

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2015



The School Board of Broward County, Florida

Fort Lauderdale, FL

www.browardschools.com

Educating Today's Students to Succeed in Tomorrow's World

COMPREHENSIVE

ANNUAL FINANCIAL REPORT OF

The School Board of Broward County, Florida

For the Fiscal Year Ended June 30, 2015

Issued by:

**Robert W. Runcie, Superintendent of Schools
I. Benjamin Leong, CPA, Chief Financial Officer**

Prepared by:

**Mark S. Modas, CPA, MST, Accountant V
Accounting and Financial Reporting**

**600 Southeast Third Avenue
Fort Lauderdale, Florida 33301**

Broward County Public Schools



***Educating Today's Students
To Succeed In Tomorrow's World***

**THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

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Broward County Public Schools

Introductory Section

Broward County Public Schools



***Educating Today's Students
To Succeed In Tomorrow's World***



THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

600 SOUTHEAST THIRD AVENUE • FORT LAUDERDALE, FLORIDA 33301 • TEL 754-321-2600 • FAX 754-321-2701

ROBERT W. RUNCIE
Superintendent of Schools

SCHOOL BOARD

DR. ROSALIND OSGOOD, *Chair*
ABBY M. FREEDMAN, *Vice Chair*

ROBIN BARTLEMAN
HEATHER P. BRINKWORTH
PATRICIA GOOD
DONNA P. KORN
LAURIE RICH LEVINSON
ANN MURRAY
NORA RUPERT

December 16, 2015



Robert W. Runcie
Superintendent of Schools

Members of the School Board and Citizens of Broward County:

We are pleased to present the Comprehensive Annual Financial Report ("CAFR") of The School Board of Broward County, Florida, (the "District" or "Broward County Public Schools") for the fiscal year ended June 30, 2015. These financial statements are presented to conform to the Generally Accepted Accounting Principles (GAAP) in the United States as applied to governmental units. The Florida Statutes require that the District publish, within six months of the close of each fiscal year, a complete set of audited financial statements. The U.S. Securities and Exchange Commission (SEC) also requires a legal undertaking on the part of governmental debt issuers to provide annual audited financial information. The CAFR is published to fulfill these requirements. In addition to meeting legal requirements, this report is intended to provide informative and relevant financial information for the residents of Broward County, School Board Members (the "Board"), investors, creditors, and other concerned readers. We believe that the

information, as presented, is accurate in all material aspects; that it is designed to present fairly the financial position and changes in the financial position of the District; and that all disclosures necessary to enable the reader to gain an adequate understanding of the District's financial condition have been included. The responsibility for the preparation of the accompanying financial statements and other information contained in this CAFR rests with the District's management.

The District's management is responsible for the establishment and maintenance of a comprehensive internal control framework to ensure compliance with applicable laws and District policies. The District's internal control framework also ensures that financial transactions are properly recorded and documented to provide reliable information for the preparation of the District's financial statements in accordance with GAAP. Since the cost of internal controls should not outweigh their benefits, the District's internal control framework has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement.

State statutes allow an outside independent audit of school districts by a firm of certified public accountants in lieu of an audit by the State of Florida Auditor General, under certain conditions. The accounting firm of RSM US LLP was selected by the Board to perform the audit function. In keeping with the minority business enterprise program established by the Board, RSM US LLP was assisted by Anthony Brunson P.A. and Harvey, Covington & Thomas, LLC, Certified Public Accountants. The independent auditor concluded that there was a reasonable basis for rendering an unmodified opinion on the District's financial statements for the year ended June 30, 2015. The independent auditor's report is presented as the first component of the financial section of this report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statement 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 GOVERNMENT



The District is the sixth largest school district in the United States – and second largest in Florida, encompassing all of Broward County, Florida (“Broward County”). AdvancEd (formerly Southern Association of Colleges and Schools (“SACS”) is the accreditation agency for Broward County Public Schools, the nation’s second largest fully accredited K-12 school district. Broward County became the first school district to become district-wide accredited school system in 2006 and then the first to achieve this feat a second time in 2011. The General Fund, the primary operating fund of the District, had an annual operating budget of approximately \$2.2 billion for the fiscal year ended June 30, 2015. This budget served 265,401 pre-kindergarten through 12th grade students at 337 schools.

The District has taxing authority and provides elementary, secondary, vocational education services and technical colleges to the residents of Broward County. Besides the various educational programs offered to K-12 students, pre-kindergarten services include: programs for babies whose teen parents are progressing toward achieving high school diplomas; programs for special education infants and toddlers below the age of three; pre-kindergarten programs for three and four-year-old disabled students; and programs for eligible low-income, at-risk students.

In addition to services provided for children, the District 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 our “English for Speakers of Other Languages” (“ESOL”) programs, and all citizens can take fee-supported courses to increase personal development in various subjects such as nursing, automotive technology, culinary arts, and finance.

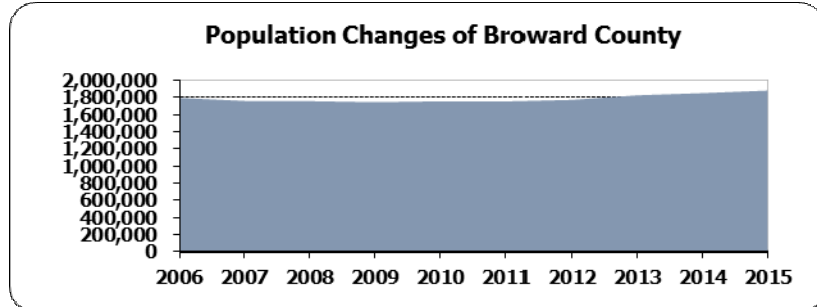
The District was created by the state constitution and is part of the state system of public education operated under the general direction and control of the State Board of Education. Established in 1915, the District is governed by nine elected members. The appointed Superintendent of Schools serves as executive officer of the District. As of December 16, 2015, the Board members were: Dr. Rosalind Osgood, Chair; Abby M. Freedman, Vice Chair; Robin Bartleman, Heather P. Brinkworth, Patricia Good, Donna P. Korn, Laurie Rich Levinson, Ann Murray, and Nora Rupert. The CAFR includes all funds of the District, the Broward School Board Leasing Corporation, as well as the Broward Education Foundation and charter schools, which are reported discretely as component units, thus all combined comprise the reporting entity.

In accordance with the Florida Statutes, the District has formally established budgetary accounting control for its operating funds. Budgetary control is maintained at the function/object level by the encumbrance of estimated purchase amounts prior to the release of purchase orders to vendors. Purchase orders which result in an overrun of budget balances are not released until additional appropriations are made available through transfer from other accounts by the Board.

FACTORS AFFECTING FINANCIAL CONDITION

Local Economy

Located on the southeastern coast of Florida, Broward County has an area of approximately 1,200 square miles. It is bordered to the north by Palm Beach County and to the south by Miami-Dade County. Broward County ranks second in population in the state, with a 2015 estimated population of 1.88 million. Among the largest private sector employers in Broward County are: Memorial Healthcare System, Broward Health, Nova Southeastern University, and AutoNation.



Recent trends, excluding charter schools, indicate that District operated elementary (pre-kindergarten through fifth grade) enrollment will increase over the next five years by 575 students, middle school enrollment to decrease by 2,095 students, and high school enrollment to increase by 4,127 students.

As of June 30, 2015, 25% of the District's school facilities were over 40 years old. The District's Capital Improvement Program identifies and addresses the maintenance needs of these aging school facilities.

Long-Term Financial Planning



In 2014 The School Board of Broward County, Florida unanimously approved a resolution requesting a referendum asking the voters of Broward County to approve the issuance of \$800 Million in general obligation bonds to modernize and improve the safety of outdated educational facilities and upgrade instructional technology. This resolution was in direct response to years of unsuccessful advocacy requesting the Florida legislature restore the capital millage rate and the current push in an ongoing effort to address the District's critical capital budget situation.

On November 4, 2014, the bond referendum passed, with 73.6% of the voters supporting the initiative. The bond provides critically needed funding for Broward's students. The District has committed to investing the funding to enhance students' learning environments by focusing on improvements in **S**afety, **M**usic and Art, **A**thletics, **R**enovation, and **T**echnology (SMART). When the general obligation bond is combined with other capital outlay funds, the SMART program is \$987 Million.

Florida Statute 1013.35 requires the District to prepare and adopt a District Educational Facilities Plan (DEFP) before adopting the annual capital outlay budget. The purpose of the DEFP is to keep the School Board and the public fully informed as to whether the District is using sound policies and practices that meet the essential needs of students and that warrant public confidence in District operations.

The current five-year DEFP includes the SMART program and lays out a long-term financial plan in excess of \$2.5 Billion. Technology is one of the cornerstones of the SMART initiative. The work to

improve technology infrastructure and provide new devices in schools is already underway. The goal is to ensure a very successful implementation of technology in the District by building the necessary capacity and then delivering the devices for students and teachers.

The DEFP also highlights construction projects across the District. These projects are being implemented through contracts the District has entered into with outside firms to provide Owner's Representative and Cost/Program Controls management services. Using these firms will enhance the District's efficiency by keeping the District current with the latest developments in management systems and practices. In addition, the firms will establish a central coordinated repository of data by implementing, maintaining, and upgrading management information systems appropriate for the District's projects, and will facilitate the efficient and effective use of information throughout the District's capital projects.



General Obligation Bond Referendum



By an overwhelming support of over 73.6% of the voters, an \$800 million General Obligation Bond (GOB) referendum was approved on the November 4, 2014 ballot and \$155 million GOB proceeds were received in June 2015. Proceeds from the bond issue will be used to modernize and improve the safety of outdated educational facilities and upgrade instructional technology. This

approval of the GOB will allow the District to enhance student's learning environments by focusing on improvements in safety, music, art, athletics, renovations and technology to achieve its long term goals.

Relevant Financial Policies

Presented below is an explanation of financial information, management of financial resources and obligations, and control techniques applicable to financial resources and obligations.

Financial Information. The MD&A (starting on page 7) summarizes the Statement of Net Position and the Statement of Activities and reviews the activity for the year. The actual statements (in detail) are presented on pages 19 through 21. These government-wide statements are intended to present the District in a more corporate style and provide a view of the "big picture."

Additionally, the Fund Financial Statements (starting on page 24) are designed to address by category the major governmental funds, as well as proprietary and fiduciary funds. An explanation of these complementary presentations can be found in the MD&A (starting on page 7) and in the notes (see Note 1 on page 37).

Accounting Systems. In developing and evaluating the District's accounting control framework, consideration is given to the adequacy of internal accounting controls. Accounting controls are comprised of the plan of organization, procedures and records that are concerned with the safeguarding of assets, and the reliability of financial records. Consequently, accounting controls are designed to provide reasonable assurance that:

- Transactions are executed in accordance with management's general or specific authorization.
- Transactions are recorded as necessary (1) to permit preparation of financial statements in conformity with generally accepted accounting principles in the United States of America or any other criteria, such as finance-related legal and contractual compliance requirements applicable to such statements, and (2) to maintain accountability of assets.
- Access to assets is permitted only in accordance with management's authorization.
- The recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences.

All internal control evaluations occur within the above framework. We believe the District's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Fund Balance Policy. Board Policy 3111 – Fund Balance provides for a minimum general fund balance of 3% of the total annual operating expenditures. It mandates monthly reporting to the Board an estimate of the fund balance amount by dollar amount and percentage. It also provides for alerts to the Superintendent and the School Board if the fund balance falls below 3.5%.



Budget Policy. The Board follows procedures established by State Statute and State Board of Education rules in establishing annual budgets for governmental funds. Budgets are prepared, public hearings are held, and original budgets are adopted annually for all governmental fund types in accordance with procedures and time intervals prescribed by law and State Board of Education rules.

Cash Management Policies and Practices. The District's investment policy authorizes investments with the State Board Administration (SBA), interest-bearing time deposits, savings accounts and U. S. Treasury and Agency securities. All public deposits are held in qualified public depositories. As of June 30, 2015, the District did not maintain a balance with the SBA. Cash management and investment activities are discussed in greater detail in the notes to the financial statements.

Awards and Acknowledgements

Broward County Public Schools (BCPS) Financial Division was the 2008 Council of the Great City Schools (CGCS) Award Winner for Excellence in Financial Management. Our District is the first district in the nation to receive this prestigious award. The CGCS Award for Excellence in Financial Management focuses on policies, procedures and outcomes across a broad range of financial areas. A rigorous Best of Financial Management Policies Peer Review process assesses our District's financial management practices; and Key Performance Indicators are used as an evaluative research and objective analytical baseline to demonstrate the efficient and effective use of financial resources.

This award represents a significant achievement by the School District, Board of Education, Superintendent and administrative staff that support the highest standards in financial accountability and controls that are needed to safeguard and protect the financial integrity of the District. Their efforts reflect an extraordinary dedication to excellence in financial management and

The School Board of Broward County, Florida
December 16, 2015

demonstrate outstanding stewardship of taxpayer dollars with the ultimate beneficiaries being the children of Broward County Public Schools.

To receive this award, the District achieved 95 percent or 2,309 of a possible 2,430 points by complying with all 95 mandatory practices and a minimum of 41 of 53 recommended practices in the following nine categories: 1) Treasury, 2) General Financial Management, 3) Internal Controls, 4) Capital Asset Management, 5) Budget, Strategic Planning & Management, 6) Debt Management, 7) Internal and External Financial Auditing, 8) Risk Management and 9) Purchasing.

The Association of School Business Officials (ASBO) International awarded a Certificate of Excellence in Financial Reporting to the District for its CAFR for the fiscal year ended June 30, 2014. This was the thirty-second consecutive year that the District has received this prestigious award. In order to be awarded a Certificate of Excellence, a governmental unit must publish an easily readable and efficiently organized CAFR, the contents of which conform to program standards. Such reports must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Excellence is valid for a period of one year only. For the fiscal year ended June 30, 2014, and the nineteenth consecutive year, ASBO also awarded the District the Meritorious Budget Award for excellence in the preparation and issuance of its annual budget.

Additionally, the Government Finance Officers Association of the United States and Canada (GFOA) awarded the District the Certificate of Achievement for Excellence in Financial Reporting and the Distinguished Budget Presentation Award, both for the nineteenth consecutive year. The Certificate of Achievement for Excellence in Financial Reporting award certifies that the CAFR substantially conformed to the accounting and reporting standards adopted by GFOA for the fiscal year ended June 30, 2014.


We believe our current comprehensive annual financial report continues to conform to the standards established for both the Certificate of Excellence Program and the Certificate of Achievement Program. Accordingly, we are submitting the CAFR for fiscal year ended June 30, 2015, to both ASBO and GFOA to be considered for these prestigious awards once again.

The preparation of this CAFR could not have been accomplished without the efficient and dedicated services of the entire staff of the Office of the Chief Financial Officer, the Audit Committee, the Office of the Chief Auditor, as well as other departments that provided assistance throughout the preparation of this report. In addition, we appreciate the thoroughness with which our auditors, RSM US LLP, performed their audit function.

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

Respectfully submitted,


Robert W. Runcie
Superintendent of Schools


I. Benjamin Leong, CPA
Chief Financial Officer


Mark S. Modas, CPA, MST
Accountant V, Accounting & Financial Reporting

Principal Officials – Elected

School Board Members As of December 16, 2015

- Dr. Rosalind Osgood, **Chair**, Member, District 5
Present term expires November 2016
- Abby M. Freedman, **Vice Chair**, Member, District 4
Present term expires November 2018
- Robin Bartleman, Member, At-Large, Countywide
Present term expires November 2016
- Heather P. Brinkworth, Member, District 3
Present term expires November 2016
- Patricia Good, Member, District 2
Present term expires November 2016
- Donna P. Korn, Member, At-Large, Countywide
Present term expires November 2018
- Laurie Rich Levinson, Member, District 6
Present term expires November 2018
- Ann Murray, Member, District 1
Present term expires November 2018
- Nora Rupert, Member, District 7
Present term expires November 2018

**The School Board of Broward County, Florida
Principal Officials – Elected
School Board Members
As of December 16, 2015**



Dr. Rosalind Osgood
Chair, District 5



Abby M. Freedman
Vice Chair, District 4



Robin Bartleman
At-Large, Countywide



Heather P. Brinkworth
District 3



Patricia Good
District 2



Donna P. Korn
At-Large, Countywide



Laurie Rich Levinson
District 6



Ann Murray
District 1

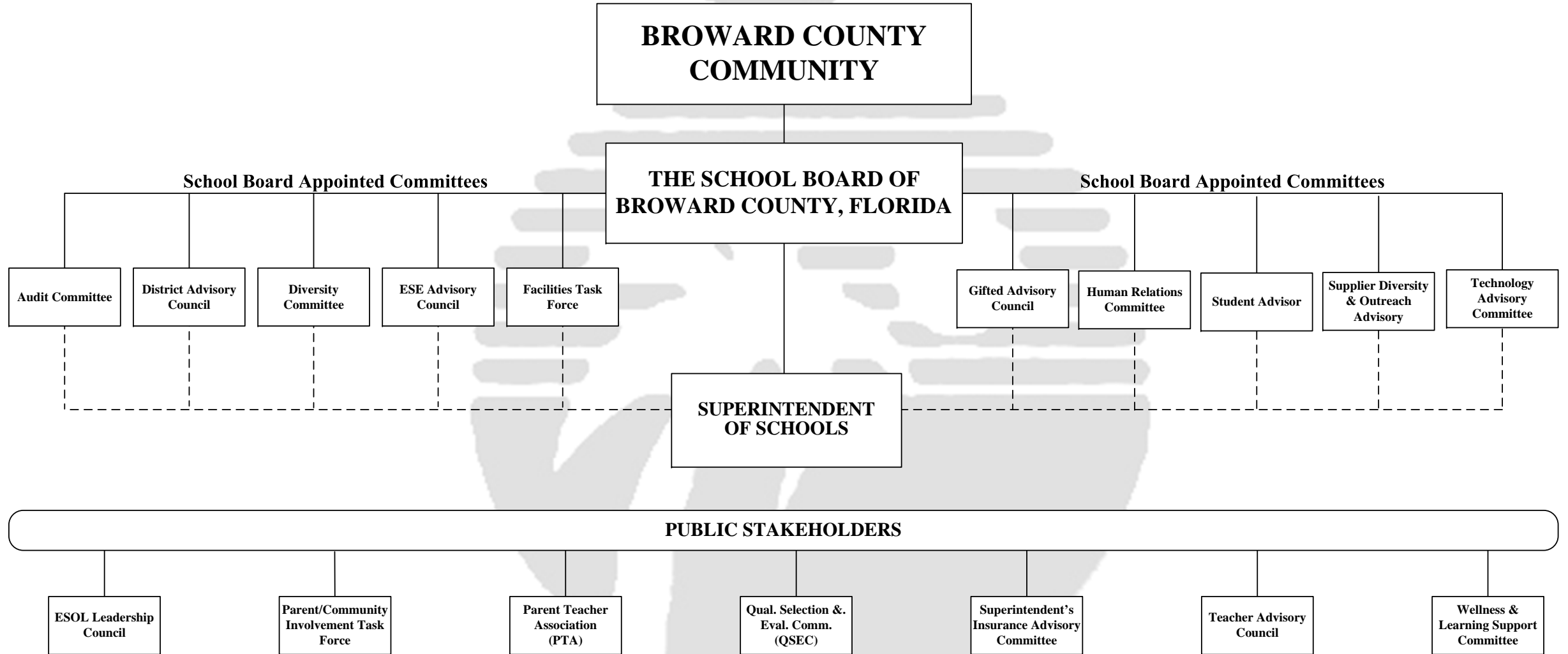


Nora Rupert
District 7

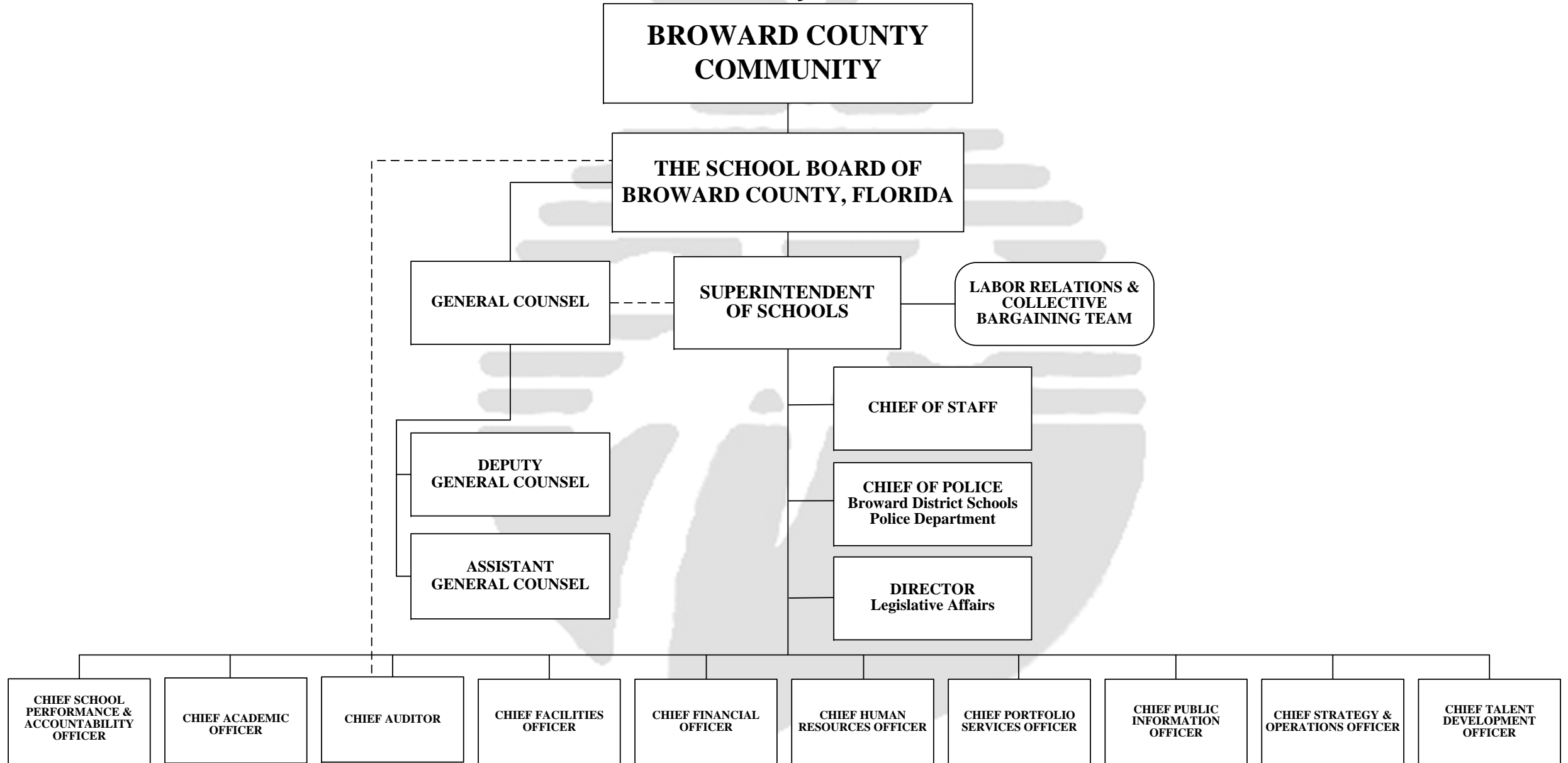
**Other Principal Officials
As of December 16, 2015**

| | |
|---------------------------|--|
| Robert W. Runcie | Superintendent of Schools |
| Jeffrey S. Moquin | Chief of Staff |
| Daniel Gohl | Chief Academic Officer |
| Dr. Valerie Wanza | Chief School Performance & Accountability Officer |
| Leslie Brown | Chief Portfolio Services Officer |
| Dr. Ted Toomer, Designee | Chief Talent Development Officer |
| Craig Nichols | Chief Human Resources Officer |
| Tracy Clark | Chief Public Information Officer |
| I. Benjamin Leong, CPA | Chief Financial Officer |
| Leo Bobadilla | Chief Facilities Officer |
| Patrick Reilly, CPA | Chief Auditor |
| Maurice Woods | Chief Strategy & Operations Officer |
| J. Paul Carland, II, Esq. | General Counsel |

The School Board of Broward County, Florida Organization Chart As of July 1, 2015



The School Board of Broward County, Florida Organization Chart As of July 1, 2015



Association of School Business Officials International



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

The School Board of Broward County, Florida

*For Its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2014*

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



A handwritten signature in black ink, appearing to read 'M. Pepera', written over a horizontal line.

Mark C. Pepera, MBA, RSBO, SFO
President

A handwritten signature in black ink, appearing to read 'John D. Musso', written over a horizontal line.

John D. Musso, CAE, RSBA
Executive Director



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**The School Board of Broward County
Florida**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

A handwritten signature in black ink, reading "Jeffrey R. Emer".

Executive Director/CEO

Broward County Public Schools



***Educating Today's Students
To Succeed In Tomorrow's World***



Broward County Public Schools

**Financial
Section**

Broward County Public Schools



***Educating Today's Students
To Succeed in Tomorrow's World***



Independent Auditor's Report

RSM US LLP

Chairperson and Members of
The School Board of Broward County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of The School Board of Broward County, Florida (the District), as of and for the year ended June 30, 2015, 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 discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component units indicated above, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of 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 District'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 financial statement 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 School Board of Broward County, Florida, as of June 30, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

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Emphasis of Matter

As discussed in Note 1 to the financial statements, during the year ended June 30, 2015, the District adopted the reporting and disclosure requirements of Governmental Accounting Standards Board ("GASB") Statement No. 68, *Accounting and Financial Reporting for Pensions, an Amendment of GASB Statement No. 27* and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date, an amendment of GASB Statement No. 68*, effective July 1, 2014. The net position balance of the governmental activities as of July 1, 2014 has been restated. 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 the *management's discussion and analysis, budgetary comparison schedules, schedules of the proportionate share of net pension liability, schedule of changes in the net pension liability and related ratios, schedule of investment returns, schedules of contributions, schedule of funding progress, and schedule of employer contributions*, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual non-major fund financial statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual non-major fund financial statements and schedules is the responsibility of management and was derived from and relates 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. In our opinion, based on our audit, and the reports of the other auditors, the combining and individual nonmajor fund financial statements and schedules are fairly stated in all material respects in relation to the basic financial statements taken 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.

