 9,302,150
Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Operating Income (Loss)	\$ 561,897	\$ (17,921)	\$ 1,548,549	\$ 2,092,525
Adjustments to Reconcile Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:				
Changes in Assets and Liabilities:				
Decrease in Accounts Receivable	3,374	704	4,868	8,946
Increase in Deposits Receivable		(44,664)		(44,664)
Decrease in Due from Insurer	625,187			625,187
Increase in Due from Other Agencies	(168,932)			(168,932)
Increase in Prepaid Items	(8,465)			(8,465)
Decrease in Payroll Deductions and Withholdings Payable	(7)		(7)	(14)
Increase (Decrease) in Accounts Payable	2,932	(834)	(321,870)	(319,772)
Increase in Due to Other Agencies	871		871	1,742
Increase (Decrease) Estimated Insurance Claims Payable	(481,219)		53,063	(428,156)
Total Adjustments	(26,259)	(44,794)	(263,075)	(334,128)
Net Cash Provided (Used) by Operating Activities	\$ 535,638	\$ (62,715)	\$ 1,285,474	\$ 1,758,397



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Discretely Presented Component Units

The component units columns in the basic financial statements include the financial data of the District's discretely presented component units.

Nonmajor Discretely Presented Component Units

Big Pine Elementary Academy, Inc.; Key West Independent Education, Inc., d/b/a Key West Collegiate School; Key West Montessori Elementary Charter School, Inc.; Montessori Island Charter School, Inc., d/b/a Treasure Village Montessori; Ocean Studies Charter School, Inc.; and Sigsbee Charter School Inc. are separate not for profit corporations organized pursuant to Chapter 617, Florida Statutes, the Florida Not For Profit Corporation Act, and Section 1002.33, Florida Statutes. These six charter schools operate under charters approved by their sponsor, the Board, and are considered to be component units of the District because the District is financially accountable for the charter schools and there is the potential for the charter schools to impose specific financial burdens on the District.

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS
JUNE 30, 2018

	Charter Schools			
	Big Pine Elementary Academy, Inc.	Key West Collegiate School	Key West Montessori Charter School, Inc.	Treasure Village Montessori
ASSETS				
Cash	\$ 141,827	\$ 9,090	\$ 454,496	\$ 255,802
Investments		416,000		
Accounts Receivables	11,176		5,400	403,399
Due from Other Agencies		1,065		
Prepaid Items	10,751	14,570	1,987	47,247
Deposits Receivable				17,655
Other Assets	8,638			
Capital Assets:				
Non-Depreciable				
Depreciable (Net)	3,987	27,092	118,025	580,491
TOTAL ASSETS	<u>176,379</u>	<u>467,817</u>	<u>579,908</u>	<u>1,304,594</u>
LIABILITIES				
Salaries and Benefits Payable	46,161	9,091		147,812
Accounts Payable	21,551	22,000	19,320	15,919
Unearned Revenue			2,300	127,443
Noncurrent Liabilities:				
Portion Due Within One Year	69,521			45,966
Portion Due in More Than One Year	73,435			40,127
TOTAL LIABILITIES	<u>210,668</u>	<u>31,091</u>	<u>21,620</u>	<u>377,267</u>
NET POSITION				
Net Investment in Capital Assets	3,987	27,092	118,025	494,398
Unrestricted	(38,276)	409,634	440,263	432,929
TOTAL NET POSITION - COMPONENT UNITS	<u>\$ (34,289)</u>	<u>\$ 436,726</u>	<u>\$ 558,288</u>	<u>\$ 927,327</u>

Charter Schools		
Ocean Studies Charter School, Inc.	Sigsbee Charter School, Inc.	Total Charter Schools
\$ 406,924	\$ 4,135,125	\$ 5,403,264
	495,618	911,618
	967	420,942
1,688	90,327	93,080
9,107	160,325	243,987
20,000		37,655
		8,638
	2,831,470	2,831,470
86,995	6,956,086	7,772,676
524,714	14,669,918	17,723,330
78,489	236,592	518,145
10,748	61,226	150,764
	8,357	138,100
16,633	8,641	140,761
	34,069	147,631
105,870	348,885	1,095,401
70,362	9,787,556	10,501,420
348,482	4,533,477	6,126,509
\$ 418,844	\$ 14,321,033	\$ 16,627,929

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNITS
JUNE 30, 2018

	Charter Schools			
	Big Pine Elementary Academy, Inc.	Key West Collegiate School	Key West Montessori Elementary Charter School, Inc.	Treasure Village Montessori
Governmental Activities:				
Instruction	\$ 728,254	\$ 268,677	\$ 967,851	\$ 1,281,958
Student Support Services	97,524		106,701	64,110
Instructional Media Services				
Instruction and Curriculum Development Services				
Instructional Staff Training Services		2,770	16,255	26,258
Instruction Related Technology				
School Board		9,300	18,198	513
General Administration				
School Administration	232,432	193,304	309,635	355,981
Facilities Services			47,561	332,077
Fiscal Services		11,250	63,550	94,989
Food Services	20,627			
Central Services		27,543	5,499	
Student Transportation Services	399	6,562	2,812	423
Operation of Plant	232,560	111,787	50,614	174,749
Maintenance of Plant	156,888			
Community Services	23,405		41,206	
Interest on Long-Term Debt				3,143
Unallocated Depreciation Expense	1,870			75,886
Total Governmental Activities	1,493,959	631,193	1,629,882	2,410,087
Program Revenue				
Charge for Services:				
Instruction				144,429
Food Services				
Community Services			26,103	
Total Charges for Services			26,103	144,429
Operating Grants and Contributions:				
Instruction			15,298	19,574
Facilities Services			5,400	
Operation of Plant	232,560			
Community Services	6,689			
Total Operating Grants and Contributions	239,249		20,698	19,574
Capital Grants and Contributions:				
Facilities Services				246,034
Operation of Plant		85,003		
Total Capital Grants and Contributions		85,003		246,034
Total Program Revenues	239,249	85,003	46,801	410,037
Net (Expense) Revenue	(1,254,710)	(546,190)	(1,583,081)	(2,000,050)
General Revenues:				
Grants and Contributions Not Restricted to Specific Programs	968,332	727,588	1,418,474	1,951,757
Unrestricted Investment Earnings		6,162		
Miscellaneous	300,973		161,763	419,611
Total General Revenues	1,269,305	733,750	1,580,237	2,371,368
Change in Net Position	14,595	187,560	(2,844)	371,318
Net Position - Beginning	(48,884)	249,166	561,132	556,009
Net Position - Ending	\$ (34,289)	\$ 436,726	\$ 558,288	\$ 927,327

Charter Schools		
Ocean Studies Charter School, Inc.	Sigsbee Charter School, Inc.	Total Charter Schools
\$ 616,004	\$ 3,139,046	\$ 7,001,790
	48,447	316,782
21	184,967	184,988
37,032	83,671	120,703
5,651	33,984	84,918
	78,139	78,139
	14,978	42,989
	55,585	55,585
211,904	386,115	1,689,371
300		379,938
6,441		176,230
	128,578	149,205
		33,042
12,525	65,434	88,155
241,169	503,845	1,314,724
32,527	335,103	524,518
	24,903	89,514
1,072		4,215
		77,756
1,164,646	5,082,795	12,412,562
		144,429
	86,751	86,751
	57,536	83,639
	144,287	314,819
	70,259	105,131
		5,400
		232,560
	44,818	51,507
	115,077	394,598
		246,034
138,071	147,889	370,963
138,071	147,889	616,997
138,071	407,253	1,326,414
(1,026,575)	(4,675,542)	(11,086,148)
1,155,338	6,218,106	12,439,595
	36,413	42,575
129,069	220,774	1,232,190
1,284,407	6,475,293	13,714,360
257,832	1,799,751	2,628,212
161,012	12,521,282	13,999,717
\$ 418,844	\$ 14,321,033	\$ 16,627,929

General Fund

The General Fund is the primary operating fund of the School Board. All general tax revenues and other receipts that are not allocated by law or contractual agreement to another fund are accounted for in this fund. The General Fund is reported as a major governmental fund.

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
COMPARATIVE BALANCE SHEET
GENERAL FUND
JUNE 30, 2018
(With Comparative Totals for June 30, 2017)

	General Fund	
	Major Governmental Fund	
	Totals	
	2018	2017
ASSETS		
Cash	\$ 11,420,654	\$ 11,572,160
Accounts Receivable	5,619	17,307
Due from Other Funds	35,909	953,362
Due from Other Agencies	1,045,836	714,610
Prepaid Items	405,610	451,109
Inventories	26,263	18,729
Total Assets	\$ 12,939,891	\$ 13,727,277
LIABILITIES AND FUND BALANCES		
Liabilities:		
Salaries and Benefits Payable	\$ 3,113,148	\$ 3,321,279
Payroll Deductions and Withholdings Payable	93,689	230,671
Accounts Payable	947,816	178,635
Sales Tax Payable	170	
Deposits Payable	104,121	
Due to Other Agencies	934,967	37,612
Total Liabilities	5,193,911	3,768,197
Fund Balances:		
Nonspendable:		
Inventories	26,263	18,729
Prepaid Amounts	405,610	451,109
Restricted for:		
State Required Carryover Programs	150,027	466,612
Assigned for:		
Carryover/Contractual Agreements	254,170	873,083
Unassigned Fund Balance	6,909,910	8,149,547
Total Fund Balances	7,745,980	9,959,080
TOTAL LIABILITIES AND FUND BALANCES	\$ 12,939,891	\$ 13,727,277

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GENERAL FUND
June 30, 2018
(With Comparative Totals for the Fiscal Year Ended June 30, 2017)