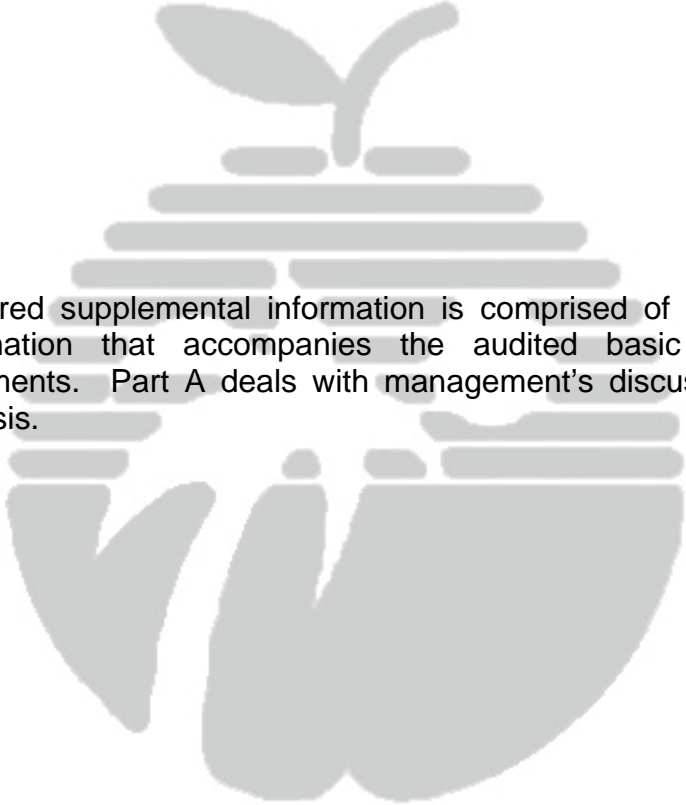
Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued, under separate cover, our report dated December 16, 2015 on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. 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 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.

RSM US LLP

Fort Lauderdale, Florida
December 16, 2015

Required Supplemental Information (Part A)



Required supplemental information is comprised of unaudited information that accompanies the audited basic financial statements. Part A deals with management's discussion and analysis.

Management's Discussion and Analysis ("MD&A")

The purpose of MD&A is to provide users of the basic financial statements with a narrative introduction, overview, and analysis of those statements.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

As management of The School Board of Broward County, Florida (the "District"), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2015. The narrative is designed to assist the reader in focusing on significant financial issues, provide an overview of the District's financial activity, identify changes in the District's financial position, and identify individual fund issues or concerns. As with other sections of this financial report, the information contained within this narrative should be considered only a part of a greater whole. The reader of this statement should take time to read and evaluate all sections of this report, including the footnotes and other required supplemental information.

FINANCIAL HIGHLIGHTS

Government-Wide Financial Statements

- The District's financial status, as reflected in **total net position**, increased by \$124.4 million, or 26.8%, from \$462.7 million to \$587.1 million when compared to the prior year. The increase in total net position reflects primarily an increase in current and other assets of \$186.7 million, increase in deferred outflow of resources of \$191.9 million and a decrease in capital assets of \$88.5 million, offset by an increase in liabilities of \$688.5 million and an increase in deferred inflow of resources of \$331.8 million, as well as the restated pension adjustment of \$894.2 million.
- **Total revenues** increased by \$263.2 million, or 11.1%, from \$2.46 billion to \$2.72 billion when compared to the prior year. The increase was principally the result of an increase in ad valorem taxes of \$64.9 million (including General and Capital Funds) due to an increase in the total assessed property values, and an increase in other general revenues of \$193.5 million due to an increase in Florida Education Finance Program (FEFP) and other miscellaneous programs.
- The District had \$2.6 billion in **expenses** related to programs, an increase of \$112 million, or 4.5%, from the prior year due to salary increases and an increase in operations and maintenance of plant expenditures.
- The District's **debt** (Bonds Payable, Certificates of Participation and Capital Leases) increased by \$46.2 million, or 2.6%, to \$1.81 billion from \$1.76 billion in the prior year. The change was primarily due to the issuance of the General Obligation Bond for the Safety, Music & Art, Athletics, Renovation, and Technology (SMART) initiative and the refunding of the Certificates of Participation. See Notes 9 through 12 of the Notes to the Basic Financial Statements for more information.
- The GASB has issued Statement No. 68, "Accounting and Financial Reporting for Pension, an Amendment of GASB Statement No. 27" ("GASB 68"), and GASB Statement No. 71 "Pension Transition for Contributions Made Subsequent to the Measurement Date: An amendment of GASB Statement No. 68" ("GASB 71") which were adopted by the District for the year ended June 30, 2015. GASB requires government providing defined benefit pension plan to recognize their long-term obligation for pension benefits as a liability and to more comprehensively and comparably measure the annual cost of pension benefits. The District now reports a pension liability on its financial statements, as well as deferred outflows of resources and deferred inflows of resources for pension related items in accordance with the new statements. In addition, the impact of implementing this statement resulted in a restatement of the beginning net position for governmental activities to adjust for the pension benefit liability that would have been reported in previous years. The implementation of GASB 68 resulted in a decrease of the beginning total net position of \$854.6, million or 64.9%.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Governmental Funds Financial Statements

- The overall General Fund balance (the primary operating fund) increased \$16.7 million, or 11.7%, to \$161.4 million from \$144.8 million in the prior year (see Exhibit 4, page 28). The increase was mainly a result of Ad Valorem (property taxes) assessed value increasing by \$51 million compared to the prior year. In addition, State and Federal revenue sources also increased by approximately \$7 million. The offset was a decrease in other local sources which decline by \$22 million from the prior year and the increase in expenditures by \$20 million.
- The Nonspendable portion of the fund balance includes \$6.5 million in inventory and \$13.8 million in prepaids (\$13.7 million represents prepaid insurance). Prepaid insurance was included in assigned fund balance last year, however, GASB 54 stipulates that prepaid insurance is included in nonspendable fund balance. Prepaid insurance cannot be converted to cash because the money has already been spent.
- The assigned and unassigned portion of the fund balance increased \$2.2 million compared to last year from \$80.3 million as of June 30, 2014 to \$82.5 million as of June 30, 2015. Last year's prepaid insurance balance of \$12.3 million and current year prepaid insurance of \$1.4 was reclassified from assigned fund balance to nonspendable fund balance as stipulated per GASB 54. In accordance with Section 1003.03, Florida Statutes, public schools are required to meet class size. The District's schools are calculated on a class by class basis, however, Charter schools are calculated by the average at the school level.

OVERVIEW OF THE FINANCIAL STATEMENTS

The District's Comprehensive Annual Financial Report (CAFR) includes a series of basic financial statements and accompanying notes, with the primary focus being on the District as a whole. The Statement of Net Position and the Statement of Activities are government-wide financial statements that provide both short-term and long-term information about the District's overall financial status. The governmental fund financial statements report the District's operations in more detail by providing information as to how services are financed in the short-term, as well as the remaining available resources for future spending. Additionally, the governmental fund financial statements focus on major funds rather than fund types. The proprietary fund statements offer short-term and long-term financial information about the activities the District operates like businesses, such as printing services. The remaining statements, the Fiduciary Funds Statements, provide financial information for those activities in which the District acts solely as a trustee or agent for the benefit of others. The accompanying notes provide essential information that may not be readily available on the face of the basic financial statements. Consequently, these notes form an integral part of the basic financial statements.

GOVERNMENT-WIDE FINANCIAL STATEMENTS

Government-wide financial statements incorporate governmental and business-type activities, as well as its non-fiduciary component units. They contain various adjustment, elimination and reclassification entries, such as the recording of depreciation, the recognition of other revenues, and the recognition of long-term liabilities. The government-wide financial statements are designed to provide the readers with a view of the District as a whole. While this document contains the large number of funds used by the District to provide programs and activities, the view of the District as a whole looks at all financial transactions and asks the question, "How did we do financially during 2015?" The Statement of Net Position and the Statement of Activities answer this question. These statements include all assets and liabilities, and use the economic resources measurement focus and the accrual basis of accounting similar to the accounting used by most private-sector companies, matching the financial impact of long-term financial decisions to the period in which the expense or revenue is more properly attributed. In short, the financial impact of long-term decisions is promptly recorded as the transaction occurs, as opposed to recording it when paid. A good example of this is the recording of compensated absences, such as vacation and sick leave. In the fund financial statements, vacation and sick leave are expensed when used, not when accrued, with the unused hours accumulating over time. Consequently, the reader of the CAFR would never see the potential financial impact the accumulated leave would have on the District's financial health. In the government-wide financial statements, vacation and sick leave are expensed when accrued, allowing the reader to see the full financial impact.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

The Statement of Net Position combines and/or consolidates the governmental funds' current financial resources (short-term spendable resources) with capital assets and long-term obligations. Statement of Net Position also provides information about the nature and amounts of investment of resources and obligations to creditors.

The Statement of Activities provides information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation and sick leave).

The difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources, as reported in the Statement of Net Position, is one way to measure the District's financial health or financial position. A reader can think of the District's net position as the difference between what the District owns (assets) and what the District owes (liabilities). Over time, the increase or decrease in the District's net position, as reported in the Statement of Activities, is another indicator of whether its financial health is improving or deteriorating. The difference between revenues and expenses is the District's operating results. However, the District's goal is to provide services to our students, not to generate profits as commercial entities do. To fully assess the financial health of any government entity, the reader must also consider other non-financial factors such as the quality of education provided, the safety of the schools, fluctuations in the local economy, state-mandated program, administrative changes, and the physical condition of the District's capital assets.

FUND FINANCIAL STATEMENTS

Fund financial statements are generally presented on a modified accrual basis, using the current financial resources measurement focus, and report expenditures rather than expenses as used in the government-wide financial statements. Fund financial reports provide detailed information about the District's major funds. The District uses many funds to account for a multitude of financial transactions. However, these fund financial statements focus on the District's most significant funds. The District's major governmental funds are the General Fund, the American Recovery and Reinvestment Act (ARRA) Fund, the Certificates of Participation Series (COPs) Debt Service Fund, the ARRA Debt Service Fund, the Local Millage Capital Improvement Fund, the Other Capital Improvement Fund, District Bond and the ARRA Economic Stimulus Capital Projects Fund. Data from the other eight governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements.

Governmental Funds. Most of the District's activities are reported in governmental funds which describe how money flows into and out of those funds and the balances remaining at year-end that are available for spending in future periods. These funds are reported using an accounting method called "modified accrual accounting," which measures cash and all other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general government operations and services. Governmental fund information helps determine what financial resources will be available in the near future to support educational programs. The relationship (or difference) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the financial statements.

Proprietary Funds. Based on the nature of the activities, proprietary funds are used to report the activities in the District's Internal Service Funds. Internal Service Funds are used to record the financing of goods or services provided by one department to another on a cost reimbursement basis.

Proprietary funds are reported in the same way as government-wide financial statements. The Internal Service Funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Proprietary funds are included in the governmental activities in the government-wide financial statements.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside of the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The accounting used for Fiduciary funds is much like that used for Proprietary funds. The District's Fiduciary fund consists of an Agency fund used to account for student activity funds.

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

ANALYSIS OF THE OVERALL FINANCIAL POSITION AND RESULTS OF OPERATIONS

The analysis below focuses on the Net Position (Table 1) and Changes in Net Position (Table 2) of the District's governmental activities.

Table 1

| | Summary Statement of Net Position (in thousands) | | Increase (Decrease) |
|---------------------------------------|---|------------|------------------------|
| | As of June 30, | | |
| | 2015 | 2014 | |
| Current and other assets | \$ 924,875 | \$ 738,159 | \$ 186,716 |
| Capital assets | 2,905,670 | 2,994,146 | (88,476) |
| Total assets | 3,830,545 | 3,732,305 | 98,240 |
| Deferred Outflows of Resources | 249,169 | 57,283 | 191,886 |
| Current and other liabilities | 447,720 | 442,432 | 5,288 |
| Long-term liabilities | 2,712,617 | 2,029,397 | 683,220 |
| Total liabilities | 3,160,337 | 2,471,829 | 688,508 |
| Deferred Inflows of Resources | 332,229 | 452 | 331,777 |
| Net position: | | | |
| Net Investment in Capital Assets | 1,282,288 | 1,280,610 | 1,678 |
| Restricted | 199,039 | 180,344 | 18,695 |
| Unrestricted | (894,179) | (143,647) | (750,532) |
| Restatement adjustment, June 30, 2014 | | (854,566) | 854,566 |
| Total net position | \$ 587,148 | \$ 462,741 | \$ 124,407 |

Government-Wide Financial Analysis. The District's net position was \$587.0 million at June 30, 2015, representing a \$124.4 million, or 26.8% increase from June 30, 2014. By far, the largest portion of the District's net position increase is reflected in the Current and other assets which is due to the proceeds from the issuance of the District Bonds of \$155 million. The increase in the long term liabilities are primarily caused by the addition of the net pension liability for the Florida retirement system which was added effective July 1, 2014 and presented as a restatement adjustment in the 2014 column. Unrestricted net position after the effects of the restatement for GASB Statement No. 68 changed by approximately \$163 million due to the results of current year operations.

The second largest portion of the District's net position represents resources that are subject to external restrictions on how they may be used. Of the \$199.0 million in restricted net position, \$160.4 million are restricted for capital projects such as the SMART initiative. The District will use these resources to complete construction in progress, and perform property maintenance. Unrestricted net position was a deficit of \$894.2 million at June 30, 2015.

The deficit in the Statement of Net Position should not be viewed as an indication of financial difficulties. The District would only experience actual deficit if it had to pay all of its long-term liabilities today at once.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

As shown in Table 2, governmental activities increased the District's net position by \$ 124.4 million from the prior year. Key highlights are as follows:

Table 2

| Summary Statement of Changes in Net Position (in thousands) | | | |
|--|--|--------------------|------------------------|
| | For the Fiscal Years Ended June 30, | | Increase (Decrease) |
| | 2015 | 2014 | |
| Revenues: | | | |
| Program revenues: | | | |
| Charges for services | \$ 46,351 | 47,998 | \$ (1,647) |
| Operating grants and contributions | 88,904 | 84,318 | 4,586 |
| Capital grants and contributions | 29,441 | 27,518 | 1,923 |
| Total program revenues | 164,696 | 159,834 | 4,862 |
| General revenues: | | | |
| Ad valorem taxes | 1,083,193 | 1,018,330 | 64,863 |
| Other general revenues (including FEFP) | 1,471,902 | 1,278,400 | 193,502 |
| Total general revenues | 2,555,095 | 2,296,730 | 258,365 |
| Total revenues | 2,719,791 | 2,456,564 | 263,227 |
| Functions/Program Expenses: | | | |
| Instructional services | 1,538,275 | 1,524,589 | 13,686 |
| Instructional support services | 235,943 | 223,511 | 12,432 |
| Operation and maintenance of plant | 240,306 | 229,247 | 11,059 |
| School administration | 133,624 | 131,084 | 2,540 |
| Food services | 104,666 | 98,713 | 5,953 |
| Facilities acquisition and construction | 49,691 | 44,541 | 5,150 |
| General administration | 69,449 | 75,592 | (6,143) |
| Pupil transportation services | 84,884 | 85,853 | (969) |
| Interest expense | 138,546 | 70,231 | 68,315 |
| Total expenses | 2,595,384 | 2,483,361 | 112,023 |
| Change in net position | \$ 124,407 | \$ (26,797) | \$ 151,204 |
| Restatement Adjustment | | (854,566) | 854,566 |
| Net position restated, as June 30, 2015 | 462,741 | | 462,741 |
| Ending net position | \$ 587,148 | \$ 462,741 | \$ 124,407 |

- Total program revenues increased \$4.9 million primarily due to increase in Food Service revenue and an increase in Charter School Capital Outlay revenue.
- Ad valorem taxes (property taxes) increased by \$64.9 million (including General and Capital Funds) due to an increase in the total assessed property values.
- Other general revenues increased \$193.5 million primarily as a result of increased activity associated with Government-wide reporting requirements, which would include debt refunding and other miscellaneous items.
- Total expenses increased \$112 million, or 4.5%, due to increases in salary and benefits, charter school enrollment, interest expense, and operation and maintenance of plant expenditures.

Financial Analysis of the Government's Funds. As was noted earlier, the District uses funds to help control and manage money for particular purposes. Looking at the funds aids in determining if the District is being accountable for the resources taxpayers and others provide, and may also give more insight into the District's overall financial health. In particular, the combination of assigned and unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

Governmental Funds. As of June 30, 2015, all governmental funds (including General Fund, Capital Project Fund, Debt Service Fund, Special Revenue Fund, etc.) reported a combined fund balance of \$601.5 million, an increase of \$186.1 million, or 44.9% from the prior year. The increase is primarily due to the issuance of the General Obligation Bond which has a yearend balance of \$160.4 million. An increase of \$16.7 million in the General Fund balance, an increase of \$12.3 million in the Capital Improvement Section 1011.71 (Local Millage) Fund balance, an increase of \$6.6 million in the COP Series and \$5.2 million increase in Other Governmental Funds. The District's governmental fund balance increase was offset by a decrease of \$15.2 million, of which \$1.6 million in the ARRA Economic Capital Projects Fund and \$13.6 million in Other Capital Project Fund.

General Fund. The fund balance for the General Fund increased \$16.7 million primarily as a result of local and state revenue sources increasing more proportionately than expenditures. The increase was mainly a result of Ad Valorem (property taxes) assessed value increasing by \$51 million compared to the prior year. In addition, State and Federal revenue sources also increased by approximately \$7 million. The offset was a decrease in other local sources which declined by \$22 million from the prior year and the increase in expenditures by \$20 million. An assigned and unassigned portion of the fund balance increased \$2.2 million compared to last year from \$80.3 million as of June 30, 2014 to \$82.5 million as of June 30, 2015.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

Major Capital Projects Funds. The fund balance of the Major Capital Projects funds increased by \$1 million primarily due to the District's continuing to complete previous years' approved long term projects funded by the prior year's accumulated capital reserves and the issuance of the District Bonds.

Major Debt Service Funds. The fund balance of the Major Debt Service funds increased by \$6.6 million primarily as a result of the refunding and scheduled debt payments (see Note 10 of the Notes to the Basic Financial Statements for more information).

Table 3

| Summary Schedule of Revenues, Expenditures and Changes in Fund Balance of General Fund Budget and Actual (Budgetary Basis) (in thousands) | | | | |
|---|------------|------------|------------|------------------------------------|
| | Budget | | Actual | Variance Positive (Negative) |
| | Original | Final | | |
| Revenues: | | | | |
| Local sources: | | | | |
| Ad valorem taxes | \$ 875,250 | \$ 864,701 | \$ 864,701 | \$ - |
| Other | 57,730 | 73,984 | 53,647 | (20,337) |
| Total local sources | 932,980 | 938,685 | 918,348 | (20,337) |
| State sources: | | | | |
| Florida Education Finance Program | 644,400 | 628,202 | 628,202 | - |
| Other | 390,793 | 389,366 | 389,308 | (58) |
| Total state sources | 1,035,193 | 1,017,568 | 1,017,510 | (58) |
| Federal sources | | | | |
| Total revenues | 11,900 | 15,779 | 15,781 | 2 |
| | 1,980,073 | 1,972,032 | 1,951,639 | (20,393) |
| Other financing sources | 72,825 | 64,994 | 64,993 | (1) |
| Total amounts available for appropriations | 2,052,898 | 2,037,026 | 2,016,632 | (20,394) |
| Expenditures: | | | | |
| Instructional services | 1,333,580 | 1,319,341 | 1,313,500 | 5,841 |
| Instructional support services | 173,873 | 174,839 | 175,480 | (641) |
| Pupil transportation services | 84,072 | 80,649 | 81,815 | (1,166) |
| Operation and maintenance of plant | 225,997 | 235,131 | 236,930 | (1,799) |
| School administration | 133,080 | 131,111 | 129,136 | 1,975 |
| General administration | 93,754 | 92,379 | 65,586 | 26,793 |
| Interest | 177 | 124 | 124 | - |
| Total expenditures | 2,044,533 | 2,033,574 | 2,002,571 | 31,003 |
| Other financing uses | 5,057 | 6,821 | 6,821 | - |
| Total charges against appropriations | 2,049,590 | 2,040,395 | 2,009,392 | 31,003 |
| Net change in fund balances | \$ 3,308 | \$ (3,369) | \$ 7,240 | \$ 10,609 |
| Appropriated beginning fund balances: | \$ 144,780 | \$ 3,369 | | |
| Adjustments to conform with GAAP: | | | | |
| Elimination of encumbrances | | | 9,412 | |
| Excess (deficiency) of revenues and other sources over (under) expenditures and other uses (GAAP Basis) | | | 16,652 | |
| Fund balances, beginning of year | | | 144,780 | |
| Fund balances, end of year | | | \$ 161,432 | |

General Fund Budgetary Highlights.

Over the course of the year, the District revises its budget to deal with unexpected changes in revenues and expenditures. The District's final budget amounts compared with actual amounts are provided in Table 3.

The primary differences between the final budget and actual is that the budget does not account for the other local revenue receipts declining from prior year. In addition, the budget does not factor the reclassification of the prepaid insurance premiums to the Balance Sheet for its amortization.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

MANAGEMENT'S DISCUSSION AND ANALYSIS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. As shown in Table 4, at June 30, 2015, the District had invested approximately \$2.9 billion in a broad range of capital assets. This amount represents a net decrease (including additions, deletions and depreciation) of \$88.6 million from last year. The District is focused on keeping vital components of school buildings running, such as air conditioning and roofing systems while keeping the schools safe and accessible. There was \$22.3 million committed towards various construction contracts. See Note 6 and 22 of the Notes to the Basic Financial Statements for more information.

Table 4

| | Capital Assets at Year-End (in thousands) | | Increase (Decrease) |
|-----------------------------------|--|--------------|------------------------|
| | 2015 | 2014 | |
| Land | \$ 236,046 | \$ 236,046 | \$ - |
| Land improvements | 459,726 | 456,348 | 3,378 |
| Construction in progress | 26,313 | 25,874 | 439 |
| Broadcast license intangible | 3,600 | 3,600 | - |
| Buildings and fixed equipment | 3,612,589 | 3,600,031 | 12,558 |
| Furniture, fixtures and equipment | 337,994 | 402,442 | (64,448) |
| Assets under capital leases | 44,536 | 48,283 | (3,747) |
| Audio visual | 703 | 695 | 8 |
| Computer software | 56,452 | 55,596 | 856 |
| Motor vehicles | 92,980 | 93,065 | (85) |
| Less: accumulated depreciation | (1,965,382) | (1,927,834) | (37,548) |
| Total capital assets, net | \$ 2,905,557 | \$ 2,994,146 | \$ (88,589) |

Debt Administration. As shown in Table 5, at the end of June 30, 2015, the District had \$1.81 billion in debt outstanding compared to \$1.76 billion last year, an increase of \$46.2 million, or 2.62%, from the prior year. The increase was a result of \$155 million General Obligation Bond plus net premium of \$7.7 million totaling \$162.7 project proceeds and an increase of \$22 million in capital leases. This was offset by

net reductions of \$124 million in COPs repayments and \$6.9 million in Capital Outlay Bond Issues repayments. See Notes 9 through 13 of the Notes to the Basic Financial Statements for more information.

Other obligations include accrued vacation pay and sick leave. See Note 14 of the Notes to the Basic Financial Statements for more information.

ECONOMIC FACTORS

The State of Florida, by constitution, does not have a state personal income tax and therefore the state operates primarily using sales, gasoline and corporate income taxes. State funds to school districts are provided primarily by legislative appropriations from the state's general revenue funds under the Florida Education Finance Program (FEFP). The level of tourism in the state heavily influences the amount collected. Any change in the anticipated amount of revenues collected by the state would directly impact the revenue allocation to the District.

Table 5

| | Debt Outstanding at Year-End (in thousands) | | Increase (Decrease) |
|-------------------------------|--|--------------|------------------------|
| | 2015 | 2014 | |
| Capital outlay bond issues | \$ 26,260 | \$ 33,185 | \$ (6,925) |
| General obligation bond issue | 155,055 | - | 155,055 |
| Certificates of participation | 1,576,077 | 1,700,010 | (123,933) |
| Capital leases | 51,560 | 29,513 | 22,047 |
| Total | \$ 1,808,952 | \$ 1,762,708 | \$ 46,244 |

REQUESTS FOR INFORMATION

The District's financial statements are designed to present users (participants, investors, creditors, and regulatory agencies) with a general overview of the District's finances and to demonstrate the District's accountability. Questions concerning any of the information provided in this report should be addressed to the Director of the Accounting and Financial Reporting Department, The School Board of Broward County, Florida, 600 Southeast Third Avenue, Fort Lauderdale, FL 33301.

Broward County Public Schools



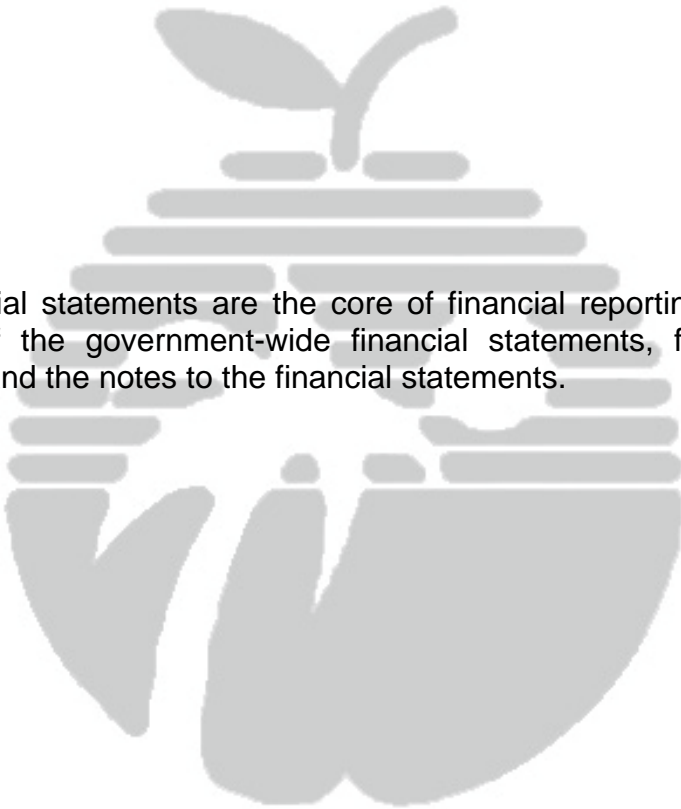
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Basic Financial Statements



Basic financial statements are the core of financial reporting. They are made up of the government-wide financial statements, fund financial statements and the notes to the financial statements.

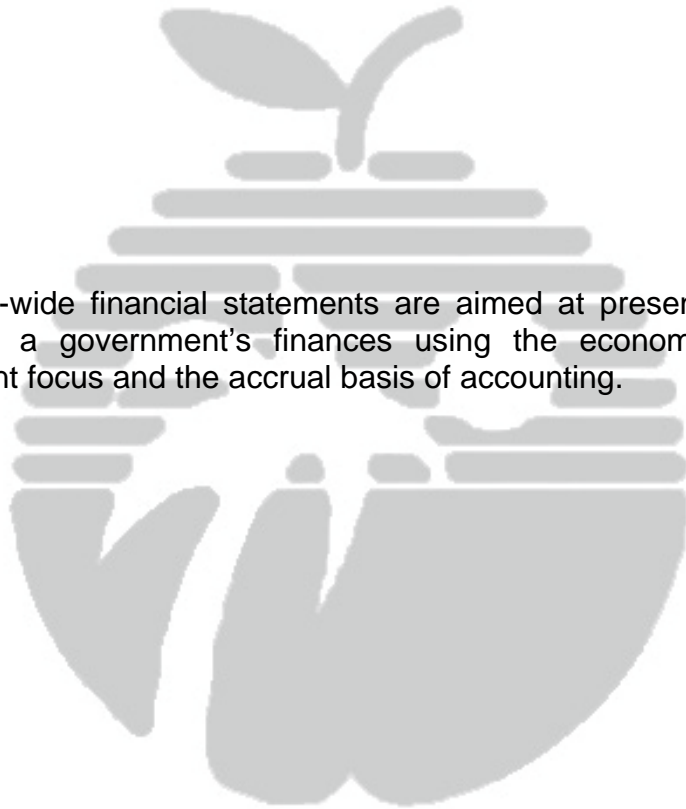
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Government-Wide Financial Statements ("GWFS")

Government-wide financial statements are aimed at presenting a broad overview of a government's finances using the economic resources measurement focus and the accrual basis of accounting.



Broward County Public Schools



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STATEMENT OF NET POSITION
AS OF JUNE 30, 2015
(in thousands)

| | TOTAL GOVERNMENTAL ACTIVITIES | COMPONENT UNITS |
|---|-------------------------------------|------------------|
| ASSETS: | | |
| Current assets: | | |
| Cash, cash equivalents and investments | \$ 591,711 | \$ 39,365 |
| Due from other governmental agencies | 54,421 | 1,086 |
| Due from other schools | - | 3,573 |
| Accrued interest receivable | 585 | - |
| Inventories | 9,505 | 1,624 |
| Prepays and other assets | 21,471 | 14,742 |
| Total current assets | <u>677,693</u> | <u>60,390</u> |
| Non-current assets: | | |
| Restricted cash, cash equivalents and investments | 247,182 | - |
| Capital assets: | | |
| Non-depreciable | 388,610 | 44 |
| Depreciable, net | 2,517,060 | 64,788 |
| Total non-current assets | <u>3,152,852</u> | <u>64,832</u> |
| Total assets | <u>3,830,545</u> | <u>125,222</u> |
| Deferred Outflow of Resources | | |
| Accumulated decrease in fair value of hedging derivatives | 23,728 | - |
| Loss on refunding debt (net) | 87,600 | - |
| Pension actuarial adjustments | 137,841 | 1,592 |
| Total deferred outflow of resources | <u>249,169</u> | <u>1,592</u> |
| LIABILITIES: | | |
| Current liabilities: | | |
| Accounts payable and accrued expenses | 137,036 | 6,286 |
| Accrued payroll taxes and withholding | 14,065 | 8,575 |
| Matured debt and interest payable | 113,861 | 406 |
| Due to other governmental agencies | 8,828 | 433 |
| Due to other schools | - | 1,940 |
| Retainage payable | 5,874 | - |
| Unearned revenue | 8,949 | 411 |
| Obligations under capital leases | 10,942 | 1,066 |
| Liability for compensated absences | 19,488 | 152 |
| Bonds Payable | 81,691 | 474 |
| Estimated liability for self-insurance risks | 41,519 | - |
| Other liabilities | 5,467 | 1,573 |
| Total current liabilities | <u>447,720</u> | <u>21,316</u> |
| Non-current liabilities: | | |
| Obligations under capital leases | 40,618 | 49,630 |
| Liability for compensated absences | 136,364 | 49 |
| Bonds Payable | 1,798,271 | 1,957 |
| Estimated liability for self-insurance risks | 38,013 | - |
| Other post-employment benefits obligations | 72,011 | - |
| Other liabilities | 32,324 | 2,304 |
| Derivatives swap liability (GASB 53) | 23,728 | - |
| Net pension liability | 571,288 | 3,781 |
| Total non-current liabilities | <u>2,712,617</u> | <u>57,721</u> |
| Total liabilities | <u>3,160,337</u> | <u>79,037</u> |
| Deferred Inflow of Resources | | |
| Deferred gain on refunding debt | 426 | - |
| Pension Actuarial adjustments | 331,803 | 2,223 |
| Total deferred inflows of resources | <u>332,229</u> | <u>2,223</u> |
| NET POSITION: | | |
| Net investment in capital assets | 1,282,288 | 14,260 |
| Restricted for: | | |
| State required carryover programs | 3,973 | - |
| Debt service | 2,716 | - |
| Capital projects | 145,340 | 2,003 |
| Scholarships and other purposes | 47,010 | 4,437 |
| Unrestricted (deficit) | (894,179) | 24,854 |
| Total net position | <u>\$ 587,148</u> | <u>\$ 45,554</u> |

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

STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(in thousands)

| | EXPENSES | PROGRAM REVENUES | |
|---|---------------------|----------------------|------------------------------------|
| | | CHARGES FOR SERVICES | OPERATING GRANTS AND CONTRIBUTIONS |
| PROGRAM EXPENSES AND REVENUES: | | | |
| PRIMARY GOVERNMENT: | | | |
| Instructional services | \$ 1,538,275 | \$ 28,133 | \$ - |
| Instructional support services | 235,943 | - | - |
| Pupil transportation services | 84,884 | 1,209 | - |
| Operation and maintenance of plant | 240,306 | - | - |
| School administration | 133,624 | - | - |
| General administration | 69,449 | - | - |
| Food services | 104,666 | 17,009 | 88,904 |
| Facilities acquisition & construction | 49,691 | - | - |
| Interest expense | 138,546 | - | - |
| Total governmental activities | <u>\$ 2,595,384</u> | <u>\$ 46,351</u> | <u>\$ 88,904</u> |
| COMPONENT UNITS: | | | |
| Component units | \$ 251,602 | \$ 7,458 | \$ 19,650 |
| Total component units | <u>\$ 251,602</u> | <u>\$ 7,458</u> | <u>\$ 19,650</u> |
| GENERAL REVENUES: | | | |
| Ad valorem taxes levied for: | | | |
| General purposes | | | |
| Debt service | | | |
| Capital outlays | | | |
| Grants and contributions not restricted to specific programs: | | | |
| Florida education finance program | | | |
| Other | | | |
| Other federal sources | | | |
| Other state sources | | | |
| Other local sources | | | |
| Unrestricted investment earnings | | | |
| Total general revenues | | | |
| Change in net position | | | |
| Total net position (deficit), beginning of year, | | | |
| as restated (see Note 1) | | | |
| Total net position (deficit), end of year | | | |

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

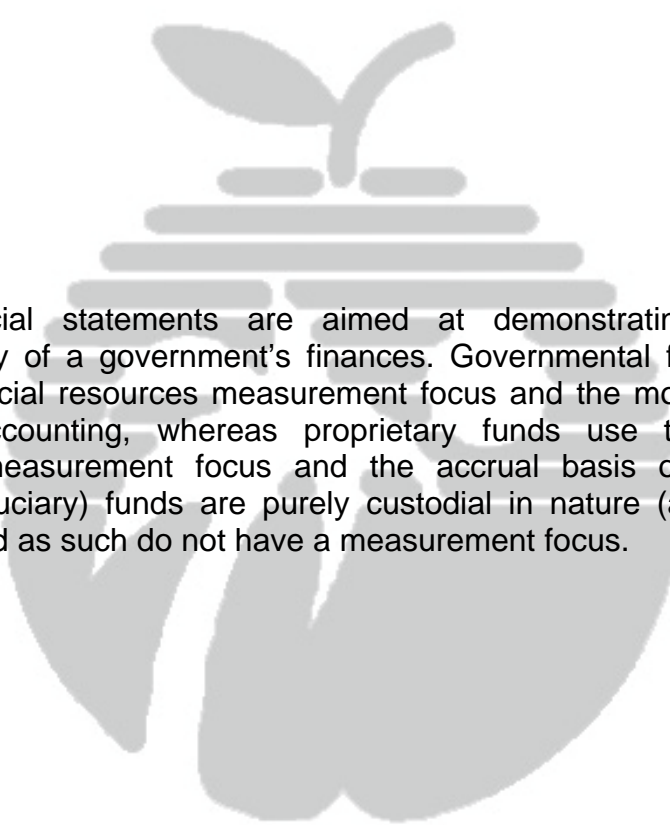
| PROGRAM REVENUES | NET (EXPENSE) REVENUE AND CHANGES IN NET POSITION | |
|--------------------------|---|---------------------|
| | TOTAL PRIMARY GOVERNMENT | COMPONENT UNITS |
| CAPITAL | | |
| GRANTS AND CONTRIBUTIONS | | |
| \$ - | \$ (1,510,142) | \$ - |
| - | (235,943) | - |
| - | (83,675) | - |
| - | (240,306) | - |
| - | (133,624) | - |
| - | (69,449) | - |
| - | 1,247 | - |
| 21,600 | (28,091) | - |
| 7,841 | (130,705) | - |
| <u>\$ 29,441</u> | <u>(2,430,688)</u> | <u>-</u> |
| | | |
| \$ 10,787 | \$ - | \$ (213,707) |
| <u>\$ 10,787</u> | <u>\$ -</u> | <u>\$ (213,707)</u> |
| | | |
| | \$ 864,701 | \$ - |
| | 13 | - |
| | 218,479 | - |
| | 628,202 | - |
| | - | 200,765 |
| | 208,119 | 894 |
| | 394,190 | 10,325 |
| | 239,471 | 6,367 |
| | 1,920 | 47 |
| | <u>2,555,095</u> | <u>218,398</u> |
| | 124,407 | 4,691 |
| | 462,741 | 40,863 |
| | <u>\$ 587,148</u> | <u>\$ 45,554</u> |

Broward County Public Schools



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Fund Financial Statements ("FFS")



Fund financial statements are aimed at demonstrating the fiscal accountability of a government's finances. Governmental funds use the current financial resources measurement focus and the modified accrual basis of accounting, whereas proprietary funds use the economic resources measurement focus and the accrual basis of accounting. Agency (Fiduciary) funds are purely custodial in nature (assets equals liabilities) and as such do not have a measurement focus.

**BALANCE SHEET
GOVERNMENTAL FUNDS
AS OF JUNE 30, 2015
(in thousands)**

| | GENERAL FUND | ARRA ECONOMIC STIMULUS SPECIAL REVENUE FUND | COP SERIES DEBT SERVICE FUND | ARRA ECONOMIC STIMULUS DEBT SERVICE FUND |
|--|---------------------|--|---|---|
| ASSETS: | | | | |
| Equity in pooled cash and investments | \$ 286,561 | \$ - | \$ 1,698 | \$ 211 |
| Cash and investments with trustees | - | - | 100,152 | 13,278 |
| Total cash, cash equivalents and investments | <u>286,561</u> | <u>-</u> | <u>101,850</u> | <u>13,489</u> |
| Due from other governmental agencies | 22,258 | 1,174 | - | - |
| Due from other funds | 12,594 | - | - | - |
| Accrued interest receivable | 385 | - | - | - |
| Inventories | 6,532 | - | - | - |
| Prepays and other assets | 20,179 | - | - | - |
| Total assets | <u>\$ 348,509</u> | <u>\$ 1,174</u> | <u>\$ 101,850</u> | <u>\$ 13,489</u> |
| LIABILITIES AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Accounts payable and accrued expenditures | \$ 123,444 | \$ 658 | \$ 23 | \$ 2 |
| Accrued payroll taxes and withholdings | 14,065 | - | - | - |
| Due to other governmental agencies | 8,828 | - | - | - |
| Due to other funds | - | 516 | - | - |
| Unearned revenue | 6,045 | - | - | - |
| Retainage payable | - | - | - | - |
| Matured debt and interest payable | - | - | 100,454 | 13,110 |
| Liability for compensated absences | 7,657 | - | - | - |
| Estimated liability for self-insurance risks | 27,038 | - | - | - |
| Total liabilities | <u>187,077</u> | <u>1,174</u> | <u>100,477</u> | <u>13,112</u> |
| Fund balances: | | | | |
| Nonspendable | 20,361 | - | - | - |
| Restricted | 3,973 | - | 1,373 | 377 |
| Committed | 54,635 | - | - | - |
| Assigned | 23,199 | - | - | - |
| Unassigned | 59,264 | - | - | - |
| Total fund balance | <u>161,432</u> | <u>-</u> | <u>1,373</u> | <u>377</u> |
| Total liabilities and fund balance | <u>\$ 348,509</u> | <u>\$ 1,174</u> | <u>\$ 101,850</u> | <u>\$ 13,489</u> |

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

| LOCAL MILLAGE CAPITAL IMPROVEMENT FUND | ARRA ECONOMIC STIMULUS CAPITAL PROJECT FUND | OTHER CAPITAL IMPROVEMENT FUND | DISTRICT BONDS | OTHER GOVERNMENTAL FUNDS | TOTAL GOVERNMENTAL FUNDS |
|---|--|--------------------------------------|-------------------|--------------------------------|--------------------------------|
| \$ 94,942 | \$ 4,946 | \$ 33,140 | \$ 160,489 | \$ 59,435 | \$ 641,422 |
| - | 13,154 | 70,429 | - | - | 197,013 |
| 94,942 | 18,100 | 103,569 | 160,489 | 59,435 | 838,435 |
| 5,075 | - | 5,554 | - | 20,360 | 54,421 |
| - | - | - | - | - | 12,594 |
| 74 | 16 | 45 | - | 65 | 585 |
| - | - | - | - | 2,951 | 9,483 |
| 1,225 | - | 9 | - | 57 | 21,470 |
| <u>\$ 101,316</u> | <u>\$ 18,116</u> | <u>\$ 109,177</u> | <u>\$ 160,489</u> | <u>\$ 82,868</u> | <u>\$ 936,988</u> |
| | | | | | |
| \$ 1,151 | \$ 58 | \$ 5,236 | \$ 69 | \$ 6,019 | \$ 136,660 |
| - | - | - | - | - | 14,065 |
| - | - | - | - | - | 8,828 |
| - | - | - | - | 12,078 | 12,594 |
| - | - | - | - | 2,904 | 8,949 |
| 1,030 | 1,716 | 2,742 | 8 | 378 | 5,874 |
| - | - | - | - | 182 | 113,746 |
| - | - | - | - | 97 | 7,754 |
| - | - | - | - | - | 27,038 |
| <u>2,181</u> | <u>1,774</u> | <u>7,978</u> | <u>77</u> | <u>21,658</u> | <u>335,508</u> |
| | | | | | |
| - | - | - | - | 2,951 | 23,312 |
| 99,135 | 16,342 | 101,199 | 160,412 | 55,123 | 437,934 |
| - | - | - | - | - | 54,635 |
| - | - | - | - | 3,136 | 26,335 |
| - | - | - | - | - | 59,264 |
| <u>99,135</u> | <u>16,342</u> | <u>101,199</u> | <u>160,412</u> | <u>61,210</u> | <u>601,480</u> |
| <u>\$ 101,316</u> | <u>\$ 18,116</u> | <u>\$ 109,177</u> | <u>\$ 160,489</u> | <u>\$ 82,868</u> | <u>\$ 936,988</u> |

Broward County Public Schools



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**RECONCILIATION OF THE GOVERNMENTAL FUND BALANCE SHEET TO THE
STATEMENT OF NET POSITION
AS OF JUNE 30, 2015
(in thousands)**

Total fund balances - governmental funds \$ 601,480

Amounts reported for governmental activities in the Statement of Net Position is different because:

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the funds. These assets consist of:

| | | | |
|--|----|-----------|-----------|
| Land | \$ | 236,046 | |
| Land improvements- nondepreciable | | 130,863 | |
| Land improvements, net of accumulated depreciation | | 200,860 | |
| Broadcast license intangible | | 3,600 | |
| Buildings and fixed equipment, net of accumulated depreciation | | 2,232,154 | |
| Furniture, fixtures and equipment, net of accumulated depreciation | | 23,373 | |
| Assets under capital lease, net of accumulated depreciation | | 30,195 | |
| Audio/visual, net of accumulated depreciation | | 221 | |
| Computer software, net of accumulated depreciation | | 15,195 | |
| Motor vehicles, net of accumulated depreciation | | 6,737 | |
| Construction in progress | | 26,313 | |
| | | | 2,905,557 |

Certain pension-related items are reported as deferred outflows of resources in the government-wide financial statements but not in the fund financial statements. 137,841

Certain pension-related items are reported as deferred inflows of resources in the government-wide financial statements but not in the fund financial statements. (331,803)

Accumulated decrease in fair value of hedging derivatives is not a use of current financial resources and therefore are not reported in the funds. 23,728

Deferred losses on refunding is not a use of current financial resources and therefore are not reported in the funds. 87,600

Internal service funds are used by the District to charge the costs of services, such as printing services, to individual funds. The assets and liabilities of the internal service funds are included in the Statement of Net position. 106

Long-term liabilities applicable to the District's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, and deferred inflow of resources are reported in the Statement of Net Position.

| | | | |
|---------------------------------------|--|-------------|-------------|
| Balances at June 30, 2015 are: | | | |
| Accrued interest on long-term debt | | (115) | |
| Certificates of participation | | (1,576,077) | |
| Debt premiums and discounts, net | | (122,570) | |
| Bonds payable | | (181,315) | |
| Capital leases payable | | (51,560) | |
| Compensated absences | | (148,098) | |
| Other post-employment benefits (OPEB) | | (72,011) | |
| Claims payable | | (52,494) | |
| Deferred gain on refunding of debt | | (426) | |
| Net pension liability | | (571,288) | |
| Derivatives swap liability (GASB 53) | | (23,728) | |
| Other liabilities | | (37,679) | |
| Total long-term liabilities | | | (2,837,361) |

Total net position of governmental activities \$ 587,148

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

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES

GOVERNMENTAL FUNDS

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

(in thousands)

| | GENERAL FUND | ARRA ECONOMIC STIMULUS SPECIAL REVENUE FUND | COP SERIES DEBT SERVICE FUND | ARRA ECONOMIC STIMULUS DEBT SERVICE FUND |
|--|-------------------|--|------------------------------------|---|
| REVENUES: | | | | |
| Local sources: | | | | |
| Ad valorem taxes | \$ 864,701 | \$ - | \$ - | \$ - |
| Food sales | - | - | - | - |
| Interest on investments | 975 | - | 94 | 169 |
| Other | 52,672 | - | - | - |
| Total local sources | 918,348 | - | 94 | 169 |
| State sources: | | | | |
| Florida education finance program | 628,202 | - | - | - |
| Public education capital outlay | - | - | - | - |
| Discretionary lottery funds | 980 | - | - | - |
| Categorical programs and other | 388,328 | - | - | - |
| Total state sources | 1,017,510 | - | - | - |
| Federal sources: | | | | |
| Food service | - | - | - | - |
| Grants and other | 15,781 | 16,342 | - | - |
| Total federal sources | 15,781 | 16,342 | - | - |
| Total revenues | 1,951,639 | 16,342 | 94 | 169 |
| EXPENDITURES: | | | | |
| Current operating: | | | | |
| Instructional services | 1,310,145 | 11,398 | - | - |
| Instructional support services | 174,822 | 2,550 | - | - |
| Pupil transportation services | 80,650 | - | - | - |
| Operation and maintenance of plant | 233,692 | 1 | - | - |
| School administration | 129,070 | 1,377 | - | - |
| General administration | 64,656 | 1,016 | - | - |
| Food services | - | - | - | - |
| Total current operating | 1,993,035 | 16,342 | - | - |
| Debt service: | | | | |
| Principal retirement | - | - | 77,646 | 4,540 |
| Interest charges and other | 124 | - | 73,739 | 8,061 |
| Total debt service | 124 | - | 151,385 | 12,601 |
| Capital outlay | | | | |
| Total expenditures | 1,993,159 | 16,342 | 151,385 | 12,601 |
| Excess (deficiency) of revenues over (under) expenditures | (41,520) | - | (151,291) | (12,432) |
| OTHER FINANCING SOURCES (USES): | | | | |
| District bonds | - | - | - | - |
| Refunding bonds issued | - | - | - | - |
| Certificates of participation refunding | - | - | 423,165 | - |
| Premium(discount) on long-term debt issued | - | - | 84,089 | - |
| Capital lease | - | - | - | - |
| Sale of capital assets | - | - | - | - |
| Payments to refunded bond escrow agent | - | - | (505,318) | - |
| Transfers in | 64,993 | - | 155,957 | 12,574 |
| Transfers out | (6,821) | - | - | - |
| Total other financing sources (uses) | 58,172 | - | 157,893 | 12,574 |
| Net change in fund balances | 16,652 | - | 6,602 | 142 |
| Fund balances (deficit), beginning of year | 144,780 | - | (5,229) | 235 |
| Fund balances, end of year | \$ 161,432 | \$ - | \$ 1,373 | \$ 377 |

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

Exhibit 4 (concluded)

| LOCAL MILLAGE CAPITAL IMPROVEMENT FUND | ARRA ECONOMIC STIMULUS CAPITAL PROJECT FUND | OTHER CAPITAL IMPROVEMENT FUND | DISTRICT BONDS | OTHER GOVERNMENTAL FUNDS | TOTAL GOVERNMENTAL FUNDS |
|---|--|---|---------------------------|---|---|
| \$ 218,479 | \$ - | \$ - | \$ - | \$ 13 | \$ 1,083,193 |
| - | - | - | - | 17,009 | 17,009 |
| 268 | 20 | 187 | - | 204 | 1,917 |
| 5,311 | - | 20,303 | - | 6,880 | 85,166 |
| <u>224,058</u> | <u>20</u> | <u>20,490</u> | <u>-</u> | <u>24,106</u> | <u>1,187,285</u> |
| - | - | - | - | - | 628,202 |
| - | - | - | - | 4,530 | 4,530 |
| - | - | - | - | - | 980 |
| 198 | - | 13,617 | - | 17,315 | 419,458 |
| <u>198</u> | <u>-</u> | <u>13,617</u> | <u>-</u> | <u>21,845</u> | <u>1,053,170</u> |
| - | - | - | - | 79,241 | 79,241 |
| - | - | - | - | 184,324 | 216,447 |
| - | - | - | - | 263,565 | 295,688 |
| <u>224,256</u> | <u>20</u> | <u>34,107</u> | <u>-</u> | <u>309,516</u> | <u>2,536,143</u> |
| - | - | - | - | 132,641 | 1,454,184 |
| - | - | - | - | 45,562 | 222,934 |
| - | - | - | - | 643 | 81,293 |
| - | - | - | - | 133 | 233,826 |
| - | - | - | - | 181 | 130,628 |
| - | - | - | - | 7,541 | 73,213 |
| - | - | - | - | 102,672 | 102,672 |
| - | - | - | - | 289,373 | 2,298,750 |
| - | - | - | - | 6,445 | 88,631 |
| - | - | - | - | 2,536 | 84,460 |
| - | - | - | - | 8,981 | 173,091 |
| 15,511 | 1,660 | 53,609 | 2,226 | 1,583 | 74,589 |
| <u>15,511</u> | <u>1,660</u> | <u>53,609</u> | <u>2,226</u> | <u>299,937</u> | <u>2,546,430</u> |
| <u>208,745</u> | <u>(1,640)</u> | <u>(19,502)</u> | <u>(2,226)</u> | <u>9,579</u> | <u>(10,287)</u> |
| - | - | - | 155,055 | - | 155,055 |
| - | - | - | - | 9,200 | 9,200 |
| - | - | - | - | - | 423,165 |
| - | - | - | 8,732 | 630 | 93,451 |
| - | - | 30,000 | - | - | 30,000 |
| 514 | - | 317 | - | - | 831 |
| - | - | - | - | (10,016) | (515,334) |
| - | - | 1,764 | - | 1,188 | 236,476 |
| (196,968) | (7) | (26,198) | (1,149) | (5,333) | (236,476) |
| <u>(196,454)</u> | <u>(7)</u> | <u>5,883</u> | <u>162,638</u> | <u>(4,331)</u> | <u>196,368</u> |
| <u>12,291</u> | <u>(1,647)</u> | <u>(13,619)</u> | <u>160,412</u> | <u>5,248</u> | <u>186,081</u> |
| <u>86,844</u> | <u>17,989</u> | <u>114,818</u> | <u>-</u> | <u>55,962</u> | <u>415,399</u> |
| <u>\$ 99,135</u> | <u>\$ 16,342</u> | <u>\$ 101,199</u> | <u>\$ 160,412</u> | <u>\$ 61,210</u> | <u>\$ 601,480</u> |

Broward County Public Schools



***Educating Today's Students
To Succeed In Tomorrow's World***

**RECONCILIATION OF STATEMENT OF REVENUES, EXPENDITURES AND CHANGES
IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(in thousands)**

| | |
|--|-------------------|
| Total net change in fund balances - governmental funds | \$ 186,081 |
| Amounts reported for governmental activities in the Statement of Activities is different because: | |
| Governmental funds report capitalizable and non-capitalizable capital outlays as expenditures. However, in the Statement of Activities, the cost of those capitalizable assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capitalized capital outlays (\$39,633) were less than depreciation (\$118,340) and deleted assets (\$9,901) in the current period. | (88,587) |
| The issuance of long-term debt provides a source of current financial resources to governmental funds. However, issuing debt increases long-term liabilities in the Statement of Net Position. Also, governmental funds report the effect of debt premiums, discounts, deferral amounts on refunding when debt is first issued, but these amounts are deferred and amortized in the Statement of Activities: | |
| Debt proceeds | (710,871) |
| Payment to escrow agent including interest and other charges | 599,794 |
| The repayment of long-term debt principal amount is reported as an expenditure in the governmental funds but reduces the liability in the Statement of Net Position. | |
| Principal payments | 88,631 |
| Internal service funds are used by the District to charge the costs of services, such as printing services to individual funds. The change in operating income of internal service funds is reported within the governmental activities. | 28 |
| In the Statement of Activities, certain operating expenses - compensated absences (vacation and sick leave) - are measured by the amounts earned during the year. In the governmental funds, however, expenditures for these items are measured by the amount of financial resources used (essentially, the amount actually paid) and for new retirees, the amount expected to be paid out for terminal sick leave over the next year. | |
| Net change in post-employment benefits obligation | (7,589) |
| Net change in compensated absences | 5,074 |
| Net change in other liabilities | 5,467 |
| Net change in long-term claims | (6,994) |
| Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditure when due, except matured interest payable which is accrued in the debt service funds. | |
| Net change in accrued interest on long-term debt | (75) |
| Change in debt related deferrals including deferred amounts and premiums/discounts are recognized as paid or received in the governmental funds but must be capitalized and amortized in the government-wide presentation. This amount represents the net amount between current year's additions and amortization of prior year's amounts. | 53,448 |
| Change in net position of governmental activities | <u>\$ 124,407</u> |

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

**STATEMENT OF NET POSITION
 PROPRIETARY FUNDS
 AS OF JUNE 30, 2015
 (in thousands)**

| | <u>INTERNAL SERVICE FUNDS</u> |
|--|-----------------------------------|
| ASSETS: | |
| Current assets: | |
| Equity in pooled cash and investments | \$ 458 |
| Inventories | 22 |
| Other assets | <u>1</u> |
| Total current assets | <u>481</u> |
| Noncurrent assets: | |
| Furniture and equipment (net of accumulated depreciation) | <u>1</u> |
| Total assets | <u>482</u> |
| LIABILITIES: | |
| Current liabilities: | |
| Accounts payable and accrued expenses | <u>376</u> |
| Total current liabilities | <u>376</u> |
| Total liabilities | <u>376</u> |
| NET POSITION: | |
| Net investment in capital assets | 1 |
| Unrestricted | <u>105</u> |
| Total net position | <u>\$ 106</u> |

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

**STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(in thousands)**

| | INTERNAL SERVICE FUNDS |
|--|-----------------------------------|
| OPERATING REVENUES: | |
| Charges for services | \$ 61,707 |
| Total operating revenues | <u>61,707</u> |
| OPERATING EXPENSES: | |
| Personnel services | 56,346 |
| Depreciation | 132 |
| Other | 5,335 |
| Total operating expenses | <u>61,813</u> |
| Operating loss | (106) |
| NON-OPERATING REVENUE: | |
| Interest and other | <u>134</u> |
| Net income (loss) before transfers | 28 |
| Change in net position | 28 |
| Total net position, beginning of year | <u>78</u> |
| Total net position, end of year | <u>\$ 106</u> |

The accompanying notes to the basic financial statements are an integral part of this Statement

**STATEMENT OF CASH FLOWS
 PROPRIETARY FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015
 (in thousands)**

| | INTERNAL SERVICE FUNDS |
|--|-----------------------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES: | |
| Cash received from governmental customers | \$ 61,707 |
| Cash payments for goods and services | (4,969) |
| Cash payments to employees | <u>(56,351)</u> |
| Net cash provided (used) by operating activities | <u>387</u> |
| | |
| Net increase (decrease) in cash and cash equivalents | 387 |
| CASH AND CASH EQUIVALENTS: | |
| Beginning of year | 71 |
| End of year | <u>\$ 458</u> |
| | |
| RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES: | |
| Operating income (loss) | \$ (106) |
| Adjustments to reconcile operating income (loss) to net cash used by operating activities: | |
| Depreciation | 132 |
| Increase in accounts payable and accrued expenditures | 361 |
| Increase in estimated liability for | |
| | |
| Net cash provided (used) by operating activities | <u>\$ 387</u> |

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

**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AS OF JUNE 30, 2015
(in thousands)**

| | <u>AGENCY FUND</u> |
|---|--------------------|
| ASSETS: | |
| Equity in pooled cash and investments | \$ 4,829 |
| Cash and cash equivalents | 10,495 |
| Total assets | <u>\$ 15,324</u> |
| | |
| LIABILITIES: | |
| Accounts payable | \$ 745 |
| Due to student organizations and other agencies | 14,579 |
| Total liabilities | <u>\$ 15,324</u> |

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

Broward County Public Schools



***Educating Today's Students
To Succeed In Tomorrow's World***

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The School Board of Broward County, Florida (the "District") has direct responsibility for operation, control and supervision of schools in Broward County and is considered a primary government for financial reporting purposes. The financial statements of the District have been prepared in conformity with accounting principles generally accepted in the United States of America ("GAAP") as applied to governmental units. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The general operating authority of the District and the Superintendent is contained in chapters 1000 through 1013, Florida Statutes. Pursuant to Section 1010.01, Florida Statutes, the Superintendent of Schools is responsible for keeping records and accounts of all financial transactions in the manner prescribed by the State Board of Education. The District's significant accounting policies are described below.