	General Fund	
	Major Governmental Fund	
	Totals	
	2018	2017
REVENUES		
Federal Direct Sources:		
Federal Impact, Current Operations	\$ 242,450	\$ 247,823
Miscellaneous Federal Direct		31,480
Total Federal Direct Sources	242,450	279,303
Federal Through State and Local Sources:		
Medicaid	376,668	392,829
Other Federal Through State Sources	750	1,500
Other Federal Through Local Sources	289,079	
Total Federal Through State and Local Sources	666,497	394,329
State Sources:		
Categorical Educational Program - Class Size Reduction	9,176,370	9,018,838
Florida Education Finance Program	4,325,008	4,986,362
Workforce Development Program	757,807	799,422
Voluntary Prekindergarten	529,757	518,348
Motor Vehicle License Tax (Capital Outlay and Debt Service)	3,878	4,913
School Recognition	395,965	278,836
Sales Tax Distribution	223,250	223,250
Diagnostic and Learning Resources Centers	212,446	212,438
Discretionary Lottery Funds	15,003	140,129
Mobile Home License Tax	31,876	32,260
Miscellaneous	1,221,759	389,959
Total State Sources	16,893,119	16,604,755
Local Sources:		
Ad Valorem Taxes	76,239,935	72,870,014
Interest Income	309,210	150,703
Miscellaneous	1,740,891	1,938,301
Total Local Sources	78,290,036	74,959,018
Total Revenues	96,092,102	92,237,405

(Continued)

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
COMPARATIVE STATEMENTS OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES
GENERAL FUND
June 30, 2018
(With Comparative Totals for the Fiscal Year Ended June 30, 2017)

	General Fund	
	Major Governmental Fund	
	Totals	
	2018	2017
EXPENDITURES		
Current - Education:		
Instruction	\$ 68,656,621	\$ 65,404,232
Student Support Services	4,609,527	4,203,449
Instructional Media Services	533,854	502,982
Instruction and Curriculum Development Services	1,666,443	1,688,617
Instructional Staff Training Services	999,999	810,659
Instruction Related Technology	1,897,305	1,696,115
School Board	649,715	709,113
General Administration	585,656	569,893
School Administration	4,962,885	4,897,330
Facilities Services	710,969	546,090
Fiscal Services	1,139,272	1,111,926
Food Services	10,682	16,226
Central Services	1,968,282	1,779,761
Student Transportation Services	3,773,569	3,575,941
Operation of Plant	7,617,436	6,993,869
Maintenance of Plant	2,773,766	2,673,838
Administrative Technology Services	390,380	399,636
Community Services	944,381	883,896
Capital Outlay:		
Other Capital Outlay	91,127	84,909
Total Expenditures	103,981,869	98,548,482
Deficiency of Revenues		
Over Expenditures	(7,889,767)	(6,311,077)
OTHER FINANCING SOURCES		
Insurance Loss Recoveries	89,974	2,344
Transfers In	5,586,693	5,122,911
Total Other Financing Sources	5,676,667	5,125,255
Net Change in Fund Balances	(2,213,100)	(1,185,822)
Fund Balances, Beginning	9,959,080	11,144,902
Fund Balances, Ending	\$ 7,745,980	\$ 9,959,080

Agency Funds

School Internal Funds - To account for resources of the schools' internal funds that are used to administer moneys collected for student activities and groups.

**MONROE COUNTY SCHOOL DISTRICT, FLORIDA
STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FIDUCIARY FUNDS - AGENCY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	School Internal Funds			
	June 30, 2017	Additions	Deletions	June 30, 2018
Assets				
Cash and Cash Equivalents	\$ 1,540,609	\$ 2,580,356	\$ 2,379,669	\$ 1,741,296
Liabilities				
Internal Accounts Payable	\$ 1,540,609	\$ 2,580,356	\$ 2,379,669	\$ 1,741,296



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STATISTICAL SECTION

This part of the District School Board of Monroe County, Florida's comprehensive annual financial report presents detail information as a context for understanding the information presented in the financial statements, note disclosures, and required supplementary information.

<u>Contents</u>	<u>Page</u>
Financial Trends	
These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.	132
Revenue Capacity	
These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	141
Debt Capacity	
These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future.	148
Demographic and Economic Information	
These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.	155
Operating Information	
These schedules contain service data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	157

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
NET POSITION BY COMPONENT
LAST 10 FISCAL YEARS
(Accrual Basis of Accounting)
(Unaudited)

	Fiscal Year Ended			
	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012
Governmental Activities:				
Net Investment in Capital Assets	\$ 178,481,969	\$ 188,381,501	\$ 195,923,231	\$ 200,927,125
Restricted	27,259,547	34,711,052	33,718,528	29,278,587
Unrestricted (Deficit)	<u>(1,184,440)</u>	<u>(7,161,488)</u>	<u>(7,284,973)</u>	<u>(2,946,074)</u>
Total Governmental Activities Net Position	<u>\$ 204,557,076</u>	<u>\$ 215,931,065</u>	<u>\$ 222,356,786</u>	<u>\$ 227,259,638</u>

Source: District Records

Fiscal Year Ended					
June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018
\$ 206,453,854	\$ 213,926,467	\$ 221,890,858	\$ 232,226,549	\$ 233,879,743	\$ 246,499,265
33,456,362	36,209,794	41,272,048	43,532,316	53,035,477	48,942,432
2,955,000	8,398,228	(18,233,793)	(19,878,795)	(23,620,067)	(33,574,801)
<u>\$ 242,865,216</u>	<u>\$ 258,534,489</u>	<u>\$ 244,929,113</u>	<u>\$ 255,880,070</u>	<u>\$ 263,295,153</u>	<u>\$ 261,866,896</u>

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
CHANGES IN NET POSITION: GOVERNMENT-WIDE
LAST 10 FISCAL YEARS
(Unaudited)

	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012
Governmental Activities:				
Expenses:				
Instruction	\$ 58,322,129	\$ 60,464,426	\$ 62,785,276	\$ 52,496,018
Student Support Services	5,300,909	5,656,826	4,835,421	4,355,291
Instructional Media Services	986,821	954,712	1,082,039	759,919
Instruction and Curriculum Development Services	2,788,699	2,596,069	2,564,134	2,185,009
Instructional Staff Training Services	1,457,881	1,431,370	1,316,912	1,310,010
Instruction Related Technology	1,258,556	1,249,020	1,102,466	973,501
School Board	835,663	838,991	960,471	1,099,668
General Administration	922,472	930,658	926,134	860,669
School Administration	5,397,130	5,209,039	4,940,773	4,076,673
Facilities Services	3,991,982	2,399,134	2,139,186	5,589,461
Fiscal Services	1,167,689	910,079	895,112	817,157
Food Service	3,061,850	3,156,720	3,246,770	3,265,882
Central Services	1,223,061	3,935,838	1,022,265	1,934,048
Student Transportation Services	4,327,131	4,158,324	3,917,152	5,497,672
Operation of Plant	8,423,865	8,088,266	7,153,402	6,007,533
Maintenance of Plant	3,110,214	3,339,022	2,978,823	2,149,658
Administrative Technology Services	379,213	381,442	389,371	362,414
Community Services	1,046,229	761,908	780,800	706,321
Unallocated Interest on Long-term Debt	3,980,917	3,433,567	2,837,095	4,332,292
Unallocated Depreciation Expense	10,675,856	6,129,171	6,109,528	8,371,323
Loss on Disposal of Capital Assets	4,627,628			
Total Primary Government Expenses	123,285,895	116,024,582	111,983,130	107,150,519
Program Revenues:				
Charges for Services	2,116,761	1,966,790	1,890,693	1,632,279
Operating Grants and Contributions	3,020,592	2,140,612	2,543,150	2,139,222
Capital Grants and Contributions	982,577	505,155	846,360	449,743
Total Program Revenues	6,119,930	4,612,557	5,280,203	4,221,244
Net Expense	(117,165,965)	(111,412,025)	(106,702,927)	(102,929,275)
General Revenues:				
Taxes:				
Property taxes, Levied for Operational Purposes (1)	62,829,967	64,150,485	66,966,325	57,990,332
Property Taxes, Levied for Capital Projects (1)	12,944,959	11,110,246	7,819,121	9,442,181
Local Sales Taxes	11,611,512	11,694,939	11,286,363	13,440,925
Grants and Contributions Not Restricted to Specific Programs	24,421,834	23,681,900	25,667,271	25,298,455
Unrestricted Investment Earnings	1,046,244	517,025	265,356	370,055
Miscellaneous	1,479,736	3,743,776	1,124,213	1,290,178
Special Items		3,260,014		
Total General Revenues and Special Items	114,334,252	118,158,385	113,128,649	107,832,126
Changes in Net Position	\$ (2,831,713)	\$ 6,746,360	\$ 6,425,722	\$ 4,902,851

Note: (1) Changes in property tax revenues are a product of underlying changes in property values and tax rates. See schedules 8-11.