A. FINANCIAL REPORTING ENTITY

The District was created by the State Constitution and is part of the state system of public education operated under the general direction and control of the State Board of Education. Established in 1915, the District is governed by nine elected board members (the "Board"). The appointed Superintendent of Schools is the executive officer of the District. The District has taxing authority and provides elementary, secondary and vocational education services to the residents of Broward County, Florida ("Broward 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 GASB Codification of Governmental Accounting and Financial Reporting Standards, Sections 2100 and 2600. The application of these criteria provides for identification of any entities for which the District is financially accountable and other organizations that 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 or incomplete.

Based on the application of these criteria, District management has determined that the component units reportable with the accompanying basic financial statements are the Broward School Board Leasing Corporation (the "Corporation"), the Broward Education Foundation (the "Foundation") and ninety-one charter schools.

Blended Component Units - The Corporation was formed to facilitate financing for the acquisition of facilities and equipment as further discussed in Note 12 of the Notes to the Financial Statements. Due to the substantive economic relationship between the District and the Corporation, the financial activities of the Corporation are included in the accompanying basic financial statements. Separate financial statements for the Corporation are not published.

Discretely Presented Component Units - The Foundation, a non-profit direct-support organization of the District, is included as a discretely presented component unit in the accompanying basic financial statements. The purpose of the Foundation is exclusively educational and charitable, namely, to receive, hold, invest and administer property and to make expenditures for the benefit of the District. In addition, the Foundation is fiscally dependent on the District to provide financial support for its ongoing operating expenses. An audit of the Foundation's financial statements has been conducted by an independent certified public accountant and is on file at the District's administrative office.

Additionally, in accordance with Section 1002.33, Florida Statutes, district school boards are authorized to approve charter ("Charter") school applications. Charter schools are public schools operating under a performance contract with the local school district and are fiscally dependent on the District for a majority of their funding. Revenues such as Florida Education Finance Program ("FEFP"), State Categoryals and other State and Federal revenue sources are received by the District on behalf of the Charter schools and then remitted to them. As such, Charter schools are funded on the same basis and are subject to the

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

same financial reporting requirements as the District. Additionally, all students enrolled in Charter schools are included in the District's total enrollment. There were ninety-five operating Charter School sites in fiscal year 2015. All of the Charter schools are considered component units of the District or another legal entity. For financial reporting purposes, ninety of the Charter schools are included in the basic financial statements of the District as discretely presented component units. The audited financial information for Broward Charter School of Science & Technology, iGeneration Empowerment Academy, and New Generation Preparatory High, were not reported to the District as of the date of publication of the CAFR.

The component unit beginning net position does not agree to prior year ending net position on the Statement of Net Position because availability of financial information for individual charter schools varies from year to year.

The accompanying basic financial statements include the operations of the District, the Corporation, the Foundation and the ninety-two Charter schools. For financial reporting purposes, the operations of Charter schools within multiple locations operating under a single contract with the District are presented on a consolidated basis. Therefore, the operations of the Somerset Academy and Somerset Neighborhood have been consolidated. The District is independent of and is not financially accountable for any other local governmental units or civic entities other than those mentioned above. The Foundation and Charter Schools are presented in the government-wide presentation.

B. MEASUREMENT FOCUS, BASIS OF ACCOUNTING AND FINANCIAL STATEMENT PRESENTATION

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

Government-Wide Financial Statements – The Government-Wide Financial Statements are prepared under the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when the related cash transaction takes place. Non-exchange transactions, in which the District gives or receives value without directly receiving or giving value in exchange, include property taxes, grants, entitlements and donations. On an accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenue from grants, entitlements and donations is recognized in the fiscal year in which all eligibility requirements have been satisfied.

The Statement of Net Position and the Statement of Activities present financial information about the District's governmental and business type activities. These statements include the financial activities of the government in its entirety, except for those that are fiduciary, and distinguish between the District's governmental and business-type activities. Governmental activities, which normally are supported by taxes and inter-governmental revenues, are reported separately from business-type activities, which are generally supported by fees charged. The District currently does not have any business-type activities.

The Statement of Net Position includes all assets and deferred outflows and liabilities and deferred inflows of the District. The Statement of Activities presents a comparison between the direct expenses and program revenues of the District. Direct expenses are those that are specifically associated with a program or function and therefore, are clearly identifiable to a particular function.

Amounts reported as program revenues include 1) charges to students for tuition fees, rentals, materials, supplies, or services provided, 2) operating grants and contributions, and 3) capital grants and contributions. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

The District eliminates from the Statement of Net Position and the Statement of Activities most interfund receivables and payables and transfers between funds as well as the transactions associated with its Internal Service Funds to minimize the effect of double counting. However, direct expenses are not eliminated from the various functional categories.

Fund Financial Statements – Governmental fund financial statements are prepared using the current financial resource measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, expenditures are generally recognized when the related fund liability is incurred. The principal exceptions to this general rule are interest and principal on long-term debt, compensated absences, pension obligation, self-insured claims and other postemployment benefits (OPEB), which are recognized when due, unless funds have been set aside in the debt service funds for repayments. Allocations of cost, such as depreciation, are not recognized in governmental funds.

Revenues can be classified into two kinds of transactions: (a) exchange and exchange-like transactions, in which each party receives and gives up essentially equal value and (b) non-exchange transactions, in which a government gives (or receives) value without directly receiving (or giving) equal value in exchange.

Revenue resulting from exchange transactions is recorded on the modified accrual basis when the exchange takes place.

Revenues resulting from non-exchange transactions are further classified into (a) derived tax revenues, (b) imposed non-exchange revenues, (c) government-mandated non-exchange transactions, and (d) voluntary non-exchange transactions. Derived tax revenues (e.g., sales taxes) are recorded when the transaction occurs. Imposed non-exchange transactions (e.g., property taxes) are recorded when the use of the resource is required or first permitted by time requirement (e.g., property taxes, the period for which they are levied). Government-mandated and voluntary non-exchange transactions (e.g., Federal mandates, grants and donations) are recorded when all eligibility requirements have been met.

When applying the “susceptible to accrual” concept under the modified accrual basis, revenues are recognized when they become measurable and available. Measurable means the amount of the transaction can be determined. 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. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. The District considers all revenues except grant revenues to be available if they are collected within 60 days of the end of the current fiscal period. Grant revenues are considered available if collected within six months of the end of the current fiscal period.

Agency (Fiduciary) funds, accounted on the accrual basis, are purely custodial in nature (assets equal liabilities) and as such do not have a measurement focus.

The Proprietary Fund Financial Statements are prepared under the economic resources measurement focus and the accrual basis of accounting.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. The principal operating revenues of the District’s internal service funds are for graphics and printing, maintenance services and facility construction management provided to other funds. Operating expenses for the internal service funds include salaries, employee benefits, purchased services, supplies, materials, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

The fund statements provide information about the District's funds, including fiduciary funds. Separate statements for each fund category – governmental, proprietary and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds rather than reporting funds by type. Each major fund is reported in a separate column. The American Recovery and Reinvestment Act (ARRA) funds did not meet the minimum criteria for major fund determination during fiscal year 2015. However, it will continue to be presented as a major fund because management believes it is particularly important for financial statement users for the purpose of consistency. Non-major funds are aggregated and reported in a single column. Currently, the District does not have any funds classified as enterprise funds. The District reports the following major funds:

GENERAL FUND

The General Fund is the primary operating fund of the District. The general fund is used 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.

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) SPECIAL REVENUE FUND

ARRA Economic Stimulus includes State Fiscal Stabilization Funds and Stimulus Grants Funds. These funds are used to save and create jobs; improve student achievement through school improvement and reform; ensure transparency and accountability and report publicly on the use of funds; and invest one-time ARRA fund thoughtfully to minimize the funding cliff.

DEBT SERVICE FUND – CERTIFICATE OF PARTICIPATION SERIES

This fund is used to account for the accumulation of resources for the payment of debt principal, interest and related costs on the long-term certificates of participation (COP).

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) DEBT SERVICE FUND

This fund is used to account for the accumulation of resources for the payment of debt principal, interest and related costs on the ARRA Economic Stimulus Capital Project Funds.

CAPITAL PROJECTS FUNDS – LOCAL MILLAGE CAPITAL IMPROVEMENT (Local Property Tax)

This fund is used to account for financial resources received from millage to be used for maintenance and other educational capital needs, including new construction, renovation and remodeling projects.

CAPITAL PROJECTS FUNDS – OTHER CAPITAL IMPROVEMENT FUNDS

Other Capital Improvement Funds are the Certificates of Participation Series, Classrooms First, and Impact Fees Funds. These funds are used as revenue for planned improvements of property and equipment that meet the specific restrictions of those funding sources and are authorized by statute.

DISTRICT FUNDS – (SMART) SAFETY, MUSIC & ART, ATHLETICS, RENOVATION AND TECHNOLOGY

On November 4, 2014, the residents of Broward County approved the issuance of up to \$800 million of General Obligation Bond funds; the "District" has also provided an additional \$184 million to aid in this project. This amount will be used to provide resources over a five-year period to fund critically needed projects and programs in Safety, Music and Art, Athletics, Renovation and Technology.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) ECONOMIC STIMULUS CAPITAL PROJECTS FUNDS

ARRA Economic Stimulus Capital Projects Funds include Qualified School Construction and Build America Bonds. These funds are used for capital expenditures related to construction, renovation and remodeling projects and are authorized by federal law.

The District also reports the following additional fund types:

PROPRIETARY FUNDS – INTERNAL SERVICE FUNDS

Internal Service Funds are used to account for the financing of goods or services provided by one department to another on a cost reimbursement basis. These funds are used to account for printing and other services provided to other District funds. Proprietary funds are included in the governmental activities in the government-wide financial statements.

FIDUCIARY FUND – AGENCY FUND

This fund is used to account for resources of the schools' Internal Fund, which is used to administer monies collected at the schools in connection with school, student athletics, classes and club activities.

C. DEPOSITS AND INVESTMENTS

The District maintains an accounting system in which substantially all general District cash, investments, and accrued interest are recorded and maintained in a separate group of accounts. All such cash and investments are reflected as "Equity in Pooled Cash and Investments" in each fund in the accompanying financial statements. Investment income is allocated based on the weighted average balances of each fund's Equity in Pooled Cash and Investments.

Cash includes amounts in demand and time accounts as well as cash on hand. For purposes of the statement of cash flows, cash and cash equivalents also include highly liquid investments with an original maturity of 3 months or less at time of purchase.

The District's investment in the Florida Education Investment Trust Fund (FEITF), which the FEITF indicates is a Securities and Exchange Commission Rule 2a7-like external investment pool, as of June 30, 2015, is similar to money market funds in which shares are owned in the fund rather than the underlying investments. These amounts are reported at amortized cost which approximates fair value.

Investments are stated at fair value as determined from quoted market prices. Funds are invested in various instruments allowed by the District's investment policy and by Florida Statutes, including money market funds and bank certificates of deposit.

D. INVENTORIES AND PREPAIDS

Inventories consist of expendable supplies held for consumption in the course of the District's operations. Inventories are stated at cost, as determined on a first-in, first-out basis, or a moving weighted average cost basis. U.S.D.A. commodities received from the federal government are recorded at the unit rate established by the federal government. This inventory is accounted for under the consumption method, and as such, is recorded as expenditure when used.

Prepaid expenses are recognized when the goods or services are received but not consumed at year-end. The expenditure is recorded when the asset is used.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

E. CAPITAL ASSETS

Capital assets, which the District defines as land, buildings and fixed equipment, improvements other than buildings, furniture and equipment, audio/visual equipment, computer software, and motor vehicles with a cost of \$1,000 or greater and an initial useful life of more than 1 year, are reported in the government-wide financial statements. Such assets are recorded at historical cost or at estimated historical cost if the actual historical cost is not available. Donated capital assets are recorded at estimated fair value at the date of donation. Land, Land Improvements, Construction in Progress and Broadcast License Intangible are not depreciated. Other capital assets used in operations are depreciated using the straight-line method over their estimated useful lives in the government-wide financial statements.

The estimated useful lives are as follows:

| | |
|-----------------------------------|----------------|
| Improvements other than buildings | 15 to 35 years |
| Buildings and fixed equipment | 7 to 50 years |
| Furniture, fixtures and equipment | 5 to 20 years |
| Audio visual | 5 years |
| Computer software | 5 years |
| Motor vehicles | 10 to 15 years |

Depreciation expense on school buses has been allocated to the pupil transportation function on the government-wide Statement of Activities. All other depreciation expense has been ratably allocated to the various expense functions based on an analysis of the use of each room in the District and its relative square footage.

Capital assets owned by the Proprietary Funds, principally equipment, are stated at cost. Straight-line depreciation has been provided over the estimated useful lives of these assets, which range from three to five years.

When capital assets are sold or retired, the related cost and accumulated depreciation are removed from the accounts and the resulting gain or loss is reflected in the results of operations in the government-wide statements.

The District is required annually to evaluate prominent events or changes in circumstances affecting capital assets to determine whether impairment of a capital asset has occurred. Such events or changes in circumstances that may be indicative of impairment include evidence of physical damage, enactment or approval of laws or regulations or other changes in environmental factors, technological changes or evidence of obsolescence, changes in manner or duration of use of a capital asset, and construction stoppage. A capital asset is considered impaired when its service utility has declined significantly and unexpectedly. Based on this criteria, there were no impairments recognized in fiscal year 2015.

F. REVENUE

State Revenue Sources - Revenues from state sources for current operations are primarily from the FEFP, administered by the Florida Department of Education ("FDOE"), under the provisions of Section 1011.62, Florida Statutes. The District files reports on full time equivalent ("FTE") student membership with the FDOE. The FDOE accumulates information from these reports and calculates the allocation of FEFP funds to the District. After review and verification of FTE reports and supporting documentation, the FDOE may adjust subsequent fiscal period allocations of FEFP funding for prior year errors disclosed by its review. Normally, such adjustments are treated as reductions of revenue in the year the reduction is made.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

The District receives revenue from the state to administer certain categorical educational programs. State Board of Education rules require that revenue earmarked for these programs be expended only for the program for which the money is provided and require that the money not expended as of the close of the fiscal year be carried forward into the following year to be expended for the same categorical educational programs. These funds are described as "restricted for categorical carryover programs" in the Statement of Net Position and the Governmental Funds Balance Sheet. The revenues for FEFP and categorical programs are recognized in the period in which the funds are available for use and when all eligibility requirements have been met.

Property Taxes – In the fund financial statements, property tax revenue is recognized when levied for, and available, which is when received, except at year end when revenue is accrued for taxes collected by the Broward County Revenue Collector as of fiscal year end, but remitted to the District within 60 days subsequent to fiscal year end. Any delinquent taxes expected to be collected in the subsequent fiscal year are accrued for and reported as unavailable revenue at year-end. Delinquent taxes collected in subsequent periods are recognized as revenue during the fiscal year in which they are received. In the government-wide financial statements, property tax revenue is recognized when levied for, net of allowance for estimated uncollectible amounts. Accordingly, uncollected, but earned, property tax revenue, net of uncollectible amounts, represent a reconciling item between the fund and government-wide presentation.

Federal Revenues Sources – The District receives Federal awards for the enhancement of various educational programs. Federal awards are generally awarded based on applications submitted to, and approved by, various granting agencies. For Federal awards for 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.

G. UNEARNED/UNAVAILABLE REVENUE

Resources that do not meet revenue recognition requirements (not earned) are recorded as unearned revenue in the government-wide and the fund financial statements. In addition, amounts related to government fund receivables that are measurable, but not available are recorded as unavailable revenue in the governmental fund financial statements.

H. LONG-TERM OBLIGATIONS

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the statement of net position. Debt premiums and discounts and deferral amounts on refunding are deferred and amortized over the life of the bonds using the effective interest method, or the straight-line method if it does not differ materially from the effective interest method. Debt payable is reported net of the applicable debt premium or discount. Debt issuance costs are expensed when incurred.

In the fund financial statements, governmental fund types recognized debt premiums and discounts and prepaid insurance costs during the current period. The face amount of the debt issues is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Debt issuance costs, whether or not withheld from the actual debt proceeds received and principal payments, are reported as debt service expenditures.

I. COMPENSATED ABSENCES

Compensated absences are salary related payments to employees for accumulated vacation and sick leave. These amounts also include the related employer's share of Social Security and Medicare and retirement contributions. They are recorded as expenditures when used or are accrued as a payable to

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

employees who are entitled to cash payment in lieu of taking leave. District employees may accumulate unused sick leave without limitation and unused vacation up to a specified amount depending on their date of hire. Vacation leave is payable to employees upon termination or retirement at the current rate of pay on the date of termination or retirement. Sick leave is payable to employees upon retirement at the rate of pay in effect at the time the leave is earned. The number of days payable is subject to limitations as set forth in District policies.

The government-wide financial statements report long-term liabilities or obligations that are expected to be paid in the future. Long-term liabilities reported include vested vacation and sick pay benefits and an estimate for anticipated non-vested sick pay benefits. In the fund financial statements, the current portion represents the estimated terminal sick-leave amount that is due to, and has not been paid out to, employees who have retired on or prior to June 30, 2015.

The non-current portion (the amount estimated to be used in subsequent fiscal years) is maintained separately and represents a reconciling item between the fund financial statements and government-wide financial statements.

J. SELF INSURANCE

The District is self-insured for portions of its general and automobile liability insurance, workers' compensation, and health insurance. The estimated liability for self-insured risks represents an estimate of the amount to be paid on insurance claims reported and on claims incurred but not reported (see note 19 of the Notes to the Basic Financial Statements). The estimated liability for self-insured risks represents an estimate of the amount to be paid on claims reported and on claims incurred but not reported. For the governmental funds, in the fund financial statements, the liability for self-insured risks is considered long-term and therefore, is not a fund liability (except for any amounts due and payable at year end) and represents a reconciling item between the governmental fund level and government-wide presentations.

K. FUND BALANCE

Fund balance is the difference between fund assets and liabilities in the governmental fund financial statements that are based on the modified accrual basis of accounting. GASB Statement No. 54 ("GASB 54"), "Fund Balance Reporting and Governmental Fund Type Definitions," provides for two major fund balance classifications: nonspendable and spendable. Nonspendable fund balance includes amounts that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact. Examples of nonspendable fund balance include inventory, prepaid items and the principal (corpus) of a permanent fund. The District has classified inventory as nonspendable.

GASB 54 provides for four categories of the spendable fund balance classification based on the level of constraint placed on the use of those resources.

- Restricted fund balance includes amounts on which constraints have been placed by creditors, grantors, contributors, laws or regulations of other governments, constitutional provisions or enabling legislation.
- Committed fund balance includes resources constrained to a specific purpose by the District's highest level of decision-making authority, the School Board. This formal action is completed through a Board resolution. These items cannot be used for any other purpose unless the Board takes action to remove or change the constraint through the same formal action of a Board resolution.
- Assigned fund balance represents amounts that are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. Under the provisions of Section 1001.51, Florida Statutes, Duties and Responsibilities of District School Superintendent, the superintendent is

delegated certain financial authority. The District's management can assign fund balance based on Board direction.

- Unassigned fund balance in the general fund includes the remaining fund balance, or net resources, available for any purpose. A negative unassigned fund balance may be reported in other governmental funds, if expenditures incurred for specific purposes exceeded the amounts restricted, committed, or assigned to those purposes.

When an expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available, the District considers restricted funds to have been spent first. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the District considers amounts to have been spent first out of committed funds, then assigned funds, and finally unassigned funds, as needed.

L. NET POSITION

In the statement of net position, assets, plus deferred outflows of resources, less liabilities, less deferred inflows of resources, equals net position on the government-wide and proprietary fund financial statements that are based on the accrual basis of accounting. Net position is displayed in three components: The Net investment in capital assets component of net position consists of: capital assets (net of accumulated depreciation) and deferred outflow of resources for losses on refunding transactions; reduced by the outstanding balance of debt related to the acquisition or construction of those assets and deferred inflow of resources for gains on refunding transactions.

- The Restricted component of net position consists of restricted net assets (where constraints on their use are: (1) externally imposed by creditors, grantors, contributors or laws or regulations of other governments, or (2) imposed by law through constitutional provisions or enabling legislation), reduced by liabilities and deferred inflows of resources related to those assets.
- The Unrestricted component of net position (deficit) consists of the net amount of the assets, deferred outflows of resources, liabilities, and deferred inflows of resources that are not included in the determination of the other two components of net position.

When both restricted and unrestricted assets are available for a specific purpose, it is the District's policy to use restricted assets first, until exhausted, before using unrestricted resources. Further descriptions of the components of net position is addressed in Note 21.

M. MANAGEMENT'S USE OF ESTIMATES

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, deferred inflows and outflows and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenses/expenditures during the reporting period. Actual results could differ from those estimates.

N. DEFERRED OUTFLOW/INFLOWS OF RESOURCES

In addition to assets, the financial position has a separate section for deferred outflows of resources. The separate financial statement element, deferred outflow of resources, represents a consumption of net position that applies to future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. Deferred inflow of resources represents an acquisition of net position that applies to future period(s) and will not be recognized as inflow of resources (revenue) until that time. A deferred charge on refunding results from the difference in the carrying value of the refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

debt or new refunding debt. Deferred outflows of resources include deferred losses on refunding, changes in proportion and proportionate share of contributions to the pension plan, employer pension contributions subsequent to the measurement date, and the accumulated decrease in the fair value of the hedging derivative. Deferred inflows of resources include deferred gain on refunding debt, difference between expected and actual experiences, and projected and actual earnings of the pension plan.

O. PENSIONS

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), Health Insurance Subsidy (HIS) deferred benefit plans, additions to/deductions from the Plans fiduciary net position have been determined on the same basis as they are reported by the Plans and are recorded in the government-wide financial statements. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

P. RESTATEMENT

The GASB has issued Statement No. 68, "Accounting and Financial Reporting for Pension, an Amendment of GASB Statement No. 27" ("GASB 68"), and GASB Statement No. 71 "Pension Transition for Contributions Made Subsequent to the Measurement Date: An amendment of GASB Statement No. 68" ("GASB 71") which were adopted by the District for the year ended June 30, 2015. GASB requires governments providing defined benefit pension plan to recognize their long-term obligation for pension benefits as a liability and to more comprehensively and comparably measure the annual costs of pension benefits. In accordance with the new statements, the District now reports a pension liability on its financial statements, as well as deferred outflows of resources and deferred inflows of resources for pension related items. In addition, the impact of implementing this statement resulted in a restatement of the beginning net position for governmental activities to adjust for the pension benefit liability that would have been reported in previous years.

The District's net position at June 30, 2014 has been restated as follows:

| | Governmental Activities (amounts in thousand) |
|--|---|
| Net position, June 30, 2014 | \$1,317,307 |
| Restated amount related to the implementation of GASB 68 and 71 | (854,565) |
| Net position as restated, June 30, 2014 | <u>\$ 462,742</u> |

Q. IMPACT OF NEW ACCOUNTING PRONOUNCEMENTS

In June, 2012, GASB issued Statement No. 68, "Accounting for Public Pension Plan Obligations for participating employers: An Amendment of GASB Statement No. 27" ("GASB 68"). The new GASB statement requires a liability for pension obligations, known as the net pension liability (NPL), to be recognized on the balance sheet of the plan and participating employers. Similarly, a pension expense (PE) will be recognized on the income statement. This statement is effective for the period beginning June 15, 2014. The District adopted GASB 68, in the fiscal year 2015 and the results are reflected in the government-wide financial statements, in Note 16 to the Financial Statements, as well as in the Required

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

Supplementary Information Section. The adoption of this statement resulted in the restatement of the District's net position at June 30, 2014 as noted above under footnote 1, letter (O).

In January 2013, the GASB issued Statement No. 69, "Government Combinations and Disposals of Government Operations". The District adopted GASB 69 in fiscal year 2015 financial statements. The adoption of GASB 69 did not impact the District's financial position or results of operations.

In November 2013, the GASB issued Statement No. 71, "Pension Transition for Contributions Made Subsequent to the Measurement Date: An amendment of GASB Statement No. 68". ("GASB 71"). The District adopted GASB 71 in the fiscal year 2015 financial statements. The Districted adopted GASB 71, is reflected in the government-wide financial statements, in Note 16, in the Notes to the Financial Statements, as well as in the Required Supplementary Information Section. The adoption of this statement resulted in the restatement of the District's net position at June 30, 2014 as noted above under footnote 1, letter (O).

In February 2015, the GASB issued Statement No. 72, "Fair Value Measurement and Application". This statement is effective for fiscal years beginning after June 15, 2015.

In June 2015, the GASB issued Statement No. 73, "Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68". This Statement is effective for fiscal years beginning after June 15, 2015, except those provisions that address employers and governmental non-employer contributing entities for pensions that are not within the scope of Statement 68. The impact on the District's financial position or results of operations has not yet been determined for this un-adopted standards.

In June 2015, GASB Statement No. 74, "Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans", will be effective for the District beginning with its year ending June 30, 2017. This Statement will establish rules on reporting by OPEB plans that administer benefits on behalf of governments.

In June 2015, GASB Statement No. 75, "Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions", will be effective for the District beginning with its year ending June 30, 2018. This Statement outlines reporting by governments that provide OPEB to their employees and for governments that finance OPEB for employees of other governments. The implementation of this statement will result in the recognition of a significant liability that is not yet measurable.

In June 2015, GASB Statement No. 76, "The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments", will be effective for the District beginning with its year ending June 30, 2016. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP from the four categories under GASB Statement No. 55, "The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments". The first category of authoritative GAAP consists of GASB Statements of Governmental Accounting Standards. The second category comprises GASB Technical Bulletins and Implementation Guides, as well as guidance from the AICPA that is cleared by the GASB. The Statement also addresses the use of authoritative and non-authoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP.

In June 2015, GASB Statement No. 77, "Tax Abatement Disclosures", will be effective for the District beginning with its year ending June 30, 2017. This Statement requires state and local governments, for the first time, to disclose information about tax abatement agreements. It requires governments to disclose information about their own tax abatements separately from information about tax abatements that are entered into by other governments and reduce the reporting government's tax revenues.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

Management of the District is still in the process of determining what effect, if any, the above Statements with an implementation date greater than June 2015, will have on the basic financial statements and related disclosures.

2. BUDGETARY POLICIES

A. Budgetary Information

The Board follows procedures established by State Statute and State Board of Education rules in establishing annual budgets for governmental funds as described below:

- (1) Budgets are prepared, public hearings are held, and original budgets are adopted annually for all governmental fund types in accordance with procedures and time intervals prescribed by law and State Board of Education rules.
- (2) The major functional level is the legal level of budgetary control. Budgeted amounts may be amended by resolution at any Board meeting prior to the due date for the annual financial report. General Fund budgetary disclosure in the accompanying required supplemental information (Part B) reflects the final budget including all amendments approved for the fiscal year through September 15, 2015.
- (3) Project length budgets, such as in the Capital Projects Funds, are determined and then are fully appropriated in their entirety in the year the project is approved. For the beginning of the following year, any unexpended appropriations for a project from the prior year are re-appropriated. This process is repeated from year to year until the project is completed.
- (4) Unencumbered appropriations lapse at year-end. Encumbered appropriations are carried forward, if applicable, to the following year for the General Fund and are closed after a three month period.

B. Excess of Expenditures Over Appropriations

For the year ended June 30, 2015, expenditures exceeded appropriations in the following funds:

- Other Capital Improvement Fund by \$29,208
- Local Capital Millage Fund by \$9,784
- Other Special Revenue Fund by \$23

3. DEPOSITS AND INVESTMENTS

Board Policy Number 3110, a comprehensive investment policy pursuant to Section 218.415, Florida Statutes that establishes permitted investments, asset allocation limits and issuer limits, credit ratings requirements and maturity limits to protect the District's cash and investment assets. The policy's main objectives are geared to maintain the safety of Principal, Liquidity and Return on Investment.

Cash and Cash Equivalents:

As of June 30, 2015, the carrying amount of the District's bank deposit account was \$265.6 million. Banks qualified as public depositories under the Florida Security for Public Deposits Act as required by Chapter 280, Florida Statutes, hold all deposits.

Cash Equivalents consist of amounts placed with Bank of America and Florida Education Investment Trust Fund (FEITF).

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

Funds can be invested in non-negotiable interest bearing time certificates of deposit or savings accounts in banks organized under the laws of this state and/or in National Banks organized by the laws of the United States and doing business and situated in the State of Florida, provided that any such deposits are secured by the Florida Security for Public Deposits Act, Chapter 280, Florida Statutes. A maximum of 25% of available funds may be invested in non-negotiable interest bearing time certificates of deposit. A maximum of 15% of available funds may be deposited with any one issuer. The maximum maturity on any certificate is 1 year from the date of purchase.

Cash and investments at June 30, 2015 are shown below (in thousands):

| | Governmental Funds | Internal Service Funds | Total Government- Wide | Agency Fund |
|--|-----------------------|------------------------------|------------------------------|----------------|
| Federal Treasury Bonds & Notes | \$ 203,174 | \$ 143 | \$ 203,317 | \$ 1,533 |
| Government Sponsored Entity Securities | 84,664 | 60 | 84,724 | 638 |
| Municipal Bonds | 3,077 | 2 | 3,079 | 23 |
| Corporate Notes and Paper | 22,281 | 16 | 22,297 | 167 |
| Commercial Paper | 8,112 | 6 | 8,118 | 61 |
| Discount Note | 49,552 | 35 | 49,587 | 373 |
| Asset Backed Securities | 7,279 | 5 | 7,284 | 55 |
| Funds Held by Trustee: | | | | |
| Federal Treasury Bonds & Notes | 4,707 | - | 4,707 | - |
| Commercial Paper | 171,931 | - | 171,931 | - |
| Funds Held in Trust by State | 673 | - | 673 | - |
| Florida Education Investment Trust | 29,794 | 21 | 29,815 | 225 |
| Total Investments | 585,244 | 288 | 585,532 | 3,075 |
| Total Deposits | 253,191 | 170 | 253,361 | 12,249 |
| Total cash, cash equivalents and investments | \$ 838,435 | \$ 458 | \$ 838,893 | \$ 15,324 |

Credit Risk:

The District has adopted an investment policy that authorizes the District to participate in the State Board Administration Investment Pool (SBA). The policy also authorizes the District to invest in interest-bearing time deposits or savings accounts, direct obligations of the United States Treasury, Federal Agencies, discount notes, and money market funds with the highest credit quality rating from nationally recognized statistical rating organizations and registered with the Securities and Exchange Commission; State and/or local government taxable and/or tax exempt debt, general obligation and/or revenue bonds, rated at least "Aa" by Moody's and "AA" by Standard & Poor's for long term debt, or rated at least "MIG-2" by Moody's and "SP-2" by Standard & Poor's for short-term debt; and bankers acceptances issued by a domestic bank or a federally chartered domestic office of a foreign bank, which are eligible for purchase by the Federal Reserve System, at the time of purchase, the short term paper is rated, at a minimum, "P-1" by Moody's Investors Services and "A-1" by Standard & Poor's. Additionally, the bank shall not be listed with any recognized credit watch information service.

The Policy also authorizes the District to invest in commercial paper of any United States company that is rated, at the time of purchase, "Prime-1" by Moody's and "A-1" by Standard & Poor's (prime commercial paper). Additionally, the company shall not be listed with any recognized credit watch information service. Corporate notes issued by corporations organized and operating within the United States or by depository institutions licensed by the United States that have a long term debt rating, at the time of purchase, at a minimum "Aa" by Moody's and a minimum long term debt rating of "AA" by Standard & Poor's.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

As of June 30, 2015, the District's investment securities had the following ratings as shown in the chart below (dollars in thousands):

| Investments | Fair Market Value | S&P or Moody's ⁽¹⁾ Rating |
|---|-------------------|--------------------------------------|
| Short term portfolio: | | |
| SBA: Debt Service Accounts | \$ 673 | NA |
| Florida Education Investment Trust Fund | 30,040 | AAAm |
| Corporate Notes | 35 | AAA |
| Corporate Notes | 691 | AA |
| Commercial Paper | 180,110 | A-1 |
| Discount Note | 49,960 | AAA |
| Government Sponsored Entity Securities | 62,365 | AAA |
| Treasury Bonds and Notes | 130,148 | AA |
| Municipal Bonds | 3,102 | AA |
| Long term portfolio: | | |
| Corporate Notes | 13,318 | AA |
| Corporate Notes | 8,420 | AAA |
| Government Sponsored Entity Securities | 22,589 | AAA |
| Government Sponsored Entity Securities | 408 | AA |
| Asset Backed Securities | 3,108 | A-1 |
| Asset Backed Securities | 1,164 | AAA |
| Asset Backed Securities | 3,067 | Aaa ⁽¹⁾ |
| Treasury Bonds and Notes | 58,407 | AAA |
| Treasury Bonds and Notes | 21,002 | AA |
| Total Investments | <u>\$ 588,607</u> | |

Interest Rate Risk:

The District manages its exposure to interest rate risk in fair value by forecasting cash outflows and inflows. To the extent possible, an attempt will be made to match investment maturities with known cash needs and anticipated cash flow requirements. Investments of current operating funds shall have maturities of no longer than twenty-four (24) months. According to the District's policy, securities may be purchased at a premium or traded for other securities to improve yield, maturity or credit risk.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

Investments of bond reserves, construction funds, and other non-operating funds (“core funds”) shall have a term appropriate to the need for funds and in accordance with debt covenants, but in no event shall exceed five (5) years. The following table shows the District's short term portfolio weighted average maturity at June 30, 2015 (dollars in thousands):

| Investments | Fair Market Value | Maturity | | Weighted Average Maturity |
|---|-------------------|------------------|---------|---------------------------|
| | | Less than 1 Year | 2 Years | |
| SBA: Debt Service Accounts | \$ 673 | \$ 673 | \$ - | 1 |
| Florida Education Investment Trust Fund | 30,040 | 30,040 | - | 1 |
| Corporate Notes | 726 | 726 | - | 312 |
| Commercial Paper | 180,110 | 180,110 | - | 113 |
| Discount Note | 49,960 | 49,960 | - | 108 |
| Government Sponsored Entity Securities | 62,365 | 62,365 | - | 101 |
| Treasury Bonds and Notes | 130,148 | 130,148 | - | 106 |
| Municipal Bonds | 3,102 | 3,102 | - | 297 |
| Total | \$ 457,124 | \$ 457,124 | \$ - | |

The following table shows the District's long term portfolio effective duration at June 30, 2015:

| Investments | Effective Duration in Years |
|----------------------------------|-----------------------------|
| Municipal Bonds | 0.81 |
| Asset Backed Securities | 2.16 |
| Commercial Paper | 0.31 |
| Corporate Notes | 2.09 |
| Federal Agency Coupon Securities | 0.65 |
| Federal Agency Discounted Notes | 0.30 |
| Treasury Bonds and Notes | 0.88 |
| Average effective duration | 0.84 |

The Long Term Portfolio uses the Effective Duration.

Concentration of Credit Risk:

The District's Investment policy has established asset allocation and issuer limits on the following investments, which are designed to reduce concentration of credit risk of the District's Investment Portfolio.

The Florida Government Surplus Fund Trust Fund (“SBA”):

A maximum of 100% of available funds may be invested by the District's Treasurer (the “Treasurer”) in the SBA. Funds deposited with the SBA are invested in the pooled investment account, an external investment pool administered by the State of Florida and operated in a manner consistent with the Security and Exchange Commission's Rule 2a7 of the Investment Company Act of 1940.

U.S. Government Securities:

The Treasurer may invest in negotiable direct obligations, or obligations the principal and interest of which are unconditionally guaranteed by the United States Government. A maximum of 100% of available funds may be invested in these securities; the maximum length to maturity is 5 years from the date of purchase.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

These securities include but are not limited to: Cash Management Bills, Treasury Securities - State and Local Government Series ("SLGS"), Treasury Bills, Treasury Notes, Treasury Bonds, Treasury Strips.

U.S. Government Agencies:

The Treasurer may invest in bonds, debentures, discount notes or callables issued or guaranteed by the United States Government Agencies, provided such obligations are backed by the full faith and credit of the United States Government. A maximum of 50% of available funds may be invested in U.S. government agencies. A maximum of 25% of available funds may be invested in individual U.S. government agencies. The maximum length to maturity is 5 years from the date of purchase.

Federal Agency (U.S. Government sponsored agencies):

The Treasurer may invest in bonds, debentures, notes or callables issued or guaranteed by the United States Government sponsored Agencies (Federal Instrumentalities), which are non-full faith. A maximum of 80% of available funds may be invested in Federal Instrumentalities. A maximum of 40% may be invested in any one issuer. The maximum length to maturity for an investment is 5 years from the date of purchase.

Corporate Notes:

The Treasurer may invest in Corporate Notes issued by corporations organized and operating within the United States or by depository institutions licensed by the United States that have a long term debt rating, at the time of purchase, at a minimum "Aa" by Moody's and a minimum long term debt rating of "AA" by Standard's & Poor's. A maximum of 15% of available funds may be invested in corporate notes. Only 5% invested with one issuer. The length of maturity shall be 3 years from the date of purchase.

Commercial Paper:

The Treasurer may invest in commercial paper of any United States company that is rated, at the time or purchase, "Prime-1" by Moody's and "A-1" by Standard & Poor's (prime commercial paper). If the commercial paper is backed by a letter of credit ("LOC"), the long-term debt of the LOC provider must be rated "A" or better by at least two nationally recognized rating agencies. A maximum of 35% of available funds may be directly invested in prime commercial paper. The maximum length to maturity for prime commercial paper shall be 270 days from the date of purchase.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

The following table shows the composition of the District's investments at June 30, 2015 (dollars in thousands).

| Investments | Fair Market Value | Percentage Of Portfolio |
|---|-------------------|-------------------------|
| Short term investments: | | |
| State Board of Administration: | | |
| Debt Service Account | \$ 673 | 0.11% |
| Florida Education Investment Trust | 30,040 | 5.10% |
| Corporate Notes: | | |
| General Electric | 35 | 0.01% |
| Toyota Motor Credit Corp | 691 | 0.12% |
| Commercial Paper: | | |
| Bank of Tokyo Mitsubishi LTD | 3,344 | 0.57% |
| BNP Paribas Finance, Inc | 3,137 | 0.53% |
| General Electric | 699 | 0.12% |
| Toyota Motor Credit Corp. | 999 | 0.17% |
| US Bank NA | 171,931 | 29.22% |
| Discount Notes: | | |
| Federal Home Discount Note | 49,960 | 8.49% |
| Government Sponsored Entity Securities: | | |
| Federal Home Loan Bank | 32,289 | 5.49% |
| Federal Home Loan Mortgage Corporation | 10,031 | 1.70% |
| Federal National Mortgage Association | 20,045 | 3.41% |
| Treasury Bonds and Notes | 130,148 | 22.11% |
| Municipal Bonds | 3,102 | 0.53% |
| Long term investments: | | |
| Corporate Notes: | | |
| Apple Incorporated | 3,009 | 0.51% |
| Berkshire Hathaway Fin | 3,369 | 0.57% |
| Chevron Corp Notes | 2,731 | 0.46% |
| Citigroup Global Markets | 1,654 | 0.28% |
| General Electric | 109 | 0.02% |
| International Business Machine | 3,941 | 0.67% |
| Johnson and Johnson | 1,930 | 0.33% |
| JP Morgan Chase | 3,297 | 0.56% |
| Microsoft Corp | 75 | 0.01% |
| The Coca Cola Company | 536 | 0.09% |
| Toyota Motor Credit Corp | 495 | 0.08% |
| Wal-Mart Stores Global Notes | 592 | 0.10% |
| Government Sponsored Entity Securities: | | |
| Federal Home Loan Bank | 12,729 | 2.16% |
| Federal Home Loan Mortgage Corporation | 7,399 | 1.26% |
| Federal National Mortgage Association | 2,869 | 0.49% |
| Asset Backed Securities: | | |
| Citibank | 1,164 | 0.20% |
| Ford | 1,700 | 0.29% |
| Honda | 1,319 | 0.22% |
| Nissan Auto | 1,367 | 0.23% |
| Toyota Motor Credit Corp | 1,789 | 0.30% |
| Treasury Bonds and Notes | 79,409 | 13.49% |
| Total investments | \$ 588,607 | 100.00% |

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

Custodial Risk:

Pursuant to Florida Statute 218.415 (10), securities, with the exception of certificates of deposit, are held with a third party custodian; and all securities purchased by, and all collateral obtained by the District is properly designated as an asset of the District. The securities are held in an account separate and apart from the assets of the financial institution.

As of June 30, 2015, the District's investment portfolio was held by Wells Fargo Securities, LLC, a third party custodian, as required by the School Board's investment policy.

4. DUE TO/FROM OTHER GOVERNMENTAL AGENCIES AND UNEARNED REVENUE

Due To/From Other Governmental Agencies:

At June 30, 2015, the District's due to/from other governmental agencies balances are as follows (in thousands):

| | General Fund | ARRA Economic Stimulus Funds | Local Millage Capital Improvement Funds | Other Capital Improvement Funds | Other Governmental Funds | Total |
|--|--------------|------------------------------|---|---------------------------------|--------------------------|-----------|
| Due from other governments: | | | | | | |
| Federal Government: | | | | | | |
| Miscellaneous Federal | \$ 2,197 | \$ 1,174 | \$ - | \$ - | \$ 15,073 | \$ 18,444 |
| State Government: | | | | | | |
| Food Reimbursement | - | - | - | - | 1,719 | 1,719 |
| Local Government: | | | | | | |
| Taxes Receivable | 20,049 | - | 5,075 | - | 3,568 | 28,692 |
| Miscellaneous Local | 12 | - | - | 5,554 | - | 5,566 |
| Total due from other governmental agencies | \$ 22,258 | \$ 1,174 | \$ 5,075 | \$ 5,554 | \$ 20,360 | \$ 54,421 |
| Due to other governments: | | | | | | |
| Florida Retirement System | | | | | | |
| Contribution | \$ 8,768 | \$ - | \$ - | \$ - | \$ - | \$ 8,768 |
| Miscellaneous | 60 | - | - | - | - | 60 |
| Total due to other governmental agencies | \$ 8,828 | \$ - | \$ - | \$ - | \$ - | \$ 8,828 |

Unearned Revenue:

Governmental funds and government-wide activities defer revenue recognition in connection with resources from exchange transactions that have been received, but not yet earned. At June 30, 2015, the various components of unearned revenue reported in the government-wide statements and the governmental funds were as follows (in thousands):

| | Unearned Revenue Government-Wide | Unearned Revenue Governmental Funds |
|--|----------------------------------|-------------------------------------|
| Becon | \$ 6,045 | \$ 6,045 |
| Grant draw downs prior to meeting all eligibility requirements | 2,904 | 2,904 |
| | \$ 8,949 | \$ 8,949 |

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

5. AD VALOREM TAXES

The District is authorized by Florida Statutes to levy property taxes for District operations, capital improvements and debt service. Property taxes consist of ad valorem taxes on real and personal property within the District. Property taxes are assessed by the Broward County Property Appraiser and are collected by the Broward County Revenue Collector who remits them to the District. The Board adopted the 2014 tax levy on September 16, 2014.

Property values are assessed as of January 1 of each year, and levied on November 1, at which time taxes become an enforceable lien on property. Such levy serves to finance expenditures of the following fiscal year. 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 four percent for early payment.

On April 1 of the year following the year of assessment, taxes become delinquent and Florida Statutes provide 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 certificates to satisfy unpaid taxes. The District recognizes revenue during the fiscal year following the year of assessment. Accordingly, substantially all of the taxes assessed on January 1, 2014 have been recognized during the fiscal year ended June 30, 2015.

The following is a summary of millages and taxes levied on the final 2014 tax rolls for the fiscal year 2015 (dollars in thousands):

| | Taxes | | | |
|------------------------------|--------------|-------------------|-------------------|------------------|
| | Millages | Levied | Collected | Uncollected |
| <u>General Funds</u> | | | | |
| Non-voted School Tax: | | | | |
| Required Local Effort | 5.190 | \$ 796,842 | \$ 755,749 | \$ 9,562 |
| Discretionary Local Effort | 0.748 | 114,877 | 108,952 | 1,378 |
| | <u>5.938</u> | <u>\$ 911,719</u> | <u>\$ 864,701</u> | <u>\$ 10,940</u> |
| <u>Capital Project Funds</u> | | | | |
| Non-voted School Tax: | | | | |
| Capital Improvements | 1.500 | \$ 230,309 | \$ 218,479 | \$ 2,764 |
| | <u>1.500</u> | <u>\$ 230,309</u> | <u>\$ 218,479</u> | <u>\$ 2,764</u> |
| <u>Debt Service Funds</u> | | | | |
| Voted Tax: | | | | |
| Debt Service | 0.000 | \$ - | \$ 13 | \$ - |
| | <u>0.000</u> | <u>\$ -</u> | <u>\$ 13</u> | <u>\$ -</u> |

The State Constitution limits the non-voted levying of taxes by the District to 10 mills (\$10.00 per thousand of assessed valuation). State law prescribes the upper limit of non-voted taxes to be levied on an annual basis, with the fiscal year 2015, limit being 7.438 mills, which includes up to 1.50 mills for the Capital Projects Funds. The voter approved levy for debt service is limited to 6.0 mills; for fiscal year 2015, no taxes for debt service were levied.

The total assessed value for calendar year 2014, on which the fiscal 2015 levy was based, was approximately \$153.5 billion, which is subject to change based upon appeals to the Broward County Value Adjustment Board.

The Broward County Revenue Collector is not required by law to make an accounting to the District of the difference between taxes levied and taxes collected. The State required the District to budget at a 96.0% collection rate. The actual property taxes collected or accrued for fiscal year 2015 were 94.8% of the taxes levied.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

6. CAPITAL ASSETS

A summary of changes in capital assets is as follows (in thousands):

| | Balance 06/30/2014 | Additions | Deletions | Transfers | Balance 06/30/2015 |
|---|-----------------------|--------------------|-------------------|----------------|-----------------------|
| Primary Government: | | | | | |
| Capital assets not being depreciated: | | | | | |
| Land | \$ 236,046 | \$ - | \$ - | \$ - | \$ 236,046 |
| Land improvements | 130,108 | 654 | - | 101 | 130,863 |
| Construction in progress | 25,874 | 10,463 | (1,689) | (8,335) | 26,313 |
| Broadcast license intangible | 3,600 | - | - | - | 3,600 |
| Total capital assets not being depreciated | <u>395,628</u> | <u>11,117</u> | <u>(1,689)</u> | <u>(8,234)</u> | <u>396,822</u> |
| Other capital assets: | | | | | |
| Land improvements | 326,240 | 2,092 | - | 531 | 328,863 |
| Buildings and fixed equipment | 3,600,031 | 5,214 | (359) | 7,703 | 3,612,589 |
| Furniture, fixtures and equipment | 401,967 | 18,331 | (79,307) | (2,997) | 337,994 |
| Assets under capital leases | 48,283 | - | - | (3,747) | 44,536 |
| Audio visual | 695 | 149 | (141) | - | 703 |
| Computer software | 55,596 | 856 | - | - | 56,452 |
| Motor vehicles: | | | | | |
| Buses | 65,935 | 1,155 | (6,674) | 6,744 | 67,160 |
| Other | 27,130 | 719 | (2,029) | - | 25,820 |
| Total other capital assets at historical cost | <u>4,525,877</u> | <u>28,516</u> | <u>(88,510)</u> | <u>8,234</u> | <u>4,474,117</u> |
| Less accumulated depreciation for: | | | | | |
| Land improvements | (115,707) | (12,296) | - | - | (128,003) |
| Buildings and fixed equipment | (1,301,701) | (78,734) | - | - | (1,380,435) |
| Furniture, fixtures and equipment | (368,141) | (9,032) | 71,454 | (8,902) | (314,621) |
| Assets under capital leases | (22,378) | (8,764) | - | 16,801 | (14,341) |
| Audio visual | (482) | (140) | 141 | - | (482) |
| Computer software | (35,816) | (5,441) | - | - | (41,257) |
| Motor vehicles: | | | | | |
| Buses | (59,401) | (2,810) | 6,674 | (7,899) | (63,436) |
| Other | (23,734) | (1,102) | 2,029 | - | (22,807) |
| Total accumulated depreciation* | <u>(1,927,360)</u> | <u>(118,319)</u> | <u>80,298</u> | <u>-</u> | <u>(1,965,382)</u> |
| Total other capital assets, net | <u>2,598,517</u> | <u>(89,803)</u> | <u>(8,212)</u> | <u>8,234</u> | <u>2,508,735</u> |
| Total primary government, net | <u>2,994,145</u> | <u>(78,686)</u> | <u>(9,901)</u> | <u>-</u> | <u>2,905,557</u> |
| Internal service fund: | | | | | |
| Machinery and equipment | 475 | 131 | - | - | 606 |
| Accumulated depreciation* | (474) | (19) | - | - | (493) |
| Total Internal service fund, net | <u>1</u> | <u>112</u> | <u>-</u> | <u>-</u> | <u>113</u> |
| Total capital assets, net | <u>\$ 2,994,146</u> | <u>\$ (78,574)</u> | <u>\$ (9,901)</u> | <u>\$ -</u> | <u>\$ 2,905,670</u> |
| *Depreciation expense was recorded in the following governmental functions: | | | | | |
| Instructional Services | | | | \$ | 85,211 |
| Instructional support services | | | | | 12,914 |
| Pupil transportation services | | | | | 3,538 |
| Operation and maintenance of plant | | | | | 6,237 |
| School administration | | | | | 2,784 |
| General Administration | | | | | 2,202 |
| Food services | | | | | 5,452 |
| Total depreciation expense | | | | \$ | <u>118,338</u> |

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

7. INTERFUND TRANSACTIONS

Interfund Transfers. A summary of interfund transfers for the fiscal year ended June 30, 2015 is as follows (in thousands):

| | Transfers In | | | | Total |
|---|--------------|--------------------------|---------------------|--------------------------|------------|
| | General Fund | Major Debt Service Funds | Major Capital Funds | Other Governmental Funds | |
| Transfers Out: | | | | | |
| General Fund | \$ - | \$ 5,017 | \$ 1,764 | \$ 40 | \$ 6,821 |
| Local Millage Capital Improvement Funds | 46,494 | 150,474 | - | - | 196,968 |
| ARRA Economic Stimulus Capital Project Funds | - | 7 | - | - | 7 |
| Other Capital Improvement Funds | 13,165 | 13,032 | - | - | 26,197 |
| General Obligation Bond Capital Project Funds | - | - | - | 1,149 | 1,149 |
| Other Governmental Funds | 5,333 | - | - | - | 5,333 |
| Total Primary Government | \$ 64,992 | \$ 168,530 | \$ 1,764 | \$ 1,189 | \$ 236,475 |

The transfers in to the General Fund primarily relate to the funding of maintenance and repairs of existing school facilities pursuant to Chapter 1013 of the Florida Statutes. The transfers in also represent reimbursement of property and casualty insurance premiums pursuant to Chapter 1011.71 of the Florida Statutes. The transfers in to the Debt Service Funds relate to the funding of principal and interest payments on the District's outstanding debt issues.