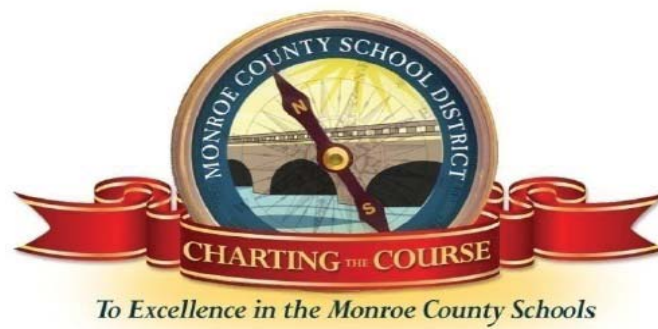
Source: District Records

June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018
\$ 50,374,881	\$ 54,619,327	\$ 58,457,631	\$ 65,059,767	\$ 70,286,144	\$ 73,001,885
4,122,685	4,463,142	4,619,822	5,065,455	5,325,296	5,697,459
763,251	700,704	611,896	697,774	518,154	546,258
1,976,806	2,253,404	2,221,883	2,656,391	2,803,365	2,845,974
1,277,434	970,765	1,498,488	1,592,458	1,267,921	1,387,515
844,143	999,498	1,059,720	1,350,273	1,750,697	1,944,749
761,163	654,142	540,105	555,228	715,332	654,867
820,602	636,902	807,927	726,648	781,828	792,046
3,818,756	3,851,690	4,197,990	4,520,157	5,049,063	5,082,371
2,459,319	4,035,005	5,665,800	7,346,554	8,837,042	10,699,868
777,885	884,669	1,071,178	1,110,566	1,145,660	1,166,504
3,101,574	3,214,748	3,158,300	3,312,320	3,523,272	3,750,844
1,570,726	1,455,853	1,465,561	1,657,789	1,820,455	2,005,151
3,013,233	3,290,014	3,684,860	3,952,544	4,057,382	4,224,494
5,453,336	6,109,750	6,559,838	7,296,777	7,006,744	7,626,188
2,150,849	1,991,606	2,123,140	2,524,839	2,737,288	2,825,663
351,986	457,369	392,591	520,078	411,374	399,989
633,537	642,095	769,408	748,162	898,273	956,224
4,081,382	3,249,827	2,801,169	2,335,486	3,063,972	5,293,995
8,344,508	5,792,393	5,578,519	5,464,950	5,707,636	6,430,062
1,173,823	1,519,564	6,431	1,932	19,214	82,665
97,871,879	101,792,467	107,292,257	118,496,148	127,726,112	137,414,771
1,663,856	1,794,616	1,688,266	1,638,555	1,624,010	1,304,853
2,212,832	2,309,174	2,566,440	2,575,164	2,696,718	3,215,215
418,021	324,190	458,846	484,917	327,747	257,802
4,294,709	4,427,980	4,713,552	4,698,636	4,648,475	4,777,870
(93,577,170)	(97,364,487)	(102,578,705)	(113,797,512)	(123,077,637)	(132,636,901)
59,476,513	63,577,031	65,705,892	68,562,278	72,870,014	76,239,935
9,408,793	9,999,768	10,511,321	11,219,852	12,190,559	13,325,623
15,205,186	15,342,494	16,442,313	17,375,355	17,730,317	16,982,267
23,437,140	22,391,727	23,129,180	23,624,557	25,401,695	25,878,789
526,302	262,547	395,542	566,744	1,120,103	2,161,734
1,507,223	1,460,193	2,386,454	3,399,683	1,180,032	1,870,610
109,561,157	113,033,760	118,570,702	124,748,469	130,492,720	136,458,958
\$ 15,983,987	\$ 15,669,273	\$ 15,991,997	\$ 10,950,957	\$ 7,415,083	\$ 3,822,057

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
FUND BALANCES OF GOVERNMENTAL FUNDS
LAST 10 FISCAL YEARS
(modified accrual basis of accounting)
(Unaudited)

	Post-GASB 54							
	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018
General Fund								
Nonspendable	\$ 497,905	\$ 514,349	\$ 493,607	\$ 360,657	\$ 564,727	\$ 505,659	\$ 469,838	\$ 431,873
Restricted	193,670	232,386	221,644	551,317	632,418	415,440	466,612	150,027
Committed	125,278	485,964						
Assigned	112,612	198,109	3,051,513	1,283,879	837,323	961,312	873,083	254,170
Unassigned	4,534,643	3,946,956	6,006,475	10,147,076	10,508,324	9,262,491	8,149,547	6,909,910
Total General Fund	\$ 5,464,108	\$ 5,377,764	\$ 9,773,239	\$ 12,342,929	\$ 12,542,792	\$ 11,144,902	\$ 9,959,080	\$ 7,745,980
All Other Governmental Funds								
Nonspendable	\$ 27,921	\$ 36,991	\$ 78,766	\$ 45,170	\$ 70,408	\$ 110,020	\$ 199,507	\$ 56,133
Restricted	56,347,818	38,782,078	33,155,952	35,613,307	40,569,222	43,006,856	126,629,082	126,719,392
Assigned		4,963,331	3,217,746	3,174,085	3,133,234	3,129,763	3,095,511	2,314,454
Total All Other Governmental Funds	\$ 56,375,739	\$ 43,782,400	\$ 36,452,464	\$ 38,832,562	\$ 43,772,864	\$ 46,246,639	\$ 129,924,100	\$ 129,089,979
Pre-GASB 54								
	June 30, 2009	June 30, 2010						
General Fund								
Reserved	\$ 707,765	\$ 628,751						
Unreserved	6,310,220	3,407,992						
Total General Fund	\$ 7,017,985	\$ 4,036,743						
All Other Governmental Funds								
Reserved	\$ 10,157,119	\$ 12,250,789						
Unreserved, reported in:								
Special Revenue Funds	190,178	334,121						
Capital Projects Funds	16,999,910	57,233,401						
Total All Other Governmental Funds	\$ 27,347,207	\$ 69,818,311						

Source: District Records



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MONROE COUNTY SCHOOL DISTRICT, FLORIDA
CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
LAST 10 FISCAL YEARS
(Modified Accrual Basis of Accounting)
(Unaudited)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Federal Direct Sources: (1)										
Federal Impact, Current Operations	\$ 229,681	\$ 217,686	\$ 285,845	\$ 205,026	\$ 290,048	\$ 161,368	\$ 232,262	\$ 228,351	\$ 247,823	\$ 242,450
ROTC	65,529	25,851	20,191	6,791						
Miscellaneous Federal Direct	1,681,053	1,489,815	1,514,753	3,493,911	3,262,283	3,180,127	3,037,681	3,066,914	3,161,381	3,165,270
Total Federal Direct Sources	1,976,263	1,733,352	1,820,789	3,705,728	3,552,331	3,341,495	3,269,943	3,295,265	3,409,204	3,407,720
Federal Through State and Local Sources: (1)										
Medicaid	471,563	480,979	393,442	431,862	552,501	359,213	418,968	476,882	392,829	376,668
Food Service	1,592,861	1,961,554	1,897,414	1,935,833	2,004,571	2,088,487	2,245,569	2,278,955	2,662,351	3,181,364
Donated Foods and Cash in Lieu of Donated Foods	160,885	139,379	216,324	175,299	171,041	183,542	285,742	260,805		
Other Federal Through State Sources	5,921,514	10,115,545	11,091,642	6,519,701	4,868,913	2,973,242	4,298,552	5,130,166	4,748,004	4,317,378
Total Federal Through State and Local Sources	8,146,843	12,697,457	13,598,822	9,062,695	7,717,245	5,604,484	7,628,090	8,286,293	7,803,184	289,079
State Sources: (1)										
Categorical Educational Program - Class Size Reduction	8,332,927	8,621,368	8,925,079	9,076,199	9,104,181	9,225,944	9,121,712	9,099,494	9,018,838	9,176,370
Florida Education Finance Program	3,579,894	774,408	1,206,970	3,522,545	3,061,267	3,904,893	3,635,778	4,169,048	4,986,362	4,325,008
Workforce Development Program	875,818	806,891	847,926	671,534	720,614	711,711	807,080	807,080	799,422	757,807
Voluntary Prekindergarten Program	529,787	575,200	499,780	491,618	438,925	542,022	545,192	518,348	518,348	529,757
Motor Vehicle License Tax (Capital Outlay and Debt Service)	324,426	323,352	323,363	323,067	331,789	329,103	317,227	340,169	332,660	261,680
Reading Programs										
School Recognition	549,906	370,254	523,011	357,660	518,154	319,695	333,058	531,931	278,836	395,965
Instructional Materials	777,377									
Transportation	1,227,829									
Racing Commission Funds	223,250	223,250	223,250	223,250	223,250	223,250	223,250	223,250	223,250	223,250
Diagnostic and Learning Resources Centers	181,000	185,000	188,000	188,000	150,000	198,790	210,075	213,982	212,438	212,446
Discretionary Lottery Funds	198,575	22,389	30,275	26,600		81,201	29,546		140,129	15,003
Adults with Disabilities	85,290	80,884	71,154	70,796	64,859	64,577	65,858			
Mobile Home License Tax	31,893	31,057	30,308	28,558	29,347	28,734	30,856	31,749	32,260	31,876
Food Service Supplement	39,016	39,679	35,970	28,091	37,220	37,145	35,129	35,404	34,367	33,850
Public Education Capital Outlay	792,848	181,803	522,997				147,157	148,681		
Florida Teachers Lead Program	110,180									
Excellent Teaching Program	228,647		72,767							
Miscellaneous	213,234	256,277	136,937	111,080	118,991	412,048	401,149	527,535	636,862	1,816,583
Total State Sources	18,301,897	12,491,792	13,637,787	15,118,998	14,798,597	16,079,113	15,903,067	16,665,855	17,213,772	17,779,595
Local Sources: (1)										
Ad Valorem Taxes	75,774,927	75,260,731	74,785,446	67,432,513	68,885,306	73,576,799	76,217,213	79,782,130	85,060,573	89,565,558
Sales Taxes	11,611,512	11,694,939	11,286,363	13,440,925	15,205,186	15,342,494	16,442,313	17,375,355	17,730,317	16,982,267
Food Service Sales	1,324,568	1,251,897	1,159,969	1,064,721	995,349	1,013,615	927,114	890,261	839,486	548,830
Interest Income and Others	1,043,876	516,984	265,260	292,630	651,519	168,186	395,542	566,744	1,126,569	2,161,734
Miscellaneous	1,881,563	2,566,662	1,846,751	1,634,681	1,964,155	2,318,799	2,494,063	2,578,923	1,953,610	2,536,661
Total Local Sources	91,636,446	91,291,223	89,343,789	83,865,470	87,701,515	92,419,893	96,476,245	101,193,413	106,710,555	111,795,050
Total Revenues	120,061,449	118,213,824	118,401,187	111,752,891	113,769,688	117,444,985	123,277,345	129,440,826	135,136,715	141,146,854