Interfund Receivables and Payables. Individual fund receivable and payable balances as reported in the Governmental Funds Balance Sheet at June 30, 2015 are as follows (in thousands):

| Receivable Fund: | ARRA Economic Stimulus | Other Governmental Funds | Total |
|------------------|------------------------|--------------------------|-----------|
| | General Fund | \$ 516 | \$ 12,078 |
| Total | \$ 516 | \$ 12,078 | \$ 12,594 |

8. TAX ANTICIPATION NOTES

On October 21, 2014, the District issued Tax Anticipation Notes ("TANS"), Series 2014. The \$125.0 million note proceeds were used to pay fiscal year 2015 operating expenditures prior to the receipt of ad valorem taxes. Interest costs incurred on the life of this issue for the year ended June 30, 2015 were \$1.6 million, with the effective yield of 0.07%. There was no arbitrage rebate due on the TANS, Series 2014. The notes came due January 30, 2015.

Short-term debt activity for the year ended June 30, 2015 was as follows (in thousands):

| | Beginning Balance July 1, 2014 | Issued | Redeemed | Ending Balance June 30, 2015 |
|------------------------|--------------------------------|------------|------------|------------------------------|
| Tax Anticipation Notes | \$ - | \$ 125,000 | \$ 125,000 | \$ - |

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

9. CAPITAL LEASES

Property acquired under capital leases, which is stated at acquisition cost, is included in the government-wide financial statements. At June 30, 2015, the various components of property acquired under capital leases reported in the government-wide statements were as follows (in thousands):

| | <u>Amount</u> |
|-----------------------------------|------------------|
| Furniture, fixtures and equipment | \$ 20,641 |
| Buses | <u>23,895</u> |
| Subtotal | 44,536 |
| Less: Accumulated Depreciation | <u>(14,341)</u> |
| Total Net Book Value | <u>\$ 30,195</u> |

The following is a summary of changes in capital leases for the fiscal year ended June 30, 2015 (in thousands)

| | <u>Interest Rate</u> | <u>Final Maturity Date</u> | <u>June 30, 2014</u> | <u>Increases</u> | <u>Decreases</u> | <u>June 30, 2015</u> |
|--|--------------------------|------------------------------------|--------------------------|------------------|-------------------|--------------------------|
| School Buses | 4.06% | 12/18/2016 | \$ 2,951 | \$ - | \$ (1,145) | \$ 1,806 |
| Buses/Equipment | 4.13% | 11/01/2014 | 1,820 | - | (1,820) | - |
| School Buses | 1.81% | 05/10/2021 | 4,442 | - | (601) | 3,841 |
| Technology Equipment | 1.27% | 02/27/2018 | 10,000 | - | (2,453) | 7,547 |
| Buses/ Hard Drive | 1.95% | 02/27/2022 | 10,300 | - | (1,202) | 9,098 |
| Computers | 1.37% | 09/04/2018 | - | 6,000 | (732) | 5,268 |
| Technology | 1.42% | 04/03/2019 | - | 9,000 | - | 9,000 |
| Buses | 1.99% | 04/03/2023 | - | 15,000 | - | 15,000 |
| Total capital leases | | | <u>\$ 29,513</u> | <u>\$ 30,000</u> | <u>\$ (7,953)</u> | <u>\$ 51,560</u> |
| Less: portion due within one year | | | | | | <u>(10,942)</u> |
| Total capital leases due in more than one year | | | | | | <u>\$ 40,618</u> |

The following is a summary of the future minimum lease payments under capital leases together with the present value of minimum lease payments as of June 30, 2015 (in thousands):

| <u>Fiscal Year</u> | <u>Amount</u> |
|--|-------------------------|
| 2016 | \$ 11,807 |
| 2017 | 11,181 |
| 2018 | 10,554 |
| 2019 | 7,209 |
| 2020 | 4,113 |
| 2020-2021 | <u>9,586</u> |
| Total minimum lease payments | 54,450 |
| Less: | |
| Amount representing interest | <u>(2,890)</u> |
| Present value of minimum lease payments | \$ <u>51,560</u> |

The amount representing interest was calculated using annual rates ranging from 1.27% to 4.13%.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

10. LONG-TERM DEBT

The following is a summary of changes in long-term debt for the fiscal year ended June 30, 2015 (in thousands):

| | Interest Rate | Final Maturity Date | June 30, 2014 | Increases | Decreases | June 30, 2015 | Amounts Due Within One Year |
|---|---------------|---------------------|---------------------|-------------------|---------------------|---------------------|-----------------------------|
| Bonds payable: | | | | | | | |
| Capital outlay bond issues: | | | | | | | |
| Series 2005A | 3.00-5.00% | 01/01/2017 | \$ 11,960 | \$ - | \$(11,960) | \$ - | - |
| Series 2005B | 3.50-5.00% | 01/01/2020 | 2,050 | - | (2,050) | - | - |
| Series 2006A | 3.50-5.00% | 01/01/2026 | 170 | - | (10) | 160 | 10 |
| Series 2008A | 3.25-5.00% | 01/01/2028 | 4,325 | - | (160) | 4,165 | 180 |
| Series 2009A-New Money | 2.00-5.00% | 01/01/2029 | 1,005 | - | (40) | 965 | 45 |
| Series 2009A-Refunding | 2.00-5.00% | 01/01/2019 | 1,475 | - | (265) | 1,210 | 275 |
| Series 2010A-Refunding | 4.00-5.00% | 01/01/2022 | 5,915 | - | (550) | 5,365 | 600 |
| Series 2011A-Refunding | 3.00-5.00% | 01/01/2023 | 6,285 | - | (1,090) | 5,195 | 455 |
| Series 2014B-Refunding | 2.00-5.00% | 01/01/2020 | - | 9,200 | - | 9,200 | 6,088 |
| Total capital outlay bond issues | | | <u>33,185</u> | <u>9,200</u> | <u>(16,125)</u> | <u>26,260</u> | <u>7,653</u> |
| General Obligation Bonds: | | | | | | | |
| Series 2015 | 3.50-5.00% | 07/01/2040 | - | 155,055 | - | 155,055 | 3,215 |
| Total General Obligation Bonds | | | <u>-</u> | <u>155,055</u> | <u>-</u> | <u>155,055</u> | <u>3,215</u> |
| Certificates of participation: | | | | | | | |
| Series 2004A-Refunding | 2.00-5.25% | 07/01/2017 | 23,645 | - | (7,480) | 16,165 | 7,875 |
| Series 2004B-Refunding | 5.00-5.25% | 07/01/2017 | 41,200 | - | (13,035) | 28,165 | 13,725 |
| Series 2004C | 2.50-5.25% | 07/01/2016 | 15,520 | - | (7,510) | 8,010 | 8,010 |
| Series 2004 QZAB | (i) | 12/22/2020 | 372 | - | (53) | 319 | 53 |
| Series 2005A | 3.00-5.00% | 07/01/2030 | 139,265 | - | (139,265) | - | - |
| Series 2006A | 4.00-5.25% | 07/01/2028 | 176,195 | - | (166,300) | 9,895 | 9,895 |
| Series 2006B | Variable | 07/01/2031 | 65,000 | - | - | 65,000 | - |
| Series 2007A | 3.50-5.00% | 07/01/2032 | 215,150 | - | (194,430) | 20,720 | 10,110 |
| Series 2008A | 3.15-5.25% | 07/01/2033 | 247,595 | - | (8,305) | 239,290 | 8,695 |
| Series 2009A T-E | 5.00-5.25% | 07/01/2027 | 20,140 | - | - | 20,140 | - |
| Series 2009A BAB | 7.40% | 07/01/2034 | 63,910 | - | - | 63,910 | - |
| Series 2009A QSCB | (ii) | 07/01/2024 | 45,373 | - | (4,540) | 40,833 | 4,540 |
| Series 2010A QSCB | 6.45% | 07/01/2027 | 51,645 | - | - | 51,645 | - |
| Series 2011A-Refunding | 2.00-5.00% | 07/01/2024 | 171,425 | - | - | 171,425 | - |
| Series 2012A-Refunding | 4.00-5.00% | 07/01/2028 | 264,900 | - | (6,000) | 258,900 | 7,785 |
| Series 2012B-Refunding | 2.258% | 07/01/2021 | 44,535 | - | - | 44,535 | - |
| Series 2014A-Refunding | 4.33-4.38% | 07/01/2029 | 114,140 | - | (180) | 113,960 | 135 |
| Series 2015A-Refunding | 5.00% | 07/01/2030 | - | 252,360 | - | 252,360 | - |
| Series 2015B-Refunding | 5.00% | 07/01/2032 | - | 170,805 | - | 170,805 | - |
| Total certificates of participation | | | <u>1,700,010</u> | <u>423,165</u> | <u>(547,098)</u> | <u>1,576,077</u> | <u>70,823</u> |
| Total bonds and certificates of participation payable | | | <u>\$ 1,733,195</u> | <u>\$ 587,420</u> | <u>\$ (563,223)</u> | <u>1,757,392</u> | |
| Add: net premium/discount | | | | | | 122,570 | |
| Less: amounts due within one year | | | | | | (81,691) | |
| Add: interest rate swap – fair value (GASB 53) | | | | | | 43,948 | |
| Total debt, net of premiums and discounts | | | | | | <u>\$ 1,842,219</u> | <u>\$ 81,691</u> |

- (i) Interest on the Series 2004 QZAB is paid by the Federal government in the form of an annual tax credit to the bank or other financial institution that holds the QZAB. Annual payments of \$53,062 will be made for sixteen consecutive years, being deposited in an escrow account held by a fiscal agent, which when coupled with interest earnings and net appreciation in market value will be sufficient to pay off the principal balance of the QZAB, in full, at maturity on December 22, 2020.
- (ii) Series 2009A-QSCBs (Qualified School Construction Bonds) are issued with principal only repaid by the District (no interest) and the investor receives a tax credit in lieu of interest payment. Annual payments of \$4,540,000 will be made for eleven consecutive years, being deposited in an escrow account held by a fiscal agent. The Series 2009A-QSCB will mature on July 1, 2024.

On November 4, 2014, the residents of Broward County approved the issuance of up to \$800 million of General Obligation Bond funds; the “District” has also provided an additional \$184 million to aid in this project. This amount will be used to provide resources over a five year period to fund critically needed projects and programs in Safety, Music and Art, Athletics, Renovation and Technology.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

As of June 30, 2015, one separate bond series was issued pursuant to this referendum. The General Obligation Bond Series 2015 were sold on June 18, 2015 in the amount of \$155 million, which are secured by the general taxing authority of the District. In addition to the Series 2015 bonds, the District plans to issue such approved general obligation bonds in several tranches over the next five to six years.

The Capital Outlay Bond Issues (COBI) are retired by the State for the District. The bonds mature serially and are secured by a pledge of the District's share of revenue from the sale of license plates. The State Board of Administration determines the sinking fund requirements for these bonds annually. The sinking fund, maintained in the COBI Debt Service Fund, at June 30, 2015 was \$0.7 million.

On January 7, 2015, the District issued the Certificate of Participation, Series 2015A for \$252.4 million to currently refund the majority of the Certificates of Participation Series 2005A and Series 2006A. Additionally, the District, on January 8, 2015 issued the Certificate of Participation Series 2015B for \$170.8 million to refund the majority of the Certificates of Participation, Series 2007A through a competitive sales process. The District was able to capitalize on the low interest rate environment that occurred at the beginning of the year due to favorable market conditions. The District realized a net present value (NPV) savings of more than \$52.5 million. The refunding resulted in a decrease in future debt payments of \$25.8 million and an economic gain of \$17.4 million.

The Certificates of Participation are liquidated through the COP-Series Debt Service Fund from the proceeds of the capital millage levied by the District. See Note 12 of the Notes to the Basic Financial Statements for further discussion of the Certificates.

The Tax Reform Act of 1986 requires local units of government to rebate to the federal government the income (in excess of interest costs) received from investing proceeds on substantially all tax-exempt debt issued subsequent to August 1986. Such rebate of cumulative arbitrage earnings must be paid every five years until such time as the proceeds have been expended. For the fiscal year ended June 30, 2015, the District has no accrued liability for rebatable arbitrage.

Annual requirements to amortize all bond issues outstanding as of June 30, 2015 are as follows (in thousands):

| Year Ending June 30, | Capital Outlay Bond Issue | | | General Obligation Bond Issue | | | Certificates of Participation | | |
|----------------------------|---------------------------|-----------------|------------------|-------------------------------|------------------|-------------------|-------------------------------|-------------------|---------------------|
| | Principal | Interest | Total | Principal | Interest | Total | Principal | Interest | Total |
| 2016 | \$ 7,653 | \$ 1,294 | \$ 8,947 | \$ 3,215 | \$ 6,859 | \$ 10,074 | \$ 70,823 | \$ 76,709 | \$ 147,532 |
| 2017 | 4,232 | 874 | 5,106 | 3,615 | 6,459 | 10,074 | 68,588 | 73,367 | 141,955 |
| 2018 | 2,335 | 663 | 2,998 | 3,795 | 6,279 | 10,074 | 84,313 | 70,282 | 154,595 |
| 2019 | 2,091 | 546 | 2,637 | 3,985 | 6,089 | 10,074 | 93,908 | 67,662 | 161,570 |
| 2020 | 1,914 | 449 | 2,363 | 4,185 | 5,890 | 10,075 | 97,998 | 64,151 | 162,149 |
| 2021-2025 | 6,265 | 1,019 | 7,284 | 24,280 | 26,091 | 50,371 | 572,019 | 254,946 | 826,965 |
| 2026-2030 | 1,770 | 174 | 1,944 | 30,280 | 20,085 | 50,365 | 455,689 | 115,752 | 571,441 |
| 2031-2035 | - | - | - | 36,855 | 13,507 | 50,362 | 132,739 | 16,976 | 149,715 |
| 2036-2040 | - | - | - | 44,845 | 5,522 | 50,367 | - | - | - |
| Total | \$ 26,260 | \$ 5,019 | \$ 31,279 | \$ 155,055 | \$ 96,781 | \$ 251,836 | \$ 1,576,077 | \$ 739,845 | \$ 2,315,922 |

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

Other Liabilities

The District and Broward Teachers Union reached an agreement on November 26, 2013 to provide for hourly compensation for high school teachers who taught a sixth period during the 2012-2013 school year. It also provided for hourly compensation through October 31, 2013 for high school teachers who were teaching a sixth period in the 2013-2014 school year. This agreement will pay the teachers over a five year period beginning in the 2013-2014 school year. The remaining balance of \$16.3 million is to be paid over the remaining three years.

11. DEFEASED DEBT

On January 7, 2015, the District issued the Certificate of Participation, Series 2015A for \$252.4 million to currently refund the majority of the Certificates of Participation, Series 2005A and Series 2006A. The net proceeds of \$301.9 million (par amount plus bond premium of \$50.7 million less \$1.2 million in costs of issuance and underwriter's discount) were deposited into an irrevocable escrow and used to redeem the refunded certificates. As a result, the \$301.9 million of the refunded certificates are considered to be in-substance defeased and the liability for these certificates has been removed from the Statement of Net Position.

Additionally, the District, on January 8, 2015, issued the Certificate of Participation, Series 2015B for \$170.8 million to refund the majority of the Certificates of Participation, Series 2007A. The net proceeds of \$203.4 million (par amount plus bond premium of \$33.3 million less \$0.7 million in costs of issuance and underwriters' discount) were deposited into an irrevocable escrow and used to redeem the refunded certificates. As a result, the \$203.4 million of the refunded certificates are considered to be in-substance defeased and the liability for these certificates has been removed from the Statement of Net Position. The loss on the refunding of debt is \$67.4 million for fiscal year 2015. The total was allocated among the District's Swaps and Bonds that were refinanced. To bring the Swaps in compliance with GASB 53 the refunding was in the amount of \$20.9 million and the District's loss on the Bonds as a result of its refunding totaled \$46.4 million.

12. OBLIGATION UNDER LEASE PURCHASE AGREEMENT-CERTIFICATES OF PARTICIPATION

The District entered into a Lease Purchase Agreement with the Corporation on June 15, 1989 and a Master Lease Purchase Agreement on July 1, 1990 (the "lease agreements") to finance the acquisition or construction of certain facilities, vehicles and equipment for District operations. On March 16, 2004, June 18, 2004, June 6, 2006, June 19, 2008, June 17, 2009, July 23, 2010, May 20, 2011, April 5, 2012, September 27, 2012 and February 27, 2014, January 7, 2015, and January 8, 2015 the Corporation issued refunding and new money Certificates, Series 2004A (refunding), Series 2004B (refunding), Series 2004C, Series 2006B, Series 2008A, Series 2009A-Tax Exempt, Series 2009A-BAB, Series 2009A-QSCB, Series 2010A-QSCB, Series 2011A (refunding), Series 2012A (refunding), Series 2012B (refunding), and Series 2014A (refunding) Series 2015A (refunding) and Series 2015B (refunding) in the amounts of \$69.9 million, \$71.9 million, \$110.5 million, \$65.0 million, \$270.6 million, \$20.1 million, \$63.9 million, \$49.9 million, \$51.6 million, \$175.5 million, \$270.7 million, \$44.5 million, and \$114.1 million, \$252.4 million and \$170.8 million respectively, to third parties, evidencing undivided proportionate interest in basic lease payments to be made by the District, as lessee, pursuant to the lease agreements. Interest rates ranged from 2.0% to 7.4%.

On January 7, 2015, the District issued the Certificate of Participation, Series 2015A for \$252.4 million to currently refund the majority of the Certificates of Participation, Series 2005A and Series 2006A. Additionally, the District on January 8, 2015 issued the Certificate of Participation Series 2015B for \$170.8 million to refund the majority of the Certificates of Participation, Series 2007A through a competitive sales process. The District was able to capitalize on the low interest rate environment that occurred at the beginning of the year due to

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

favorable market conditions. The District realized a net present value (NPV) savings of more than \$52.5 million.

On February 27, 2014, the District issued the Certificate of Participation, Series 2014A for \$114.1 million to currently refund the Certificates of Participation, Series 2004D, through a competitive sale process. The most cost effective variable rate mode was to place the Series 2014A with a bank where the variable rate was set based on an index. The interest rate conversion locked in a rate spread, eliminating certain risks associated with variable rate obligations and reducing the District's debt service costs.

On September 27, 2012, the District issued the Certificates of Participation, Series 2012B for \$44.5 million to refund the Certificates of Participation, Series 2005, through a negotiated private sale. This refunding was completed in order to convert from the 2005B Certificates variable interest rate mode to a fixed interest rate of 2.258%. This allowed the District to eliminate the risk of future interest rate increases and guarantee a fixed interest rate to a maturity at historically low interest rates.

In April 2012, the Corporation issued Certificate Series 2012A in the amount of \$270.7 million. The Series 2012A was issued to refund the outstanding Certificates of Participation pertaining to Series 2001A, Series 2001B and portions of Series 2003A and Series 2004C.

In May 2011, the Corporation issued Certificate Series 2011A in the amount of \$175.5 million. The Series 2011A was issued to refund a portion of the outstanding Certificates of Participation pertaining to Series 1997B, Series 2001A and Series 2001B.

In July 2010, the Corporation issued Certificate Series 2010A-QSCB (Qualified School Construction Bonds) in the amount of \$51.6 million. The Series 2010A-QSCB was issued to finance the cost of acquisition, construction, installation and equipping educational facilities. This is a taxable obligation with the District receiving a direct subsidy rebate of a portion of the interest cost from the U.S. Treasury.

The American Recovery and Reinvestment Act (ARRA) of 2009, signed into law on February 17, 2009, created two new categories of direct subsidy debt for school districts: The Qualified School Construction Bonds (QSCBs) and the Build America Bonds (BABs). Neither the QSCBs nor the BABs represent incremental Federal funding, both must be repaid by the District.

In June 2009, the Corporation issued Certificate Series 2009A-Tax Exempt in the amount of \$20.1 million. The Series 2009A-TE was issued to finance the cost of acquisition, construction, installation and equipping educational facilities. The Series 2009A-TE is a conventional Fixed Rate issue with interest ranging from 5.0% to 5.25%.

In June 2009, the Corporation issued Certificate Series 2009A-BAB (Build America Bond) in the amount of \$63.9 million. The Series 2009A-BAB was issued to finance the cost of acquisition, construction, installation and equipping educational facilities. The Series 2009A-BAB Certificates are taxable debt instruments, whereby the District receives a direct rebate payment from the Federal Government equal to 35% of the interest cost. The Series 2009A-BAB is a conventional Fixed Rate issue with an interest rate of 7.4%.

In June 2009, the Corporation issued Certificate Series 2009A-QSCB (Qualified School Construction Bonds) in the amount of \$49.9 million. The Series 2009A-QSCB was issued to finance the cost of acquisition, construction, installation and equipping educational facilities. The Series 2009A-QSCB Certificates are non-interest obligations, and are issued as "principal only" (i.e. the principal is repaid by the District).

In June 2008, the Corporation issued Certificate Series 2008A in the amount of \$270.6 million. The Series 2008A was issued to finance the cost of acquisition, construction, installation and equipping educational facilities. The Series 2008A is a conventional Fixed Rate issue with interest ranging from 3.15% to 5.25%.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

In June 2006, the Corporation issued Certificates 2006B in the amount of \$65 million. The Series was issued to finance the cost of acquisition, construction, installation and equipping educational facilities. The Series 2006B is a Variable Rate issue. Interest is calculated at a variable rate on a weekly basis and payable weekly.

On December 22, 2004, the District sold Series 2004-QZAB for \$1.0 million of which \$848,000 in principal will be repaid pursuant to the Trust Agreement.

The Corporation leases the facilities, vehicles and equipment to the District under the lease agreements, which are automatically renewable through varying dates (see summary below), unless earlier terminated following the occurrence of an event of default or a non-appropriation of funds to make lease payments, all as described and defined in the leases. Failure to appropriate funds to pay lease payments under any lease will, and an event of default under any lease may, result in the termination of all leases, including the 2004 QZAB, 2004A, 2004B, 2004C, 2006B, 2008A, 2009A-Tax Exempt, 2009A BAB, 2009A QSCB, 2010A QSCB, 2011A, 2012A, 2012B, 2014A, 2015A and 2015B. The remedies on default include the immediate surrender and delivery of possession of all facilities, vehicles and certain equipment (excludes certain computer equipment) financed under all leases to the Trustee in the condition, state of repair and appearance required under the leases. Upon such surrender, the Trustee will sell or lease such facilities, vehicles and certain equipment in such manner and to such person as it determines appropriate. The proceeds of any sale or lease will be applied first to the payment in full of the Certificates and then to the payment of the District's obligations under the reimbursement agreement and finally to the payment of the District.

A summary of the lease terms are presented as follows:

| <u>Certificates</u> | <u>Lease Term</u> |
|-------------------------|--|
| Series 2004A-Refunding | June 30, 2017 as to the Facilities |
| Series 2004B-Refunding | June 30, 2017 as to the Facilities |
| Series 2004C | June 30, 2016 as to the Facilities |
| Series 2004 QZAB | December 22, 2020 as to the Facilities |
| Series 2006A | June 30, 2028 as to the Facilities |
| Series 2006B | June 30, 2031 as to the Facilities |
| Series 2007A | June 30, 2032 as to the Facilities |
| Series 2008A | June 30, 2033 as to the Facilities |
| Series 2009A-Tax Exempt | July 01, 2027 as to the Facilities |
| Series 2009A-BAB | July 01, 2034 as to the Facilities |
| Series 2009A-QSCB | July 01, 2024 as to the Facilities |
| Series 2010A-QSCB | July 01, 2027 as to the Facilities |
| Series 2011A-Refunding | July 01, 2024 as to the Facilities |
| Series 2012A-Refunding | July 01, 2028 as to the Facilities |
| Series 2012B-Refunding | July 01, 2021 as to the Facilities |
| Series 2014A-Refunding | July 01, 2029 as to the Facilities |
| Series 2015A-Refunding | July 01, 2030 as to the Facilities |
| Series 2015B-Refunding | July 01, 2032 as to the Facilities |

The Series 2004A, 2004B, 2004C, 2006A, 2006B and 2008A Certificates are insured by Financial Security Assurance, Inc. The Series 2007A and Series 2009A-Tax Exempt are insured by Municipal Bond Investors Financial Guaranty Insurance Company. The Series 2009A-BAB Certificates and the Series 2009A-QSCB Certificates are not guaranteed under the financial guaranty insurance policy. The Series 2010A-QSCB Certificates are not insured by any municipal bond insurance policy. The Series 2011A and 2015A Certificates are insured by Assured Guaranty. There is no insurance for the Series 2012A, 2012B, 2014A and 2015B issues.

The Certificates are not separate legal obligations of the District, but represent undivided interests in the basic lease payments to be made from appropriated funds budgeted annually by the Board for such purposes from current or other funds authorized by law and regulations of the Department of Education. However, neither

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

the District, the State of Florida, nor any political subdivision thereof, shall be obligated to pay, except from appropriated funds, any sums due under the leases from any source of taxation. The full faith and credit of the District is not pledged for payment of such sums due hereunder and such sums do not constitute an indebtedness of the District within the meaning of any constitutional or statutory provision or limitation.