(continued)

	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Expenditures:										
Current - Education:										
Instruction	\$ 57,577,336	\$ 59,789,399	\$ 61,783,207	\$ 55,802,569	\$ 51,818,893	\$ 56,580,555	\$ 60,362,143	\$ 64,755,076	\$ 68,638,390	\$ 71,633,087
Student Support Services	5,229,212	5,989,639	4,753,620	4,324,635	4,247,431	4,667,117	4,808,502	5,036,098	5,174,497	5,571,089
Instructional Media Services	973,486	943,144	1,063,177	754,801	785,298	732,305	636,011	693,827	502,982	533,854
Instruction and Curriculum										
Development Services	2,752,159	2,564,253	2,519,875	2,169,059	2,038,574	2,356,115	2,312,675	2,641,839	2,724,037	2,779,885
Instructional Staff Training Services	1,444,733	1,416,709	1,298,489	1,302,989	1,302,923	1,011,287	1,551,167	1,584,023	1,234,114	1,356,163
Instruction Related Technology	1,240,638	1,233,207	1,082,692	966,100	871,267	1,048,342	1,107,022	1,341,879	1,697,194	1,898,465
School Board	831,818	835,134	952,525	1,096,542	768,992	664,034	548,763	553,959	709,113	778,209
General Administration	913,183	922,399	912,068	855,931	841,729	680,240	829,550	723,524	765,153	778,209
School Administration	5,318,731	5,142,957	4,852,541	4,046,760	3,938,411	4,033,717	4,380,781	4,492,871	4,898,514	4,962,885
Facilities Services	4,349,173	2,392,469	2,128,696	5,585,861	2,430,274	4,317,531	5,671,962	7,345,085	8,836,114	10,688,847
Fiscal Services	1,152,946	899,982	880,940	811,763	800,029	925,217	1,117,568	1,104,187	1,119,272	1,139,272
Food Service	3,038,784	3,134,928	3,216,494	3,254,769	3,146,209	3,283,184	3,219,687	3,302,861	3,473,250	3,711,576
Central Services	1,211,046	1,140,664	2,015,701	1,929,615	2,787,459	1,484,224	1,500,288	1,651,079	1,779,761	1,968,282
Student Transportation Services	3,862,696	3,669,398	3,416,695	2,840,591	2,704,659	3,108,006	3,363,912	3,507,104	3,576,057	3,773,569
Operation of Plant	8,372,222	8,042,791	7,097,051	6,000,973	5,453,417	6,121,880	6,573,798	7,294,543	6,995,584	7,619,211
Maintenance of Plant	3,071,090	3,319,278	2,932,857	2,136,149	2,201,664	2,064,178	2,191,230	2,513,232	2,673,838	2,773,766
Administrative Technology Services	373,558	376,514	382,290	359,612	363,540	476,541	409,722	516,839	399,636	390,380
Community Services	1,036,970	754,882	772,172	703,188	644,459	656,773	787,462	745,701	883,896	944,381
Capital Outlay:										
Facilities Acquisition and Construction	3,781,606	1,641,129	13,246,878	13,314,327	11,089,553	897,167	402,021	1,326,642	6,459,886	40,291,005
Charter School Local Capital Improvement										957,917
Other Capital Outlay	239,876	404,998	410,109	316,244	366,163	2,091,882	1,150,657	2,288,365	2,168,311	3,514,519
Debt Service:										
Principal	11,535,278	11,653,695	11,931,859	11,855,335	19,825,000	12,081,832	12,430,329	12,617,000	318,000	6,465,000
Interest and Fiscal Charges	3,917,849	3,370,499	2,774,027	4,307,081	4,081,382	3,249,827	2,801,169	2,335,486	3,402,844	5,176,950
Total Expenditures	122,224,390	119,238,068	130,423,963	124,734,894	122,507,326	112,511,954	118,156,419	128,371,220	128,423,097	179,578,027
	(2,162,941)	(1,024,244)	(12,022,776)	(12,982,003)	(8,737,638)	4,933,031	5,120,926	1,069,606	6,713,618	(38,431,173)
Other Financing Sources (Uses)										
Sale of Capital Assets	39,140	4,385,207	7,568	300,479	86,178	16,160	3,511	6,279	2,136	89,974
Loss Recoveries		128,900				596	16,303		2,344	
Bonds Issued									68,725,000	
Refunding Bonds										
Certificates of Participation		36,000,000		655,000	5,717,000		29,000			31,260,000
Premium on Bonds Issued									7,048,541	4,033,978
Premium on Certificates of Participation Issued				55,082			1,850			
Premium on Refunding Bonds Issued				(708,241)			(31,425)			
Payments to Refunding Bonds Escrow Agent				20,390,795	19,469,485	20,076,426	18,829,607	13,194,804	7,796,928	16,836,547
Transfers In	19,237,303	20,555,435	20,604,716	20,390,795	(19,469,485)	(20,076,426)	(18,829,607)	(13,194,804)	(7,796,928)	(16,836,547)
Transfers Out	(19,237,303)	(20,555,435)	(20,604,716)	(20,390,795)	(19,469,485)					
Total Other Financing Sources	39,140	40,514,107	7,568	302,320	5,803,178	16,756	19,239	6,279	75,778,021	35,383,952
Net Change in Fund Balance	\$ (2,123,801)	\$ 39,489,863	\$ (12,015,208)	\$ (12,679,683)	\$ (2,934,460)	\$ 4,949,787	\$ 5,140,165	\$ 1,075,885	\$ 82,491,639	\$ (3,047,221)
Debt Service as a Percentage of Noncapital Expenditures	13.07%	12.82%	12.59%	14.55%	21.53%	14.00%	13.06%	11.99%	3.11%	8.64%

Notes: (1) District records were used to disaggregate audited totals for this report.

Source: District Records

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
SUMMARY OF REVENUE AND EXPENSES-GENERAL FUND
LAST 10 FISCAL YEARS
(Modified Accrual Basis of Accounting)
(Unaudited)

	Fiscal Year Ended									
	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018
Revenues										
Federal Direct	\$ 376,284	\$ 318,015	\$ 380,546	\$ 248,918	\$ 326,038	\$ 194,372	\$ 258,547	\$ 259,831	\$ 279,303	\$ 242,450
Federal through State and Local Sources	761,244	725,979	563,871	715,639	675,760	359,213	801,434	617,867	394,329	666,497
State Sources	17,149,966	11,817,028	12,759,634	14,694,479	14,345,446	15,382,919	15,131,996	15,983,907	16,604,755	16,893,119
Local	65,711,489	66,773,730	68,970,736	59,888,309	61,607,076	65,837,219	68,009,473	71,098,099	74,959,018	78,290,036
Total Revenues	83,998,983	79,634,752	82,674,787	75,547,345	76,954,320	81,773,723	84,201,450	87,959,704	92,237,405	96,092,102
Expenditures										
Instruction	53,522,965	52,377,413	52,886,051	52,051,842	48,888,305	54,143,968	57,521,150	61,376,478	65,404,232	68,656,621
Student Support Services	4,347,804	4,692,704	3,654,297	3,108,542	3,108,090	4,410,761	3,895,863	4,092,098	4,203,449	4,609,527
Instructional Media Services	970,477	939,034	1,063,177	674,734	735,380	730,934	636,011	693,827	502,982	533,854
Instruction and Curriculum Development Services	1,732,378	1,523,488	1,425,926	1,160,922	1,152,722	1,488,103	1,421,369	1,536,514	1,688,617	1,666,443
Instructional Staff Training Services	783,091	737,159	473,163	358,886	362,637	610,557	1,001,519	1,026,934	810,659	999,999
Instruction Related Technology	1,227,623	1,173,228	1,055,475	966,100	871,267	1,048,342	1,105,499	1,329,487	1,696,115	1,897,305
School Board	831,818	833,311	952,525	1,095,882	759,477	663,380	548,763	553,959	709,113	649,715
General Administration	679,285	680,761	785,563	627,455	684,310	546,541	584,072	475,253	569,893	585,656
School Administration	5,318,731	5,138,656	4,846,294	4,020,380	3,918,149	4,031,481	4,379,902	4,489,895	4,897,330	4,962,885
Facilities Services	323,945	655,983	585,596	1,019,285	124,263	471,480	422,301	404,711	546,090	710,969
Fiscal Services	1,152,946	899,482	880,940	795,263	800,028	925,217	1,117,568	1,104,187	1,139,272	1,139,272
Food Service	22,879	29,137	39,659	17,591	18,730	30,598	11,804	26,791	16,226	10,682
Central Services	1,211,046	1,136,664	2,015,165	1,929,615	2,787,459	1,482,601	1,500,288	1,651,079	1,779,761	1,968,282
Student Transportation Services	3,787,590	3,601,658	3,397,057	2,792,471	2,694,216	3,084,538	3,349,260	3,507,104	3,575,941	3,773,569
Operation of Plant	8,367,524	8,040,809	7,087,651	5,995,862	5,453,307	6,120,978	6,571,956	7,292,992	6,993,869	7,617,436
Maintenance of Plant	3,071,090	3,317,996	2,932,523	2,133,810	2,201,664	2,064,178	2,191,230	2,513,232	2,673,838	2,773,766
Administrative Technology Services	369,173	376,514	382,290	359,612	363,540	476,541	409,722	516,839	399,636	390,380
Community Services	1,036,970	754,590	771,384	601,001	644,459	656,773	787,462	745,701	883,896	944,381
Capital Outlay:										
Facilities Acquisition and Construction			5,250	1,500	85,986		11,800			
Other Capital Outlay	35,927	67,054	47,399	35,892	84,586	60,282	159,154	118,057	84,909	91,127
Debt Service:										
Principal										
Interest and Fiscal Charges	446,510	150,123	58,395	44,320	63,376	104,834	53,100	37,630		
Total Expenditures	89,239,772	87,125,764	85,345,780	79,790,965	75,801,951	83,152,087	87,679,793	93,492,768	98,548,482	103,981,869
Excess (Deficiency) of Revenues over Expenditures	(5,240,789)	(7,491,012)	(2,670,993)	(4,243,620)	1,152,369	(1,378,364)	(3,478,343)	(5,533,064)	(6,311,077)	(7,889,767)
Total Other Financing Sources	4,175,696	4,509,770	4,098,358	4,157,276	3,243,106	3,948,054	3,678,206	4,135,174	5,125,255	5,676,667
Net Change in Fund Balances	(1,065,093)	(2,981,242)	1,427,365	(86,344)	4,395,475	2,569,690	199,863	(1,397,890)	(1,185,822)	(2,213,100)
Beginning Fund Balance	8,083,078	7,017,985	4,036,743	5,464,108	5,377,764	9,773,239	12,342,929	12,542,792	11,144,902	9,959,080
Ending Fund Balance	\$ 7,017,985	\$ 4,036,743	\$ 5,464,108	\$ 5,377,764	\$ 9,773,239	\$ 12,342,929	\$ 12,542,792	\$ 11,144,902	\$ 9,959,080	\$ 7,745,980

Source: District Records

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
Projected Sales Tax Revenues
(Unaudited)

<u>Fiscal Year Ending</u>	<u>Sales Tax Revenue</u>
June 30, 2019	18,200,000
June 30, 2020	18,400,000
June 30, 2021	18,600,000
June 30, 2022	19,000,000
June 30, 2023	19,300,000

Source: District records of sales tax collections received from the Florida Department of Revenue.

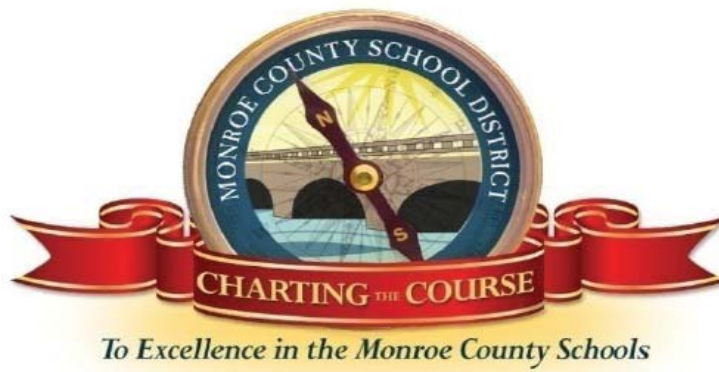
MONROE COUNTY SCHOOL DISTRICT, FLORIDA
ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST 10 FISCAL YEARS
(Unaudited)

Fiscal Year Ended June 30	Just Value (1)		Less: Exemptions	Net Assessed Taxable Value (2)	Total Direct Rate
	Real Property	Personal Property			
2018	\$ 36,652,138,247	\$ 713,235,269	9,935,228,860	\$ 27,430,144,656	3.3560
2017	35,359,403,243	712,226,526	10,916,614,616	25,155,015,153	3.4840
2016	30,730,378,081	729,104,179	8,041,867,555	23,417,614,705	3.5500
2015	28,683,662,702	719,993,296	7,437,380,121	21,966,275,877	3.6260
2014	26,616,428,610	740,963,901	6,986,640,765	20,370,751,746	3.6810
2013	25,619,313,512	760,488,508	6,828,495,669	19,551,306,351	3.6600
2012	25,558,799,632	798,092,402	7,009,112,330	19,347,779,704	3.5650
2011	26,540,872,618	828,515,769	7,291,527,525	20,077,860,862	3.8235
2010	30,948,868,141	847,780,599	8,887,064,408	22,909,584,332	3.3870
2009	36,544,684,798	843,984,940	10,673,636,368	26,715,033,370	2.9220

Notes: (1) Just values are the total estimated actual values subject to taxation, as defined by Section 193.011, Florida Statutes.

(2) Net Taxable Assessed Values are net Taxable Values after deducting allowable statutory exemptions.

Source: Monroe County Property Appraiser



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MONROE COUNTY SCHOOL DISTRICT, FLORIDA
PROPERTY TAX RATES
DIRECT AND OVERLAPPING GOVERNMENTS
LAST 10 FISCAL YEARS
(per \$1,000 Assessed Valuation)
(Unaudited)

	For the Fiscal Year Ended June 30			
	2009	2010	2011	2012
District School Board:				
Required Local Effort	1.3940	1.6880	1.9440	1.8170
Discretionary Local	0.4980	0.6990	0.7295	0.7480
Critical Operating Needs			0.2500	
Supplemental Discretionary	0.0300			
Additional Voted Operating	0.5000	0.5000	0.5000	0.5000
Capital Improvement	0.5000	0.5000	0.4000	0.5000
Total District School Board	2.9220	3.3870	3.8235	3.5650
Other County-Wide:				
Board of County Commissioners	2.6883	3.0837	3.3445	3.9833
Other	1.0038	1.0502	1.0836	0.9199
Total County-Wide	3.6921	4.1339	4.4281	4.9032
Total Direct & Overlapping Rates	6.6141	7.5209	8.2516	8.4682

Other Includes:
Monroe County Mosquito Control
South Florida Water Management
Okeechobee Basin Fund
Big Cypress Fund
Everglades Construction Project
Monroe County Road Patrol Law Enforcement

Note: Property is assessed as of January 1 and taxes on those assessments are levied according to the tax rate in effect during that tax year and become due on November 1. Therefore, assessments and tax levies applicable to a certain tax year are collected in the fiscal year ending during the following calendar year.

Sources: Monroe County Property Appraiser
District Records

For the Fiscal Year Ended June 30					
2013	2014	2015	2016	2017	2018
1.9120	1.9330	1.8780	1.8020	1.7360	1.6080
0.7480	0.7480	0.7480	0.7480	0.7480	0.7480
0.5000	0.5000	0.5000	0.5000	0.5000	0.5000
0.5000	0.5000	0.5000	0.5000	0.5000	0.5000
3.6600	3.6810	3.6260	3.5500	3.4840	3.3560
3.8045	3.8262	3.7432	3.5582	3.3556	3.2115
0.9460	0.9179	0.8666	0.8570	0.9138	0.7746
4.7505	4.7441	4.6098	4.4152	4.2694	3.9861
8.4105	8.4251	8.2358	7.9652	7.7534	7.3421

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
PRINCIPAL PROPERTY TAXPAYERS
CURRENT YEAR AND 10 YEARS AGO
(Unaudited)

Taxpayer	For the Fiscal Year Ended June 30					
	2018			2009		
	Rank	Assessed Taxable Value	Percentage of Total Taxable Value (1)	Rank	Assessed Taxable Value	Percentage of Total Taxable Value (1)
Ocean Reef Club Inc	1	117,418,563	0.428%	9	35,374,671	0.130%
Florida Keys Electric Cooperative Association, Inc.	2	110,906,757	0.404%	1	86,934,371	0.330%
Sunset City, LLC	3	107,916,438	0.393%			
CWI Keys Hotel LLC	4	102,188,047	0.373%			
Casa Marina Owner LLC	5	95,067,130	0.347%			
NWCL LLC	6	92,244,359	0.336%			
Windward Pointe II LLC	7	86,667,830	0.316%	6	48,403,229	0.180%
Galleon Condominium Association, Inc.	8	75,344,696	0.275%	3	66,968,660	0.250%
Key Largo Hospitality Group LLC	9	65,343,518	0.238%			
SHS Ltd	10	62,049,009	0.226%			
BellSouth/Southern Bell				2	70,547,095	0.270%
Hyatt Vacation Management Co				4	64,162,847	0.240%
City of Key West				5	59,258,452	0.220%
BlueGreen Resorts Management				7	45,019,589	0.170%
SH5 LTD/Holiday Inn Key West				8	36,800,134	0.140%
JLW Key West 1 LLC				10	35,311,362	0.130%
Total		\$ 915,146,347	3.336%		\$ 548,780,410	2.060%

Note: (1) Percent of total taxable value is calculated using the value from Schedule 7.

Sources: Monroe County Tax Collector
Monroe County Property Appraiser

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS
LAST 10 FISCAL YEARS
(Unaudited)

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of The Levy		Collections In Subsequent Years (1)	Total Collections to Date	
		Amount (1)	Percentage of Levy		Amount (1)	Percentage of Levy
2018	\$ 92,055,566	\$ 89,267,306	96.97%	N/A	\$ 89,267,306	96.97%
2017	87,640,072	84,833,407	96.80%	187,322	85,020,729	97.01%
2016	83,132,532	79,589,614	95.74%	114,587	79,704,201	95.88%
2015	79,649,716	76,016,117	95.44%	192,516	76,208,633	95.68%
2014	75,215,392	72,592,727	96.51%	201,096	72,793,823	96.78%
2013	71,739,827	68,658,744	95.71%	208,139	68,866,883	96.00%
2012	68,974,835	66,911,669	97.01%	316,110	67,227,779	97.47%
2011	77,593,445	74,388,457	95.87%	370,370	74,758,827	96.35%
2010	78,740,144	75,260,732	95.58%	399,629	75,660,361	96.09%
2009	78,061,328	75,435,457	96.64%	728,771	76,164,228	97.57%

Note: (1) Net of allowable discounts.