The remaining obligation, as of June 30, 2015, through maturity to the holders of the Certificates, is as follows (in thousands):

| Year Ending June 30, | Series 2004A | Series 2004B | Series 2004C | Series 2004 QZAB | Series 2006A | Series 2006B | Series 2007A |
|-------------------------|-----------------|-----------------|-----------------|------------------------|-----------------|-----------------|-----------------|
| 2016 | \$ 8,724 | \$ 15,204 | \$ 8,431 | \$ 53 | \$ 10,345 | \$ 3,250 | \$ 11,138 |
| 2017 | 8,725 | 15,198 | - | 53 | - | 3,250 | 11,135 |
| 2018 | - | - | - | 53 | - | 3,250 | - |
| 2019 | - | - | - | 53 | - | 3,250 | - |
| 2020 | - | - | - | 53 | - | 3,250 | - |
| 2021-2025 | - | - | - | 54 | - | 16,250 | - |
| 2026-2030 | - | - | - | - | - | 59,506 | - |
| 2031-2035 | - | - | - | - | - | 21,105 | - |
| Subtotal | 17,449 | 30,402 | 8,431 | 319 | 10,345 | 113,111 | 22,273 |
| Less: Interest | (1,284) | (2,237) | (421) | - | (450) | (48,111) | (1,553) |
| Total Principal | \$ 16,165 | \$ 28,165 | \$ 8,010 | \$ 319 | \$ 9,895 | \$ 65,000 | \$ 20,720 |

| Year Ending June 30, | Series 2008A | Series 2009A T-E | Series 2009A BAB | Series 2009A QSCB | Series 2010A QSCB | Series 2011A | Series 2012A |
|-------------------------|-----------------|------------------------|------------------------|-------------------------|-------------------------|-----------------|-----------------|
| 2016 | \$ 20,405 | \$ 1,034 | \$ 4,729 | \$ 4,540 | \$ 3,332 | \$ 8,511 | \$ 20,492 |
| 2017 | 20,405 | 1,034 | 4,729 | 4,540 | 3,332 | 8,511 | 28,782 |
| 2018 | 20,401 | 1,034 | 4,729 | 4,540 | 8,497 | 32,546 | 28,804 |
| 2019 | 20,401 | 1,034 | 4,729 | 4,540 | 8,497 | 32,538 | 28,799 |
| 2020 | 20,405 | 1,034 | 4,729 | 4,540 | 8,497 | 32,539 | 24,842 |
| 2021-2025 | 102,023 | 11,385 | 23,645 | 18,133 | 42,482 | 107,140 | 148,433 |
| 2026-2030 | 102,014 | 15,035 | 45,527 | - | 16,994 | - | 79,179 |
| 2031-2035 | 61,212 | - | 48,103 | - | - | - | - |
| Subtotal | 367,266 | 31,590 | 140,920 | 40,833 | 91,631 | 221,785 | 359,331 |
| Less: Interest | (127,976) | (11,450) | (77,010) | - | (39,986) | (50,360) | (100,431) |
| Total Principal | \$ 239,290 | \$ 20,140 | \$ 63,910 | \$ 40,833 | \$ 51,645 | \$ 171,425 | \$ 258,900 |

| Year Ending June 30, | Series 2012B | Series 2014A | Series 2015A | Series 2015B | Total |
|-------------------------|-----------------|-----------------|-----------------|-----------------|--------------|
| 2016 | \$ 1,006 | \$ 5,181 | \$ 12,617 | \$ 8,540 | \$ 147,532 |
| 2017 | 6,076 | 5,026 | 12,619 | 8,540 | 141,955 |
| 2018 | 10,051 | 5,026 | 22,174 | 13,490 | 154,595 |
| 2019 | 10,304 | 5,026 | 24,494 | 17,905 | 161,570 |
| 2020 | 10,562 | 8,965 | 24,605 | 18,128 | 162,149 |
| 2021-2025 | 10,829 | 75,684 | 179,900 | 91,004 | 826,965 |
| 2026-2030 | - | 59,832 | 101,622 | 91,733 | 571,441 |
| 2031-2035 | - | - | - | 19,295 | 149,715 |
| Subtotal | 48,828 | 164,740 | 378,031 | 268,635 | 2,315,922 |
| Less: Interest | (4,293) | (50,780) | (125,673) | (97,829) | (739,845) |
| Total Principal | \$ 44,535 | \$ 113,960 | \$ 252,358 | \$ 170,806 | \$ 1,576,077 |

The Corporation entered into trust agreements with the Trustee pursuant to which the Certificates will be executed, delivered and paid under the terms of which (together with the leases) the facilities, vehicles and equipment will be acquired and/or constructed. Trust funds have been established with the Trustee to facilitate payments in accordance with the lease purchase agreement and the trust agreements securing payment of the Certificates.

13. INTEREST RATE SWAPS

The District is a party to two interest rate swap agreements recorded in the financial statements in accordance with GASB Statement No. 53 ("GASB 53"), Accounting and Financial Reporting for Derivative Instruments", which was in effect for periods beginning with fiscal year ended June 30, 2010. All derivatives are to be reported in the Statement of Net Position at fair value, and all hedges must be tested for effectiveness to qualify for hedge accounting. Depending on the test results, the change in fair value is either reported in the Statement of Net Position, or in the Statement of Activities.

The District engaged an independent party to perform the valuation and required tests on these two swaps, and both swaps qualify for hedge accounting. Therefore, the change in fair value of the interest rate swaps for the period ended June 30, 2015 is reported within the statement of net position. At the end of the year the statement of net position represents a derivative swap liability of \$43.9 million, offset by a corresponding deferred outflow account in the Statement of Net Position in accordance with GASB Statement No. 63, "Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources, and Net Position". The option for cancelling these swaps is only available to the District and not to the Counterparty. The fair values of the interest rate swaps are estimated using the zero-coupon method. This method calculates the future net settlement payments required by the swap, assuming that the current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swaps. Following are disclosures of key aspects of these agreements:

A. Certificates of Participation, Series 2006B

Objective of the Interest Rate Swap – The District entered into a variable to fixed rate swap agreement for its Certificates of Participation, Series 2006B dated June 6, 2006. The objective was to achieve lower borrowing costs as compared to issuing regular fixed rate bonds at the time, by synthetically fixing interest rates on the subject certificates.

Terms – The Swap, with JP Morgan Chase Bank, N.A, with an initial notional amount of \$65.0 million, became effective on June 6, 2006. The swap amortizes in tandem with the hedged certificates. Under the terms of the swap agreement, the District will pay the Counterparty a fixed annual interest rate of 4.13%. The District will receive from the Counterparty a variable payment based on two floating rate structures: 1) from July 1, 2006 through June 30, 2009, the interest rate is based on the SIFMA Index; 2) from July 1, 2009 through June 30, 2031, the interest rate is based on 70% of the London Interbank Offered Rate (LIBOR). The swap agreement terminates on June 30, 2031.

Fair Value – This is the calculated value of the transaction using prevailing market rates, absent transaction costs, were the District to exit the transaction. The swap had a negative fair value of \$20.0 million as of June 30, 2015, as compared to a negative fair value of \$18.3 million in the prior year.

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NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

Hedging derivative instrument payments and hedged debt – As of June 30, 2015, assuming interest rates remain the same for their term, as described, debt service requirements of the Series 2006B Certificates and the net swap payments, are as shown below. As rates vary, variable rate bond interest payments and net swap payments will vary and it is anticipated these schedules will vary from year to year. Interest rates swap schedules are based on interest rates effective on June 30, 2015.

| Year Ending June 30, | (dollars in thousands) | | | |
|----------------------|------------------------|-------------------|------------------|-------------------|
| | Series 2006B Principal | Interest Rate | | Total |
| | | Interest (1) | Swaps, Net (2) | |
| 2016 | \$ - | \$ 572 | \$ 2,600 | \$ 3,172 |
| 2017 | - | 572 | 2,600 | 3,172 |
| 2018 | - | 572 | 2,600 | 3,172 |
| 2019 | - | 572 | 2,600 | 3,172 |
| 2020 | - | 572 | 2,600 | 3,172 |
| 2021-2025 | - | 2,862 | 13,001 | 15,863 |
| 2026-2030 | 44,900 | 2,574 | 11,686 | 59,160 |
| 2031 | 20,100 | 178 | 806 | 21,084 |
| Total | \$ 65,000 | \$ 1,8,474 | \$ 38,493 | \$ 111,967 |

- (1) Assumes variable interest rate of 0.8806% (actual rate on 6/30/15 of 70% LIBOR + 75 bps).
 (2) Assumes fixed swap rate (payment) of 4.131% less variable swap receipt of 0.13055% (70% of LIBOR).

Credit Risk – This is the risk that a counterparty will not fulfill its obligations. As of June 30, 2015, the District was not exposed to credit risk because the swap had a negative fair value. However, should interest rates change and the fair value of the swap becomes positive, the District would be exposed to credit risk in the amount of the derivative’s fair value. The swap agreement contains a collateral agreement with the Counterparty. To mitigate the potential for credit risk, if a Counterparty’s credit rating from either Standard & Poor’s (S & P) and/or Moody’s Investors Services is “A- / A3” respectively or lower, and the fair value of the swap reaches certain threshold amounts, the swap requires collateralization of the fair value of the swap by the Counterparty with U. S. Government Securities. Collateral would be posted with a third party custodian.

Swap Counterparty Data as of June 30, 2015
 (dollars in thousands)

| Counterparty | Swap Notional Amount | Credit Rating | | Swap Fair Value |
|----------------------------|----------------------|---------------|-----|-----------------|
| | | Moody's | S&P | |
| JP Morgan Chase Bank, N.A. | \$ 65,000 | Aa3 | A+ | \$ (19,990) |

Basis Risk – Basis risk is the risk that the interest rate paid by the District on underlying variable rate bonds to bondholders differs from the variable swap rate received from the applicable Counterparty. The District receipts on the swap are based on 1 Month LIBOR, just as the payments on the certificates are based on 1 Month LIBOR, with no difference in percentages, therefore there is no basis risk associated with this swap. The swap exposes the District to basis risk since the District receives a variable rate based on Securities Industry and Financial Markets Association (SIFMA) formally known as Bond Market Association (BMA) to offset the variable rate the District pays on its bonds. The District is exposed to basis risk should the floating rate that it receives on a swap be less than the variable rate the District pays on the bonds. Depending on the magnitude and duration of any basis risk shortfall, the expected cost savings from the swap may not be realized.

Termination Risk – The District has the option to terminate the swap prior to its expiration date for any reason. The Counterparty may terminate the swap if the District fails to perform under the terms of the contract. If the swap is terminated, the Series 2006B certificates would no longer carry a synthetic fixed interest rate, and

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NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

would be subject to the interest rate risk associated with variable rate debt. Also, if at the time of termination, the swap has a negative fair value, the District would be liable to the Counterparty for payment equal to the swap's fair value.

B. Certificates of Participation, Series 2014A

Objective of the Interest Rate Swap – The objective was to achieve lower borrowing costs as compared to issuing regular fixed rate bonds at the time, by synthetically fixing interest rates on Series 2004D. On February 27, 2014 the District refinanced the Certificates of Participation, Series 2004D with Certificates of Participation (direct placement) Series 2014A. The swap associated with the Series 2004D remained in place and then became associated with Series 2014A. GASB 53 requires a termination of hedge accounting upon a refunding requiring the balance in the deferral account to be included as a cost of refunding. The required testing of hedge effectiveness between Series 2014A COPs and the associated swap resumes.

Terms – The Swap, with Citibank, N.A. with an initial notional amount of \$113.8 million, became effective on June 30, 2004. Under the terms of the swap agreement, the District will pay the Counterparty a fixed annual interest rate of 3.85%. The District will receive from the Counterparty a variable payment based on 67% of the LIBOR. The District will also pay the interest rate resulting from the 2014A variable rate certificates. The swap agreement terminates on July 1, 2029.

Fair Value – The swap had a negative fair value of \$3.7 million as of June 30, 2015, as compared to a negative fair value of \$1.6 million in the prior year.

Hedging derivative instrument payments and hedged debt – As of June 30, 2015, assuming interest rates remain the same for their term, as described, debt service requirements of the Series 2014A Certificates and the net swap payments, are as shown below. As rates vary, variable rate bond interest payments and net swap payments will vary and it is anticipated these schedules will vary from year to year. Interest rates swap schedules are based on interest rates effective on June 30, 2015.

| Year Ending June 30, | (dollars in thousands) | | | |
|----------------------|------------------------------|-----------------|-------------------|------------|
| | Series 2014A Principal | Interest Rate | | Total |
| | | Interest (1) | Swaps, Net (2) | |
| 2016 | \$ - | \$ 728 | \$ 4,240 | \$ 4,968 |
| 2017 | - | 728 | 4,240 | 4,968 |
| 2018 | - | 728 | 4,240 | 4,968 |
| 2019 | - | 728 | 4,240 | 4,968 |
| 2020 | - | 728 | 4,240 | 4,968 |
| 2021-2025 | 60,075 | 2,827 | 16,454 | 79,356 |
| 2026-2029 | 53,750 | 882 | 5,109 | 59,741 |
| Total | \$ 113,825 | \$ 7,349 | \$ 43,763 | \$ 163,937 |

- (1) Assumes variable interest rate of 0.6606% on \$56,910,000 and 0.6199% on \$56,915,000 (actual rate on 6/30/2015 70% LIBOR + 53 bps and 75% of LIBOR + 48 bps respectively).
- (2) Assumes fixed swap rate (payment) of 3.85% less variable swap rate (receipt) of 0.125%.

Credit Risk – As of June 30, 2015, the District was not exposed to credit risk because the swap had a negative fair value. However, should interest rates change and the fair value of the swap become positive, the District would be exposed to credit risk in the amount of the derivative's fair value. The swap agreement contains a collateral agreement with the Counterparty. To mitigate the potential for credit risk, if a Counterparty's credit rating from either Standard & Poor's (S & P) and Moody's Investors Services is "A+"/A1, respectively or lower, and the fair value of the swap reaches certain threshold amounts, the swap requires collateralization of the fair value of the swap by the Counterparty with U. S. Government Securities. Collateral would be posted with a third party custodian.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

Swap Counterparty Data as of June 30, 2015
(dollars in thousands)

| Counterparty | Swap Notional Amount | Credit Rating | | Swap Fair Value |
|--------------------------|----------------------------|---------------|-----|-----------------------|
| | | Moody's | S&P | |
| Citibank, N.A., New York | \$ 113,825 | A2 | A | \$ (23,958) |

Basis Risk – Basis risk is the risk that the interest rate paid by the District on underlying variable rate bonds to bondholders differs from the variable swap rate received from the applicable counterparty. The swap exposes the District to basis risk since the District receives a percentage of LIBOR to offset the variable rate the District pays on its bonds. The District is exposed to basis risk should the floating rate that it receives on a swap be less than the variable rate the District pays on the bonds. Depending on the magnitude and duration of any basis risk shortfall, the expected cost savings from the swap may not be realized.

Termination Risk – The District has the option to terminate the swap prior to its expiration date for any reason. The Counterparty may terminate the swap if the District fails to perform under the terms of the contract. If the swap is terminated, the Series 2014A certificates would no longer carry a synthetic fixed interest rate, and would be subject to the interest rate risk associated with variable rate debt. Also, if at the time of termination, the swap has a negative fair value, the District would be liable to the Counterparty for payment equal to the swap's fair value.

14. COMPENSATED ABSENCES

District employees are granted a specific number of vacation days and sick leave with pay as services are rendered. Certain employees are paid for portions of sick leave accrued but not used in a fiscal year. Administrative, supervisory and non-instructional professional employees are paid for unused vacation (up to a maximum of 60 days) upon termination. All other eligible employees are paid for unused vacation (up to a maximum of 50 days) upon termination.

All employees are eligible to receive portions of accumulated unused sick pay upon retirement. Such portions are determined based upon the employee's length of service. Prior to July 1, 2004, Florida Statutes and Board policy limited retirement sick leave payments to no more than 25% of the sick leave accumulated on or after July 1, 2001, up to a maximum payment of 60 days. Beginning July 1, 2004, this limitation was eliminated.

At June 30, 2015, the estimated current liability for accumulated sick leave including retirement and social security contributions was \$7.7 million and \$0.1 million in the General Fund and Special Revenue Funds, respectively. The balance of compensated absences payable from future resources was \$26.5 million for accumulated vacation leave and \$121.6 million for accumulated sick leave and are only reflected in the governmental activities in the government-wide presentation. The net change between the prior year balance and the current year balance of the non-current portion was recorded in the government-wide statements as a current year expense.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

The following is a summary of changes in the liability for compensated absences for the fiscal year ended June 30, 2015 (in thousands):

| | | |
|---|------------------|-------------------|
| Balance - June 30, 2014 | | \$ 160,926 |
| Additions | | 78,004 |
| Reductions | | (83,078) |
| Balance - June 30, 2015 | | <u>155,852</u> |
| Less: | | |
| Amount due within one year | | |
| Current portion (modified accrual basis) | \$ 7,755 | |
| Non-current portion | | 148,097 |
| Other amount due within one year | 11,733 | |
| Total due in more than one year | | <u>\$ 136,364</u> |
| Total amount due within one year (full accrual basis) | <u>\$ 19,488</u> | |

15. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

The District administers a single employer defined benefit plan in accordance with the Governmental Accounting Standard Board Statement No. 45 ("GASB 45"), "Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions", for certain postemployment benefits including continued coverage for the retirees and dependents in the Medical/Prescription Plans as well as participation in the Employer-sponsored Dental group plan. In addition, retirees are eligible to continue the Employer-sponsored term life insurance policy provided by the District. GASB 45's basic concept is to recognize the cost of an employee's OPEB during the period of service. As defined in the statement, a significant expense recognizing the past and future costs of providing OPEB benefits is required to be recorded annually. For fiscal year 2015, the funded status of the plan is determined using an actuarial roll-forward supplement based on the results of a full actuarial valuation previously performed as of January 1, 2015. The actuarial determined liability for the District was \$142,634 million on January 1, 2015, being amortized over the remaining period of 23 years. The General Fund typically has been used in prior years to liquidate the long-term liabilities associated with the net pension obligation or other postemployment benefit obligations.

Plan Description. The Other Postemployment Benefits Plan (Plan) operates as a single employer defined benefit plan. The benefits of the plan conform to Florida Statutes, which are the legal authority for the plan. The authority for establishing and amending the plan funding policy and benefits rests with the Board. Eligible retirees may choose among the same Medical Plan options available for active employees of the Employer. Prescription drug coverage is automatically extended to retirees and their dependents who continue coverage under any one of the Medical Plan options. Covered retirees and their dependents are subject to all the same medical, prescription and life insurance benefits and rules for coverage as are active employees. Retirees and their dependents are permitted to remain covered under the District's respective medical plans as long as they pay the premium for the plan and coverage elected. This conforms to the requirement for Florida governmental employers' provision of the Section 112.081, Florida Statutes. The premiums charged are based on a blending of the experience among younger active employees and older retired employees. Since the older retirees actually have higher costs, that means that the District is actually subsidizing the cost of the retiree coverage because it pays all or a significant portion of that premium on behalf of the active employees, providing an implicit rate subsidy. Additionally, certain retirees receive insurance coverage at a lower (explicitly subsidized) premium rate under the District's Retirement Assistance Program. The District, therefore, has assumed an obligation to pay for that implicit subsidy for the covered lifetime of the current retirees and their dependents, as well for the covered lifetime of the current employees after they retire in the future. The District does not prepare a standalone financial report for the Plan, and the Plan is not included in the report of a Public Entity Retirement System or another entity.

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NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

Funding Policy. The District plans to fund this postemployment benefit on a pay-as-you-go basis. For fiscal year 2014-15, approximately 977 retirees received post-employment benefits, and 25 retirees receive life insurance postemployment benefits. The District provided required employer contributions toward the annual OPEB cost in the amount of \$5,180,654.

Annual OPEB Cost and Net OPEB Obligations. The OPEB cost is calculated based on the Annual Required Contribution (ARC) of the employer, an amount actuarially determined in accordance with the parameters of GASB 45. The following is a summary of changes for the District's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the District's net OPEB obligation for the fiscal year ended June 30, 2015 (in thousands):

| | | <u>FY 2015</u> |
|---|--------------|------------------|
| Annual Required Contribution (ARC) | | |
| Normal Cost | \$ 7,007 | |
| Amortization of Unfunded Actuarial Accrued Liability (UAAL) | <u>6,309</u> | |
| ARC | | \$ 13,316 |
| Interest on net OPEB Obligation | | 2,255 |
| Adjustment to ARC | | <u>(2,801)</u> |
| Annual OPEB cost (expense) | | 12,770 |
| Less: Contributions made | | <u>(5,181)</u> |
| Net OPEB Obligation Increase | | 7,589 |
| Net OPEB Obligation, Beginning of Year | | <u>64,422</u> |
| Net OPEB Obligation, End of Year | | <u>\$ 72,011</u> |

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for the fiscal year ended June 30, 2015, and the two preceding years were as follows (in thousands):

| Fiscal Year Ended | Annual OPEB Cost | Amount Contributed | Percent of Annual OPEB Cost Contributed | Net OPEB Obligation |
|-------------------------|------------------------|-----------------------|---|---------------------------|
| 06/30/2013 | \$ 16,637 | \$ 7,822 | 47.02% | \$ 54,208 |
| 06/30/2014 | \$ 17,390 | \$ 7,176 | 41.27% | \$ 64,422 |
| 06/30/2015 | \$ 12,770 | \$ 5,181 | 40.57% | \$ 72,011 |

Funded Status and Funding Progress. The funded status of the plan as of June 30, 2015, was as follows (in thousands):

| | |
|---|-------------------|
| Actuarial Accrued Liability (a) | \$ 142,634 |
| Actuarial Value of Assets (b) | <u>-</u> |
| Unfunded Actuarial Accrued Liability (a-b) | <u>\$ 142,634</u> |
| Funded Ratio (b)/ (a) | 0.0% |
| Covered Payroll (Active Plan Members) (c) | \$ 1,082,302 |
| Unfunded Actuarial Accrued Liability as a Percentage of Covered Payroll ((a)-(b))/ (c) | 13.18% |

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Actuarial Methods and Assumptions. Projection of benefits for financial reporting purposes are based on the substantive plan provisions, as understood by the employer and participating members, and include the type of benefits provided at the time of each valuation and the historical pattern of sharing benefit costs between the employer and participating members. The actuarial methods and assumptions used include techniques that are designed to reduce the effect of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

Significant methods and assumptions were as follows:

| | |
|-----------------------------------|---|
| Actuarial Valuation Date | January 1, 2015 |
| Actuarial Cost Method | Entry Age Normal Cost |
| Amortization Method | Level Percent of Payroll |
| Remaining Amortization Period | 23 Years, Closed |
| Asset Valuation Method | Plan Not Funded |
| Investment Return Discount Rate * | 3.5% |
| Assumed Rate of Payroll Growth * | 3.5% |
| Healthcare Inflation Rate | Increase of 9% for First Year, Reduced by 5% Until Ultimate Rate of 4.6% is reached |

* Includes a price inflation assumption of 2.5 percent

16. RETIREMENT PLANS

The District provides retirement benefits to its employees through the Florida Retirement System and a Deferred Retirement Option Program (DROP). All regular employees of the District are covered by the Florida Retirement System, a State-administered cost-sharing multiple-employer defined benefit retirement plan ("Plan") with a Deferred Retirement Option Program (DROP) and The Retiree Health Insurance Subsidy (HIS) Program available for eligible employees.

Florida State Retirement Programs

Plan Description: The Plan provisions are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and Florida Retirement System Rules, Chapter 60S, Florida Administrative Code, wherein Plan eligibility, contributions, and benefits are defined and described in detail.

Essentially, all regular employees of participating employers are eligible and must enroll as members of the Plan. Benefits vest at specified ages or number of years of service depending upon the employee's classification. The Plan also includes an early retirement provision but imposes a penalty for each year a member retires before the specified retirement age. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments, as well as supplements for certain employees to cover social security benefits lost by virtue of retirement system membership. The Plan's financial statements and required supplemental information are included in the comprehensive annual financial report of the State of Florida which may be obtained by contacting the Florida State Comptroller's Office in Tallahassee, Florida. Also, an annual report on the Plan which includes its financial statements, required supplemental information, actuarial report, and other relevant information may be obtained by contacting the Florida Department of Management Services, Division of Retirement, and P. O. Box 9000, Tallahassee, Florida, 32315-9000.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

FRS Pension Plan

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

- *Regular Class* – Members of the FRS who do not qualify for membership in the other classes.
- *Elected County Officers Class* – Members who hold specified elective offices in local government.
- *Senior Management Service Class (SMSC)* – Members in senior management level positions.
- *Special Risk Class* – Members who are employed as law enforcement officers and meet the criteria to qualify for this class.

Employees enrolled in the Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at eight years of creditable service. 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 “except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service”). All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service “except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service”). Members of the Plan may include up to 4 years of credit for military service toward creditable service.

The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants. DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

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

Regular Class Members – Initially enrolled before July 1, 2011

| Retirement Age / Years of Service | % Value |
|--|----------------|
| 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 |

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

Regular Class Members – Initially enrolled on or after July 1, 2011

| Retirement Age / Years of Service | % Value |
|--|----------------|
| 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 years of service | 1.68 |

| <u>Class</u> | <u>% Value</u> |
|---------------------------------|-----------------------|
| Elected County Officers | 3.00 |
| Senior Management Service Class | 2.00 |

Special Risk – Regular Class

| Years of Service | % Value |
|--|----------------|
| Service from December 1, 1970 through September 30, 1974 | 2.00 |
| Service on and after October 1, 1974 | 3.00 |

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

Contributions. The contribution rates for Plan members are established, and may be amended, by the State of Florida. For the fiscal year ended June 30, 2015, contribution rates were as follows:

| Class or Plan | Contribution Rates | |
|--|---------------------------|--------------------------------|
| | Employee | Employer ^(A) |
| Florida Retirement System, Regular | 3.00% | 7.37% |
| Florida Retirement System, County Elected Officers | 3.00% | 43.24% |
| Florida Retirement System, Senior Management Service | 3.00% | 21.14% |
| Florida Retirement System, Special Risk | 3.00% | 19.82% |
| Teachers' Retirement System, Plan E | 6.25% | 11.50% |
| State & County Officers and Employees' Retirement System, Plan A | N/A | N/A |
| State & County Officers and Employees' Retirement System, Plan B | N/A | N/A |
| Deferred Retirement Option Program | - | 12.28% |

Note: (A) Rates include the post-employment health insurance supplement of 1.26% and the administrative/educational cost of 0.04% of the Investment Plan.

The District's contributions to the Plan for the fiscal years ending June 30, 2015, totaled \$68.4 million, which was equal to the required contributions for the fiscal year.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. As a result of the implementation of GASB 68, at June 30, 2015, the Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions, the District reported a liability of \$190.8 million for its proportionate share of the Plan's net pension liability. The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2014. The District's proportionate share of the net pension liability was based on the District's fiscal year contributions relative to the fiscal year contributions of all participating members. At June 30, 2014, the District's proportionate share was 3.13 percent, which was a decrease of (.0121) percent from its proportionate share measured as of June 30, 2013.

For the fiscal year ended June 30, 2015, the District recognized pension expense of \$17.7 million related to the Plan. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (in thousands):

Deferred Inflows and Outflows (FRS):

| Description | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------|-------------------------------|
| Differences between expected and actual experiences | \$ - | \$ 11,805 |
| Net differences between projected and actual earnings on pension plan investments | - | 318,233 |
| District FRS contributions and proportionate share of contributions | | 1,765 |
| Changes in proportion and proportionate share of contributions and differences between employer contributions | 33,038 | - |
| Employer contributions subsequent to the measurement date | 74,349 | - |
| Total | \$ 107,387 | \$ 331,803 |

| Fiscal Year Ending June 30, 2015 | Amount (in thousands) |
|----------------------------------|-----------------------|
| 2016 | \$ (60,556) |
| 2017 | (60,556) |
| 2018 | (60,556) |
| 2019 | (60,556) |
| 2020 | (60,556) |
| Thereafter | \$ 4,015 |

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

Deferred outflows of \$74.3M relate to district contributions to the Plan subsequent to the measurement date, which is in essence all contributions paid by the district during fiscal 2015. The amount will be recognized as a reduction in the net position liability in fiscal year 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be amortized and recognized as pension expense as follows:

Actuarial Assumptions. The total pension liability in the July 1, 2014 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 | 7.65 percent, net of pension plan investment expense, including inflation |

Mortality rates were based on the Generational RP-2000 with Projection Scale BB, with adjustments for mortality improvements based on Scale AA.

The actuarial assumptions used in the July 1, 2014, valuation were based on the results of an actuarial experience study for the period July 1, 2008, through June 30, 2013.