N/A: Information is not yet available for the 2018 fiscal year.

Sources: Monroe County Tax Collector
District Records

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
RATIOS OF OUTSTANDING DEBT BY TYPE
LAST 10 FISCAL YEARS
(Unaudited)

Fiscal Year Ended June 30	State Board of Education Bonds	Certificates Of Participation	District Revenue Bonds	Total Outstanding Debt	Percentage of Personal Income (1)	Debt Per Capita (1)
2018	\$	\$ 76,108,399	\$ 68,156,376	\$ 144,264,775	N/A	1,866
2017		40,842,000	75,434,669	116,276,669	N/A	1,506
2016	8,000	41,152,000	-	41,160,000	0.0007%	554
2015	29,000	43,347,000	10,401,000	53,777,000	0.0009%	726
2014	250,000	45,452,000	20,493,000	66,195,000	0.0012%	858
2013	495,000	47,477,000	30,292,000	78,264,000	0.0018%	1,025
2012	755,000	49,427,000	42,190,000	92,372,000	0.0021%	1,234
2011	1,010,000	51,307,000	51,860,000	104,177,000	0.0025%	1,407
2010	1,220,000	53,117,000	61,215,000	115,552,000	0.0029%	1,578
2009	1,420,000	18,852,000	70,265,000	90,537,000	0.0023%	1,247

Note: (1) Total Primary Government Debt divided by Personal Income and Population from Schedule 18.
N/A: Information is not yet available for the 2017 and 2018 calendar year.

Sources: District Records
United States Department of Commerce, Bureau of Economic Analysis

**MONROE COUNTY SCHOOL DISTRICT, FLORIDA
ANTICIPATED CAPITAL OUTLAY MILLAGE LEVY
REQUIRED TO COVER CERTIFICATES OF PARTICIPATION PAYMENTS
LAST TEN FISCAL YEARS
(Unaudited)**

Fiscal Year Ended June 30	Taxable Assessed Value (1)	Annual Lease Payment	Millage Levy to Provide 1.00x Coverage (2)
2018	\$ 27,430,144,656	\$ 2,052,000	0.079 mills
2017	25,155,015,153	2,368,781	0.099 mills
2016	23,417,614,705	4,307,206	0.194 mills
2015	21,966,275,877	4,305,950	0.206 mills
2014	20,370,751,746	4,308,550	0.223 mills
2013	19,551,306,351	4,310,613	0.232 mills
2012	19,347,779,704	4,452,497	0.242 mills
2011	20,077,860,862	4,452,467	0.233 mills
2010	22,909,584,332	2,266,644	0.104 mills
2009	26,715,033,370	2,273,713	0.090 mills

Notes: (1) Taxable Assessed Value is the net taxable value after deducting allowable statutory exemptions.

(2) Millage rate calculated using 95 percent of the school taxable valuation.

Sources: District Records
Monroe County Property Appraiser

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
PLEDGED REVENUE COVERAGE
LAST 10 FISCAL YEARS
(UNAUDITED)

HISTORICAL SALES SURTAX COLLECTIONS

Fiscal Year Ending June 30,	District Revenue Bonds					
	Actual Sales Tax Revenues Received by the School District (1)	Interest Revenue	Debt Service		Other Dues & Fees	Debt Service Coverage
			Principal	Interest		
2018	16,982,267	1,380,327	6,465,000	2,826,700	2,548	1.98
2017	17,730,317	574,119	-	578,270	760,137	13.68
2016	17,375,355	100,921	10,401,000	176,602	350	1.65
2015	16,442,313	46,421	10,092,000	510,160	2,100	1.55
2014	15,342,494	32,275	9,799,000	814,222	350	1.45
2013	15,205,186	79,909	11,898,000	1,563,698	46,490	1.13
2012	13,440,925	472	9,670,000	1,769,335	350	1.17
2011	11,286,363	264	9,355,000	2,088,628	350	0.99
2010	11,694,939	88	9,050,000	2,394,433	356	1.02
2009	11,611,512	549	8,770,000	2,684,528	5,675	1.01

HISTORICAL CAPITAL OUTLAY AD VALOREM TAX COLLECTIONS

Fiscal Year Ending June 30,	Certificates of Participation					
	Actual Capital Outlay Taxes Received by the School District	Interest Revenue	Debt Service		Other Dues & Fees	Debt Service Coverage
			Principal (2)	Interest		
2018	13,325,623	146,395	-	2,052,000	295,490	5.74
2017	12,190,559	50,192	310,000	2,058,781	5,250	5.16
2016	11,219,852	26,074	2,195,000	2,112,206	7,000	2.61
2015	10,511,321	23,696	2,105,000	2,200,950	24,000	2.43
2014	9,999,768	41,275	2,025,000	2,283,550	18,603	2.32
2013	9,408,793	190,579	1,950,000	2,360,613	10,225	2.22
2012	9,442,181	17,178	1,880,000	2,431,250	5,000	2.19
2011	7,819,122	79,735	1,810,000	2,374,950	12,917	1.88
2010	11,110,246	229,981	2,076,008	531,644	164,209	4.09
2009	12,944,959	357	2,021,008	593,713	4,850	4.94

- Notes:
- (1) The School District began to receive the Sales Tax Revenues beginning January 1, 1996.
 - (2) Annual principal payments include Qualified Zone Academy Bonds (QZAB) and Qualified School Construction Bonds (QSCB) payments which are deposited with a trustee and invested in accordance with trust agreements until maturity and when combined with interest earnings will be sufficient to pay off the principal balances in full, at maturity on December 29, 2020, and June 1, 2027, respectively.

Source: District Records

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
DIRECT AND OVERLAPPING
GOVERNMENTAL ACTIVITIES DEBT
June 30, 2018
(Unaudited)

Jurisdiction	General Obligation Bonded Debt Outstanding	Other Debt Outstanding	Direct Debt		Direct and Overlapping Debt	
			Percentage Applicable to This Governmental Unit	Amount Applicable to This Governmental Unit	Percentage Applicable to Monroe County	Amount Applicable to Monroe County
Monroe County Board of County Commissioners	\$	\$		\$		\$
District School Board of Monroe County Direct Debt						
Bonds Payable		68,156,376	100%	68,156,376	100%	68,156,376
Certificates of Participation Payable		76,108,399	100%	76,108,399	100%	76,108,399
Total Direct and Overlapping Debt	\$ 0	\$ 144,264,775		\$ 144,264,775		\$ 144,264,775

Sources: Monroe County, Florida Comprehensive Annual Financial Report as of September 30, 2017.
District Records

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
LEGAL DEBT MARGIN INFORMATION
LAST 10 FISCAL YEARS
(UNAUDITED)

	Fiscal Year Ending June 30				
	2009	2010	2011	2012	2013
Assessed Value (1)	\$ 26,715,033,370	\$ 22,909,584,332	\$ 20,077,860,862	\$ 19,347,779,704	\$ 19,551,306,351
Debt Limit on Assessed Value (2)	\$ 26,715,033,370	\$ 22,909,584,332	\$ 20,077,860,862	\$ 19,347,779,704	\$ 19,551,306,351
Amount of Debt Applicable to Debt Limit					
Bonds Payable (3)	\$	\$	\$	\$	\$
Less: Amount Available for Debt Service					
Total Debt Application to the Debt Limit					
Legal Debt Margin	\$ 26,715,033,370	\$ 22,909,584,332	\$ 20,077,860,862	\$ 19,347,779,704	\$ 19,551,306,351
Total Net Debt Application to the Limit as a Percentage of Debt Limit	0.00%	0.00%	0.00%	0.00%	0.00%

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	Fiscal Year Ending June 30				
	2014	2015	2016	2017	2018
Assessed Value (1)	\$ 20,370,751,746	\$ 21,966,275,877	\$ 23,417,614,705	\$ 25,155,015,153	\$ 27,430,144,656
Debt Limit on Assessed Value (2)	\$ 20,370,751,746	\$ 21,966,275,877	\$ 23,417,614,705	\$ 25,155,015,153	\$ 27,430,144,656
Amount of Debt Applicable to Debt Limit					
Bonds Payable (3)	\$	\$	\$	\$	\$
Less: Amount Available for Debt Service					
Total Debt Application to the Debt Limit					
Legal Debt Margin	\$ 20,370,751,746	\$ 21,966,275,877	\$ 23,417,614,705	\$ 25,155,015,153	\$ 27,430,144,656
Total Net Debt Application to the Limit as a Percentage of Debt Limit	0.00%	0.00%	0.00%	0.00%	0.00%

Notes: (1) Assessed value is as of January 1.

(2) The State of Florida does not have a limit on the amount of voter approved (general obligation) debt.

(3) Includes General Obligation Bonds only.

Source: Monroe County Property Appraiser

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
Direct Non-General Obligation Debt
June 30, 2018
(Unaudited)

District Sales Tax Revenue Bonds:
Series 2017

\$ 68,156,376

Source: District Records

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
Comparative Ratios of Bonded Debt
And Certificates of Participation
To Taxable Assessed Valuation and
Per Capita Indebtedness

Population (2018)	77,295
Total taxable valuation (2018 Fiscal Year)	\$ 27,430,144,656
Direct non-general obligation debt and certificates of participation at June 30, 2018	\$ 144,264,775
(a) As a percent of taxable valuation	0.53%
(b) Per capita	\$ 1,866.42

Sources: District Records.

Population obtained from the University of Florida, Bureau of Economic and
Business Research, Florida Population Studies Bulletin 177, April 2017

**MONROE COUNTY SCHOOL DISTRICT, FLORIDA
DEMOGRAPHIC AND ECONOMIC STATISTICS
LAST 10 CALENDAR YEARS
(Unaudited)**

Calendar Year	Population	Personal Income (1)	Per Capita Personal Income (A)	Unemployment Rate (B)
2018	77,295	N/A	N/A	3.2%
2017	77,196	N/A	N/A	2.8%
2016	74,270	5,869,890,000	79,034	3.1%
2015	74,101	5,804,521,000	78,333	3.5%
2014	77,136	5,368,160,000	69,593	3.7%
2013	76,351	4,415,284,000	57,829	3.5%
2012	74,849	4,373,456,000	58,430	4.7%
2011	74,028	4,126,047,000	55,736	6.4%
2010	73,209	4,053,020,000	55,362	8.0%
2009	72,627	3,900,911,000	53,712	7.3%

Note: (1) Personal Income is in thousands.

N/A: Information is not yet available for the 2017 and 2018 calendar year.

Sources:

- (A) Population, Personal Income, and Per Capita Personal Income were obtained from the United States Department of Commerce, Bureau of Economic Analysis and the University of Florida, Bureau of Economic and Business Research.
- (B) Unemployment Rates were obtained from the Florida Department of Economic Opportunity, Labor Market Statistics and the United States Department of Labor, Bureau of Labor Statistics.

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
PRINCIPAL EMPLOYERS
CURRENT YEAR AND 9 YEARS AGO
(Unaudited)

Employer	Fiscal Year					
	2017-2018			2008-2009		
	Employees (1)	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
United States Armed Services, Including Civilian Support & Contractors	2,190	1	5.00%	2,882	1	6.50%
School District of Monroe County, Florida	1,183	2	2.70%	1,316	2	2.97%
Ocean Reef Club	1,123	3	2.56%	900	3	2.03%
Monroe County Government	570	4	1.30%	485	6	1.09%
Publix Stores	540	5	1.23%			
Monroe County Sheriff's Office	539	6	1.23%	580	5	1.31%
City of Key West	501	7	1.14%	413	7	0.93%
Community Health Care Center						
Lower Keys Medical Center, Key West	437	8	1.00%			
Casa Marina/Reach Resort	356	9	0.81%	300	9	0.68%
Spottswood Properties	355	10	0.81%			
Heath Management Associations Fisherman's Hospital, Marathon, Lower Keys Medical Center, Key West				618	4	1.39%
Hawk's Cay Resort				306	8	0.69%
Historic Tours of America				288	10	0.65%
Total Principal Employers	7,794		17.79%	8,088		18.24%

Notes: (1) As of January 2018

Sources: Key West Chamber of Commerce
The Florida Research and Economic Information Database Application

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
SCHEDULE OF SELECTED OPERATING INFORMATION
AVERAGE GENERAL FUND EXPENDITURES PER STUDENT
GRADES K - 12
LAST 10 FISCAL YEARS
(UNAUDITED)

Fiscal Year Ended June 30	Number of Schools (1) (2)	Number of Classroom Instructors	Unweighted Full-Time Equivalent Students (1) (2)	Average General Fund Expenditures Per Student
2018	16	562	8,125	\$ 12,797
2017	16	661	8,217	11,993
2016	16	573	8,102	11,539
2015	16	567	8,090	10,838
2014	16	532	8,064	10,312
2013	17	593	7,947	9,538
2012	17	644	8,031	9,935
2011	15	615	7,964	10,716
2010	14	637	7,896	11,034
2009	14	635	7,919	11,269

Notes: (1) Information is from Schedule 21.
(2) Includes charter schools.

Sources: Florida Department of Education
District Records

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
SCHOOL BUILDING INFORMATION & FULL-TIME EQUIVALENT ENROLLMENT DATA
LAST 10 FISCAL YEARS
(Unaudited)

	Placed in Service (1)	Square Footage (2)	Full-Time Equivalent Enrollment Data		
			Fiscal Year Ended June 30		
			2009	2010	2011
Elementary Schools					
Gerald Adams Elementary	1974	70,755	444.67	440.90	442.83
Glynn Archer Elementary	1926	11,039	245.95	257.33	272.05
Poinciana Elementary	2005	90,997	588.55	611.98	608.56
Stanley Switlik Elementary	1971	102,886	457.69	469.12	492.05
Total Elementary			1,736.86	1,779.33	1,815.49
K-8 Schools					
Horace O'Bryant Middle	1998	188,132	699.77	710.33	712.73
Key Largo Middle	2007	204,833	908.26	897.20	884.99
Plantation Key Middle	1976	76,376	540.32	505.56	522.18
Sugarloaf Middle	1997	191,600	659.36	659.20	614.26
Total K-8 Schools			2,807.71	2,772.29	2,734.16
Combination Middle High Schools					
Marathon Middle High	2005	241,676	621.99	619.49	606.51
High Schools					
Coral Shores High	2003	229,009	751.01	745.99	764.38
Key West High	2003	263,862	1,368.47	1,343.78	1,304.18
Total High Schools			2,119.48	2,089.77	2,068.56
Charter Schools					
Big Pine Academy, Inc.	1980	13,713	91.05	95.52	116.56
Key West Collegiate School					
Key West Montessori Elementary Charter School, Inc.			83.00	93.50	93.50
Treasure Village Montessori School	1949	10,000	162.00	171.00	172.09
Ocean Studies Charter School, Inc.					
Sigsbee Charter School, Inc.	1959	50,239	229.68	227.90	285.50
Total Charter Schools			565.73	587.92	667.65
Other Programs					
Pace Upper Keys	Included above				
Pace Lower Keys	Included above				
May Sands School	1974	35,960	24.31		
Hurricane Island Outward Bound	Included above		12.56	13.00	5.00
Academic Connections for Excellence	Included above				34.11
Florida Department of Juvenile Justice	Included above		6.09	5.84	6.64
Keys Center Academy	Included above		17.61	17.45	20.49
McKay Scholarship	Included above		6.50	6.00	3.50
District Virtual Instruction				5.00	1.61
Monroe Virtual Franchise					
Monroe Virtual Instruction					
Monroe Virtual Academy					
Total Other Programs			67.07	47.29	71.35
Total District			7,918.84	7,896.09	7,963.72

Notes: (1) Original date that the school was placed in service. This date does not reflect additions, renovations, replacements or remodelings.

(2) Square footage is current including portables.

Sources: District Records

Florida Department of Education, Educational Facilities, Florida Inventory of School Houses (FISH)
Florida Department of Education, Bureau of Finance, FTE Counts

Full-Time Equivalent Enrollment Data Fiscal Year Ended June 30						
2012	2013	2014	2015	2016	2017	2018
461.56	477.75	466.48	477.27	487.50	509.90	523.45
310.96	336.78					
591.34	590.23	620.53	622.33	597.08	570.12	567.35
479.26	474.04	484.96	517.98	527.76	525.69	537.66
1,843.12	1,878.80	1,571.97	1,617.58	1,612.34	1,605.71	1,628.46
702.84	642.08	964.33	984.85	1,018.32	1,074.09	1,047.97
851.66	818.97	821.97	794.90	799.40	786.02	797.06
485.66	475.60	461.32	443.03	427.54	463.90	495.21
576.80	552.86	537.65	511.99	531.19	562.00	543.68
2,616.96	2,489.51	2,785.27	2,734.77	2,776.45	2,886.01	2,883.92
621.60	625.31	614.48	654.16	663.37	666.75	616.72
765.05	731.25	710.33	724.40	703.09	719.83	706.95
1,213.90	1,183.45	1,167.14	1,167.21	1,145.65	1,159.50	1,167.92
1,978.95	1,914.70	1,877.47	1,891.61	1,848.74	1,879.33	1,874.87
142.00	144.18	150.27	138.16	134.50	136.62	72.92
35.27	49.00	65.77	76.44	78.45	74.90	72.85
103.58	106.70	114.59	145.20	145.10	139.10	138.50
188.50	196.00	97.47	191.00	200.50	195.03	189.64
38.50	68.50	483.07	104.00	106.00	100.73	109.62
378.50	428.60	199.92	474.50	481.00	490.80	502.43
886.35	992.98	1,111.09	1,129.30	1,145.55	1,137.18	1,085.96
15.00	12.00	8.94	10.50	5.00	6.24	
35.42	4.25	11.03	10.45			
6.17	4.67	3.75	3.02	0.51		0.22
21.60	15.35	16.42	12.86	11.33	2.58	2.76
4.00	5.00	8.73	19.00	30.50	32.00	32.00
0.84	0.01			2.83		
1.18	0.92	0.79	1.84	2.75	0.41	0.08
	3.00	1.90	3.65	0.84		
			1.08	1.84	1.12	0.33
84.21	45.20	51.56	62.40	55.60	42.35	35.39
8,031.19	7,946.50	8,011.84	8,089.82	8,102.05	8,217.33	8,125.32

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
Profile of Enrollments
By Grade/Program
Last 10 Fiscal Years
(Unaudited)

Full-Time Equivalent Students										
For The Fiscal Year Ended June 30										
Grade/Program	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Grades K-3	1,786.09	1,765.41	1,862.52	1,968.44	1,994.09	2,078.35	1,982.94	1,914.38	2,414.85	2,316.52
Grades 4-8	2,039.69	2,132.89	2,183.38	2,212.65	2,151.49	2,125.93	2,197.88	2,198.22	2,979.92	3,008.35
Grades 9-12	1,656.17	1,602.64	1,589.00	1,607.35	1,651.29	1,582.35	1,608.66	1,576.97	2,029.46	2,012.12
Exceptional Ed	1,839.89	1,758.60	1,708.07	1,646.80	1,608.00	1,589.89	1,559.95	1,621.69	47.19	54.69
Vocational Ed	217.61	187.88	183.08	140.71	43.48	176.37	209.11	229.09	176.76	154.73
ESOL	379.39	448.67	437.67	455.24	498.15	458.95	531.28	561.70	569.15	578.91
Total	7,918.84	7,896.09	7,963.72	8,031.19	7,946.50	8,011.84	8,089.82	8,102.05	8,217.33	8,125.32

Source: Florida Department of Education, Bureau of Finance, FTE Counts.

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
NUMBER OF PERSONNEL
LAST 10 FISCAL YEARS
(Unaudited)

Fiscal Year Ended June 30	(A) Instructional	(B) Administrative	(C) Support Services	Total	Ratio of Students to Instructional Personnel	Ratio of Instructional Personnel to Administrators
2018	637	53	445	1,135	12.76	12.02
2017	748	58	494	1,300	10.99	12.90
2016	652	51	435	1,138	12.43	12.78
2015	586	50	418	1,054	13.81	11.72
2014	607	43	386	1,036	13.20	14.12
2013	630	41	393	1,064	12.61	15.37
2012	671	40	427	1,138	11.97	16.78
2011	690	51	542	1,283	11.54	13.53
2010	704	48	575	1,327	11.22	14.67
2009	704	54	619	1,377	11.25	13.04

Note: This schedule reports full-time employees funded with General Fund moneys.

(A) Classroom Teachers, Guidance/Psychologists, Exceptional Education Teachers, Media Specialists,
Other Professional Instructional Staff

(B) Principals, Assistant Principals, Superintendent, Assistant Superintendent, Executive Directors
Directors, Managers, Coordinators

(C) Paraprofessionals, Bus Drivers, Maintenance, Clerical, Etc.

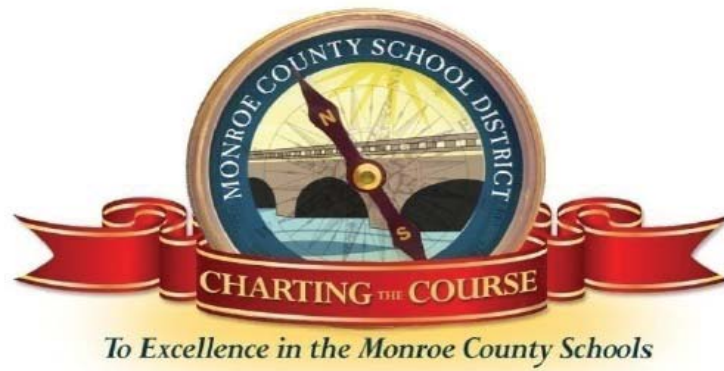
Source: District Records

MONROE COUNTY SCHOOL DISTRICT, FLORIDA
TEACHER BASE SALARIES
LAST 10 FISCAL YEARS
(Unaudited)

Fiscal Year Ended June 30	Minimum Salary (1)	Maximum Salary (1)	District Average Salary (2)	Statewide Average Salary (2)
2018	\$ 47,500	\$ 83,200	\$ 58,326	\$ 48,168
2017	46,300	82,000	56,868	47,858
2016	46,000	80,800	58,389	48,179
2015	45,300	77,400	58,309	47,950
2014	44,906	73,544	56,202	47,780
2013	43,177	71,669	53,631	46,583
2012	43,824	72,744	53,808	46,479
2011	42,330	70,264	57,798	45,723
2010	42,330	70,264	56,674	46,696
2009	42,330	70,264	56,272	46,938

Notes: (1) 10-Month Teachers with Bachelor's Degree.
(2) Averages include all degree levels.

Sources: District Records
Florida Department of Education Web Site - Accountability, Data Systems, Data Publications and Reports



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**Monroe County District School Board
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2018**

Federal Grantor/Pass-Through Grantor/ Program or Cluster	Federal CFDA Number	Pass - Through Entity Identifying Number	Total Expenditures
Clustered			
Child Nutrition Cluster:			
United States Department of Agriculture:			
Florida Department of Agriculture and Consumer Services:			
School Breakfast Program	10.553	18002	\$ 548,353.19
National School Lunch Program	10.555	18001, 18003	2,433,197.69
Summer Food Service Program for Children	10.559	18006, 18007	102,107.94
Total Child Nutrition Cluster			3,083,658.82
Special Education Cluster:			
United States Department of Education:			
Special Education - Grants to States:	84.027		
Florida Department of Education		263	1,835,459.27
University of South Florida		None	750.00
Total Special Education - Grants to States	84.027		1,836,209.27
Special Education - Preschool Grants:			
Florida Department of Education	84.173	267	43,712.92
Total Special Education Cluster			1,879,922.19
Not Clustered			
United States Department of Agriculture:			
Florida Department of Agriculture and Consumer Services:			
Healthier US School Challenge: Smarter Lunchrooms	10.543	None	4,000.00
Florida Department of Health:			
Child and Adult Care Food Program	10.558	A-4374	93,705.64
Total United States Department of Agriculture			97,705.64
United States Department of the Interior:			
Monroe County Board of County Commissioners:			
National Wildlife Refuge Fund	15.659	None	289,078.65
United States Department of Education:			
Impact Aid	84.041	N/A	242,450.22
Florida Department of Education:			
Adult Education - Basic Grants to States	84.002	191, 193	127,776.00
Title I Grants to Local Educational Agencies	84.010	212, 226	1,499,956.06
Career and Technical Education - Basic Grants to States	84.048	161	66,868.20
Education for Homeless Children and Youth	84.196	127	39,276.61
Twenty-First Century Community Learning Centers	84.287	244	231,465.62
Rural Education	84.358	110	77,976.59
English Language Acquisition State Grants	84.365	102	148,611.82
Supporting Effective Instruction State Grants	84.367	224	226,148.94
Student Support and Academic Enrichment Program	84.424	241	19,375.43
Total United States Department of Education			2,679,905.49
United States Department of Health and Human Services:			
Head Start	93.600	N/A	1,319,313.05
Total Expenditures of Federal Awards			\$ 9,349,583.84

The notes below are an integral part of this schedule.

- Notes: (1) Basis of Presentation. The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the Federal award activity of the Monroe County District School Board under programs of the Federal Government for the fiscal year ended June 30, 2018. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.
- (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 the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- (3) Indirect Cost Rate. The District has not elected to use the 10 percent de minimis cost rate allowed under the Uniform Guidance.
- (4) Noncash Assistance: National School Lunch Program - Includes cash in lieu of donated food of \$241,276.15 and \$2,135.54 of donated food received during the fiscal year. Donated foods are valued at fair value as determined at the time of donation.
- (5) Head Start. Expenditures include \$87,922.69 for grant number/program year 04CH4752/03 and \$1,231,390.36 for grant number/program year 04CH4752/04.



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

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

We have audited, in accordance with 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 Monroe County District School Board, as of and for the fiscal year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, and have issued our report thereon dated December 12, 2018, included under the heading **INDEPENDENT AUDITOR'S REPORT**. Our report includes a reference to other auditors who audited the financial statements of the school internal funds and the aggregate discretely presented component units, as described in our report on the District's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control Over Financial Reporting

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

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

timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

Compliance and Other Matters

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

Purpose of this Report

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

Respectfully submitted,



Sherrill F. Norman, CPA
Tallahassee, Florida
December 12, 2018
Audit Report No. 2019-078



Sherrill F. Norman, CPA
Auditor General

AUDITOR GENERAL STATE OF FLORIDA

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

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

Report on Compliance for Each Major Federal Program

We have audited the Monroe County District School Board's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the District's major Federal programs for the fiscal year ended June 30, 2018. The District's major Federal programs are identified in **SECTION I – SUMMARY OF AUDITOR'S RESULTS** of the accompanying **SCHEDULE OF FINDINGS AND QUESTIONED COSTS**.

Management's Responsibility

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

Auditor's Responsibility

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

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

Opinion on Each Major Federal Program

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

Report on Internal Control Over Compliance

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

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

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

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

Respectfully submitted,

A handwritten signature in blue ink that reads "Sherrill F. Norman". The signature is fluid and cursive, with the first name "Sherrill" and last name "Norman" being clearly legible, and "F." as a small initial in the middle.

Sherrill F. Norman, CPA
Tallahassee, Florida
December 12, 2018
Audit Report No. 2019-078

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

SECTION I – SUMMARY OF AUDITOR'S RESULTS

Financial Statements

Type of auditor's report issued on whether the financial statements audited were prepared in accordance with GAAP:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major Federal programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Type of auditor's report issued on compliance for major Federal programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	No
Identification of major Federal programs:	
CFDA Numbers:	Name of Federal Program or Cluster:
84.010	Title I Grants to Local Educational Agencies
93.600	Head Start
Dollar threshold used to distinguish between type A and type B programs:	\$750,000
Auditee qualified as low risk auditee?	Yes

SECTION II – FINANCIAL STATEMENT FINDINGS

No matters are reported.

SECTION III – FEDERAL AWARDS FINDINGS AND QUESTIONED COSTS

No matters are reported.

PRIOR AUDIT FOLLOW-UP

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

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

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