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

The target allocation and best estimates of arithmetic and geometric real rates of return for each major asset class are summarized in the following table:

| Asset Class | Target Allocation⁽¹⁾ | Annual Arithmetic Return | Compound Annual (Geometric) Return | Standard Deviation |
|-------------------------------|--|---------------------------------|---|---------------------------|
| Cash | 1.00% | 3.11% | 3.10% | 1.65% |
| Intermediate-Term Bonds | 18.00% | 4.18% | 4.05% | 5.15% |
| High Yield Bonds | 3.00% | 6.79% | 6.25% | 10.95% |
| Broad US Equities | 26.50% | 8.51% | 6.95% | 18.90% |
| Developed Foreign Equities | 21.20% | 8.66% | 6.85% | 20.40% |
| Emerging Market Equities | 5.30% | 11.58% | 7.60% | 31.15% |
| Private Equity | 6.00% | 11.80% | 8.11% | 31.00% |
| Hedge Funds / Absolute Return | 7.00% | 5.81% | 5.35% | 10.00% |
| Real Estate (Property) | 12.00% | 7.11% | 6.35% | 13.00% |
| Total | <u>100.00%</u> | | | |
| Assumed inflation - Mean | | 2.60% | | 2.00% |

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

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

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

Sensitivity of the District's Proportionate Share of the Net Position Liability to Changes in the Discount Rate.

The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.65 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.65 percent) or 1 percentage-point higher (8.65 percent) than the current rate:

| 1% Decrease | Current Discount Rate | 1% Increase |
|----------------|-----------------------|------------------|
| 6.65% | 7.65% | 8.65% |
| \$ 815,940,662 | \$ 190,768,137 | \$ (329,256,114) |

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.

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 Division of Retirement within the Florida Department of Management Services.

Benefits Provided. For the fiscal year ended June 30, 2015, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State administered retirement system must provide proof of health insurance coverage, which may include Medicare.

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, 2015, the contribution rate was 1.26 percent of payroll pursuant to section 112.363, Florida Statutes. The District contributed 100 percent of its statutorily required contributions for the current and preceding three years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled. The District's contributions to the Plan for the fiscal years ending June 30, 2015, totaled \$13.9 million, which was equal to the required contributions for the fiscal year.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2015, the District reported a net pension liability of \$380.5 million for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2014. The District's proportionate share of the net pension liability was based on the District's fiscal year contributions relative to the total fiscal year contributions of all participating members. At June 30, 2014, the District's proportionate share was 4.06 percent, which was a decrease of (.017) percent from its proportionate share measured as of June 30, 2013.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

Deferred Inflows and Outflows (HIS):

| Description | Deferred Outflows of Resources | Deferred Inflows of Resources |
|---|--------------------------------|-------------------------------|
| District HIS contributions and proportionate share of contributions | 1,274 | |
| Net differences between projected and actual earnings on pension plan investments | \$ 186 | \$ - |
| Changes in proportion and proportionate share of contributions and differences between employer contributions | 11,660 | - |
| Employer contributions subsequent to the measurement date | 15,458 | - |
| Total | \$ 30,459 | \$ 0.00 |

As of June 30, 2015, the District recognized pension expense of \$26.6 million related to the HIS Plan. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions that will be amortized and recognized as pension expense as follows:

Pension Expense:

| Fiscal Year Ending June 30, 2015 | Amount (in thousands) |
|----------------------------------|-----------------------|
| 2016 | \$ 2,095 |
| 2017 | 2,095 |
| 2018 | 2,095 |
| 2019 | 2,095 |
| 2020 | 2,095 |
| Thereafter | \$ 4,525 |

Actuarial Assumptions. The total pension liability in the July 1, 2014, 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 | 4.29 percent |

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

The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2008, through June 30, 2013.

Discount Rate. The discount rate used to measure the total pension liability was 4.29 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

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 4.29 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 (3.29 percent) or 1 percentage-point higher (5.29 percent) than the current rate:

| 1% Decrease | Current Discount Rate | 1% Increase |
|----------------|-----------------------|----------------|
| 3.29% | 4.29% | 5.29% |
| \$ 432,811,176 | \$ 380,520,431 | \$ 336,872,622 |

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.

FRS – Defined Contribution Pension Plan

The District contributed \$ 8.2 million in fiscal year 2015 to the FRS Investment Plan (Investment Plan), a defined contribution pension plan, for its eligible employees electing to participate in the Investment Plan. The Investment Plan is administered by the SBA, and 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. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature.

The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, 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. Allocations to the investment member's accounts during the 2014-15 fiscal year were as follows:

| Class | Percent of Gross Compensation |
|--------------------------------|-------------------------------|
| 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 one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Non-vested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five year period, the employee will regain control over their account. If the employee does not return within the five year period, the employee will forfeit the

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

accumulated account balance. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.04 percent of payroll and by forfeited benefits of Investment Plan members. For the fiscal year ended June 30, 2015, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the District.

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

17. RETIREMENT INCENTIVE PROGRAMS

In addition to the retirement benefits described in Note 16, the District has authorized an early retirement incentive to provide financial assistance for the purchase of health and life insurance to our retirees.

For those eligible employees who qualify for the retirement incentive programs, the Employer's Retirement Assistance Program (RAP) Incentives, listed below are brief descriptions and eligibility criteria of this Plan.

RAP effective July 1, 2008 through October 15, 2008:

- Are retired under the RAP.
- Effective upon retirement, the District will provide paid employee health insurance (HMO or Consumer Driven Plan premium) until the employee is Medicare eligible.
- Were insured under the Employer's group life insurance program on the last day before the insured's retirement.
- Are one of the following:
 - Full-time bargaining unit members who are at least age 55 and on Step 20 or higher on the teachers' salary schedule in the FRS and who have at least ten (10) years of service in the District.
 - Full-time bargaining unit members who are at least age 55 and on Step 20 or above in the TRS and who have at least ten (10) years of service in the District.

A summary of the total expenditures for the fiscal year ended June 30, 2015 is as follows (dollars in thousands):

| | Number of Participants | Health Insurance* | Life Insurance | Total |
|-------|---------------------------|----------------------|----------------|--------|
| RAP | 18 | \$ 175 | \$ 2 | \$ 177 |
| Total | 18 | \$ 175 | \$ 2 | \$ 177 |

*Net of Florida Retirement System subsidy if applicable

The District will subsidize health and life insurance premiums for those qualified employees on an annual basis. The subsidies continue until age 65. Premium costs in excess of the subsidy are borne by the participants. The District's expenditures are recognized in the fiscal year in which they are paid, and are not funded in advance on an actuarially determined basis. As of June 30, 2015, 18 employees participated in the District's retirement incentive program.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

Effective July 1, 1998, employees who have vested under the Plan may elect to participate in the State of Florida's Deferred Retirement Option Program (DROP). Under DROP provisions, a participant will have its monthly retirement benefit paid directly into DROP where it will earn tax deferred interest at a rate established by the State, compounded monthly, for up to 60 months, except for teachers who may be granted extensions of 36 months upon the Superintendent's approval. The participant may continue to work for the District until his/her pre-selected termination date or the end of the DROP period. At termination, the participant will receive a lump sum payment of his/her accumulated DROP benefits, and, thereafter, he/she will receive its monthly Plan benefit. As of June 30, 2015, there were 1,358 District employees participating in the DROP incentive program.

18. FICA ALTERNATIVE

The District has established the FICA Alternative Retirement Plan (the "FICA Plan"), a defined contribution retirement plan, for certain temporary employees not covered under the Plan. Under provision of the Internal Revenue Code (IRC) section 3121(b)(7)(F), public employers could place employees not covered under existing employer pension plans into an alternative retirement plan in place of social security. The FICA Plan was established under IRC section 401(a) and requires a mandatory pre-tax contribution of 7.5% in lieu of social security. The FICA Plan is noncontributory for the District and eliminates the required match of social security contributions. Approximately 5,909 temporary employees are currently participating in the FICA Plan. For the period ended June 30, 2015, \$2.6 million was contributed by participating employees based on gross wages of \$34.5 million. A third party administrator administers the FICA Plan with administrative fees being paid for by the District. The District does not have any fiduciary responsibility.

19. RISK MANAGEMENT

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 students, and natural disasters. Worker's compensation, automobile liability, general liability and health insurance coverage are being provided on a self-insurance basis up to specified limits. The District purchases commercial insurance for certain risks in excess of the self-insurance coverage and for other risks of loss. The District has contracted with an insurance administrator to administer these self-insurance programs, including the processing, investigating and payment of claims.

The District is self-insured for portions of its health insurance, general and automobile liability insurance, and workers' compensation. Claim activity (expenditures for general and automobile liability, workers' compensation and health insurance) is recorded in the general fund as payments become due each period. The estimated liability for self-insured risks represents an estimate of the amount to be paid on claims reported and on claims incurred but not reported. For the governmental funds, in the fund financial statements, the liability for self-insured risks is considered long-term and therefore, is not a fund liability (except for any amounts due and payable at year end) and represents a reconciling item between the fund level and government-wide presentations. Settled claims resulting from risks described above have not exceeded commercial coverage for the past three years.

The claims liability for workers compensation, automobile liability and general liability are based on an actuarial valuation performed by an independent actuary as of June 30, 2015 using a margin for a 50% confidence level. With the 50% confidence level, the actuary is estimating the margin necessary so that there is a 50% likelihood that the funding level will be sufficient to cover the actual liabilities. The employee health insurance liability is based on an actuarial calculation of estimated claims that have been incurred but not

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

reported. The total claims liability of \$79.5 million at June 30, 2015 includes estimated losses for all reported claims and for claims incurred but not reported.

A summary of changes in the estimated liability for self-insured risks is as follows (in thousands):

| | <u>2015</u> | <u>2014</u> |
|-----------------------------------|------------------|------------------|
| Balance, beginning of year | \$ 88,377 | \$ 82,216 |
| Additions: | | |
| Claims incurred | 168,404 | 202,737 |
| Reductions: | | |
| Claims payments | (177,249) | (196,576) |
| | <u>79,532</u> | <u>\$ 88,377</u> |
| Balance, end of year | | |
| less: portion due within one year | <u>(41,519)</u> | |
| Total due in more than one year | <u>\$ 38,013</u> | |

20. FUND BALANCE REPORTING

The District's fund balance is reported with the following hierarchy:

Nonspendable:

The District has \$6.5 million in inventory and \$13.8 million in prepaids classified as nonspendable.

Spendable:

Restricted for State Categorical Programs, Debt Service, Capital Projects, and Food Service:

Florida Statutes require certain revenues to be designated for the purposes of state categorical programs, debt service, capital projects, and food service. The restricted fund balance totaling \$437.9 million represents \$4.0 million in State categorical programs, \$2.7 million in debt service, \$387.2 million in capital projects, and \$44.0 million in food service.

Committed for Self Insurance:

The School Board through resolution has committed \$54.3 million for future self-insured claims.

Committed for Student Enrichment Programs:

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

The School Board had classified \$0.3 million as the committed fund balance for the student enrichment programs.

Assigned for School Operations:

The District's management has assigned spendable fund balances for school operations of \$23.2 million.

Unassigned:

The District's General Fund unassigned fund balance is \$59.3 million.

The following table shows the District's fund balance classification at June 30, 2015 (in thousands):

| | Major Funds | | | | | | | | Total Governmental Funds |
|-----------------------------------|-------------------|-------------------------------|--|--|---|-------------------|--------------------------------|--------------------------|--------------------------|
| | General Fund | COPS Series Debt Service Fund | ARRA Economic Stimulus Debt Service Fund | Local Millage Capital Improvement Fund | ARRA Economic Stimulus Capital Project Fund | District Bonds | Other Capital Improvement Fund | Other Governmental Funds | |
| Fund Balances: | | | | | | | | | |
| Nonspendable: | | | | | | | | | |
| Inventories: | | | | | | | | | |
| General Fund | \$ 6,532 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | 6,532 |
| Special Revenue – Food Service | - | - | - | - | - | - | - | 2,951 | 2,951 |
| Prepays | 13,829 | - | - | - | - | - | - | - | 13,829 |
| Restricted: | | | | | | | | | |
| State Required Carryover Programs | 3,973 | - | - | - | - | - | - | - | 3,973 |
| Debt Service | - | 1,373 | 377 | - | - | - | - | 966 | 2,716 |
| Capital Projects | - | - | - | 99,135 | 16,342 | 160,412 | 101,199 | 10,098 | 387,186 |
| Special Revenue – Food Service | - | - | - | - | - | - | - | 44,059 | 44,059 |
| Committed: | | | | | | | | | |
| Student Enrichment Programs | 307 | - | - | - | - | - | - | - | 307 |
| Self-Insurance | 54,328 | - | - | - | - | - | - | - | 54,328 |
| Assigned: | | | | | | | | | |
| School Operations: | | | | | | | | | |
| Encumbrances | 16,865 | - | - | - | - | - | - | - | 16,865 |
| Insurance and OPEB | 6,334 | - | - | - | - | - | - | - | 6,334 |
| Special Revenue – Miscellaneous | - | - | - | - | - | - | - | 3,136 | 3,136 |
| Unassigned: | 59,264 | - | - | - | - | - | - | - | 59,264 |
| Total Fund Balance: | \$ 161,432 | \$ 1,373 | \$ 377 | \$ 99,135 | \$ 16,342 | \$ 160,412 | \$ 101,199 | \$ 61,210 | \$ 601,480 |

The total of the assigned and unassigned amounts will be used to calculate fund balance as a percentage of revenues under the provisions of Section 1011.051, Florida Statutes. At the end of the fiscal year, the total amount of the assigned and unassigned General Fund balance was \$82.8 million or 4.2 percent of the General Fund's total revenues, and 4.8 percent of the General Fund's total revenues excluding Charter school revenues.

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

21. NET POSITION

The government-wide statement of net position reports all financial and capital resources of the District, as well as its liabilities. The difference between assets and deferred outflows and liabilities and deferred inflows are reported as net position. Net position is displayed in three components:

- Net investment in capital assets: Capital assets, net of accumulated depreciation and reduced by the outstanding balance of debt that is attributable to the acquisition, construction, or improvement of those assets.
- Restricted net position: Net position where constraints on their use are: (1) externally imposed by creditors, grantors, contributors, laws, or regulations of other governments, or (2) imposed by law through constitutional provisions or enabling legislation.
- Unrestricted net position (deficit): All other assets and liabilities not part of the above categories. This amount represents the accumulated results of all past years' operations. The deficit in net position of governmental activities is due to long-term liabilities, including compensated absences, pension liabilities and OPEB.

The composition of net investment in capital assets as of June 30, 2015 is shown in the table below (in thousands):

| | | | |
|---|----|----------------|--------------------|
| Total capital assets, net of accumulated depreciation | | \$ | 2,905,670 |
| less: | | | |
| Total debt outstanding, net of unspent proceeds | \$ | (1,617,508) | |
| Retainage payable | | <u>(5,874)</u> | |
| Total related debt | | | <u>(1,623,382)</u> |
| Total net investment in capital assets | | \$ | <u>1,282,288</u> |

22. COMMITMENTS AND CONTINGENCIES

At June 30, 2015, the District had purchase orders outstanding for goods and/or services related to future expenditures for the 2014-15 school year totaling \$17.2 million in the General Fund (\$16.9 million was within assigned fund balance and \$0.3 million was restricted for State Categorical Programs), \$2.5 million in the Special Revenue Funds and \$42.6 million in the Capital Projects Funds, of which \$22.3 million was for various construction contracts. The accompanying financial statements do not give effect to these purchase orders.

The District has various agreements with other governmental agencies that may require the District to contribute additional financial resources, as anticipated by such agreements. Such liabilities are accrued at the time they become known to the District.

The District receives funding from the State of Florida under the FEEP and is based in part on a computation of the number of students attending different types of instruction (FTE Computation). The accuracy of data compiled by individual schools supporting the FTE Computation is subject to audit by the State and, if found to be in error, could result in refunds to the State or in decreases to future funding allocations. Additionally, the District participates in a number of federal, state and local grants, which are subject to financial, and compliance audits. It is the opinion of management that the amount of revenue, if any, which may be remitted

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

NOTES TO THE BASIC FINANCIAL STATEMENTS, Continued

back to the State due to errors in the FTE computation or the amount of grant expenditures, which may be disallowed by grantor agencies, would not be material to the financial position of the District.

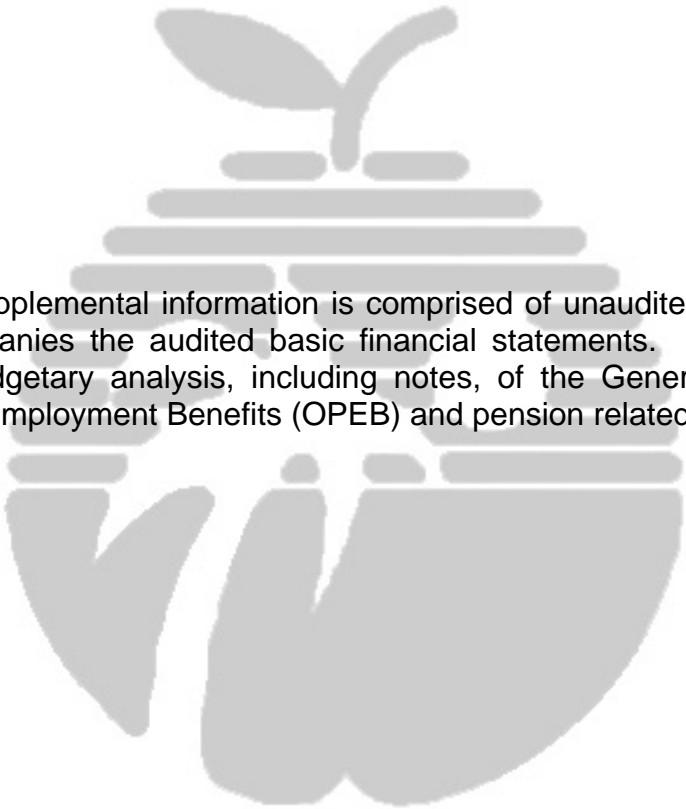
The District is a defendant in numerous lawsuits as of June 30, 2015. In the opinion of management, the District's estimated aggregate liability with respect to probable losses has been provided for in the estimated liability for insurance risks and pending claims in the accompanying financial statements, after giving consideration to the District's related insurance coverage, as well as the Florida statutory limitations of governmental liability on uninsured risks. It is the opinion of management in consultation with its legal counsel, that the final settlements of these matters will not have a material adverse effect on the financial condition, changes in financial position, cash flows or changes in fund balance of the affected funds.

23. SUBSEQUENT EVENTS

On September 29, 2015, the District issued \$125.0 million Tax Anticipation Notes, Series 2015, pursuant to Section 1011.13, Florida Statutes, to provide interim funds for the payment of operating expenses of the District for the fiscal year commencing July 1, 2015 and ending June 30, 2016, in anticipation of the receipt of the ad valorem taxes. The Notes and the interest thereon will be special, limited obligations of the District, payable from and secured by a pledge of the ad valorem taxes levied and collected for the benefit of the District for operating purposes. The Notes are not subject to redemption prior to maturity.

On September 11, 2015, the District refinanced Certificated of Participation, Series 2006B, which were originally issued in June 2006 with a variable interest rate which changed weekly. The School Board has determined that it is in the best interest of the District to refinance its obligations under the original Series 2006B in order to stabilize the interest rate. The refinancing converted Series 2006B to a fixed rate of 4.511%. This conversion locked the interest rate through July 01, 2031.

Required Supplemental Information (Part B)



Required supplemental information is comprised of unaudited information that accompanies the audited basic financial statements. Part B deals with the budgetary analysis, including notes, of the General Fund and Other Post Employment Benefits (OPEB) and pension related schedules.

Broward County Public Schools



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Major Fund Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Budgetary Basis)

The Comparative Schedule of Revenue, Expenditures and Changes in Fund Balance – Budgetary and Actual provide additional information relating to the General Fund and the ARRA Economic Stimulus Funds presented in the “Basic Financial Statements” in order to demonstrate legal budgetary compliance.

GENERAL FUND

**COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS (in thousands)
BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

| | BUDGET | | ACTUAL | VARIANCE |
|---|------------------|------------------|-------------------|------------------------|
| | ORIGINAL | FINAL | | Positive (Negative) |
| SOURCES/INFLOWS: | | | | |
| Revenues: | | | | |
| Local sources: | | | | |
| Ad valorem taxes | \$ 875,250 | \$ 864,701 | \$ 864,701 | \$ - |
| Interest on investments | 1,350 | - | 975 | 975 |
| Other | 56,380 | 73,984 | 52,672 | (21,312) |
| Total local sources | 932,980 | 938,685 | 918,348 | (20,337) |
| State sources: | | | | |
| Florida education finance program | 644,400 | 628,202 | 628,202 | - |
| Discretionary lottery funds | 2,659 | 980 | 980 | - |
| Categorical programs and other | 388,133 | 388,386 | 388,328 | (58) |
| Total state sources | 1,035,192 | 1,017,568 | 1,017,510 | (58) |
| Federal sources: | | | | |
| Grants and other | 11,900 | 15,779 | 15,781 | 2 |
| Total federal sources | 11,900 | 15,779 | 15,781 | 2 |
| Total revenues | 1,980,072 | 1,972,032 | 1,951,639 | (20,393) |
| Other financing sources | | | | |
| Transfers in | 72,825 | 64,994 | 64,993 | (1) |
| Total other financing sources | 72,825 | 64,994 | 64,993 | (1) |
| Total amounts available for appropriations | 2,052,897 | 2,037,026 | 2,016,632 | (20,394) |
| USES/OUTFLOWS: | | | | |
| Expenditures: | | | | |
| Current operating: | | | | |
| Instructional services | 1,349,672 | 1,319,341 | 1,313,500 | 5,841 |
| Instructional support services | 173,873 | 174,839 | 175,480 | (641) |
| Pupil transportation services | 84,072 | 80,649 | 81,815 | (1,166) |
| Operation and maintenance of plant | 225,998 | 235,131 | 236,930 | (1,799) |
| School administration | 133,080 | 131,111 | 129,136 | 1,975 |
| General administration | 77,660 | 92,379 | 65,586 | 26,793 |
| Total current operating | 2,044,355 | 2,033,450 | 2,002,447 | 31,003 |
| Debt service: | | | | |
| Interest charges and other | 177 | 124 | 124 | - |
| Total debt service | 177 | 124 | 124 | - |
| Capital outlay | | | | |
| Total expenditures | 2,044,532 | 2,033,574 | 2,002,571 | 31,003 |
| Other financing uses: | | | | |
| Transfers out | 5,057 | 6,821 | 6,821 | - |
| Total charges against appropriations | 2,049,589 | 2,040,395 | 2,009,392 | 31,003 |
| Net change in fund balances | \$ 3,308 | \$ (3,369) | 7,240 | \$ 10,609 |
| Appropriated beginning fund balances | \$ - | \$ 3,369 | | |
| Adjustment to conform with GAAP: | | | | |
| Elimination of encumbrances | | | 9,412 | |
| Excess (deficiency) of revenues and other sources over (under) expenditures and other uses (GAAP Basis) | | | 16,652 | |
| Fund balances, beginning of year | | | 144,780 | |
| Fund balances, end of year | | | \$ 161,432 | |

The accompanying notes are an integral part of this schedule.

**MAJOR SPECIAL REVENUE FUND - ARRA ECONOMIC STIMULUS
COMPARATIVE SCHEDULE OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (in thousands)
BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

| | BUDGET | | ACTUAL | VARIANCE Positive (Negative) |
|---|---------------|---------------|---------------|------------------------------------|
| | ORIGINAL | FINAL | | |
| REVENUES: | | | | |
| Federal sources: | | | | |
| Other | \$ 14,117 | \$ 17,347 | \$ 16,342 | \$ (1,005) |
| Total revenues | <u>14,117</u> | <u>17,347</u> | <u>16,342</u> | <u>(1,005)</u> |
| EXPENDITURES: | | | | |
| Current operating: | | | | |
| Instructional services | 5,998 | 12,388 | 11,398 | 990 |
| Instructional support services | 4,930 | 2,557 | 2,601 | (44) |
| Operation and maintenance of plant | - | 1 | 1 | - |
| School administration | 2,446 | 1,377 | 1,377 | - |
| General administration | 743 | 1,024 | 1,016 | 8 |
| Total current operating | <u>14,117</u> | <u>17,347</u> | <u>16,393</u> | <u>954</u> |
| Capital outlay | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total expenditures | <u>14,117</u> | <u>17,347</u> | <u>16,393</u> | <u>954</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>-</u> | <u>-</u> | (51) | <u>\$ (51)</u> |
| Appropriated beginning fund balances | <u>\$ -</u> | <u>\$ -</u> | | |
| Adjustment to conform with GAAP: | | | | |
| Elimination of encumbrances | | | <u>51</u> | |
| Excess (deficiency) of revenues and other sources over (under) expenditures and other uses (GAAP basis) | | | - | |
| Fund balances, beginning of year | | | <u>-</u> | |
| Fund balances, end of year | | | <u>\$ -</u> | |

**NOTES TO THE BUDGETARY COMPARISON SCHEDULE
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

I. BUDGET

Budget Information. GASB 34 requires governments to include as required supplementary information (RSI), budgetary comparison schedules for the general fund and each major special revenue fund that has a legally adopted budget.

Budgets are legally adopted annually for the General Fund and the major Special Revenue Fund. Unencumbered appropriations lapse at year-end for the General Fund and encumbered appropriations are carried forward, if applicable, to the following year and closed after a three-month period. Management may not amend the budget without the specific approval of the School Board. Accordingly, no expenditure may be authorized and no obligation incurred in excess of the current budgetary appropriation without Board authorization. The budgetary basis of accounting is the modified accrual basis plus encumbrances authorized for the fiscal year.

The budget revenues and expenditures shown in the accompanying schedule reflect all amendments to the original budget through September 15, 2015, the date the final amendments were approved by the Board.

II. EXPLANATION OF DIFFERENCES BETWEEN BUDGETARY INFLOWS AND OUTFLOWS AND GAAP REVENUES AND EXPENDITURES

The following table presents a reconciliation of the differences between the budgetary and GAAP basis of accounting for the General Fund (in thousands):

Sources/inflows of resources:

| | |
|---|---------------------|
| Actual amounts (budgetary basis) "available for appropriation" from the budgetary comparison schedule | \$ 2,016,632 |
| Transfers from other funds, other loss recoveries and sale of capital assets are inflows of budgetary resources but are not revenues for financial reporting purposes | <u>(64,993)</u> |
| Total revenues as reported on the Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds | <u>\$ 1,951,639</u> |

Uses/outflows of resources:

| | |
|---|---------------------|
| Actual amounts (budgetary basis) "Total charges against appropriations" from the budgetary comparison schedule | \$ 2,009,392 |
| Transfers to other funds are outflows of budgetary resources but are not expenditures for financial reporting purposes | <u>(6,821)</u> |
| Total expenditures as reported on the Statement of Revenues, Expenditures and Changes in Fund Balance – Governmental Funds (budgetary basis) | <u>2,002,571</u> |
| Encumbrances for goods and services is reported in the year the purchase order, contract or commitment for expenditures is initiated; but reported in the year received or delivered for financial reporting purposes | <u>(9,412)</u> |
| Total expenditures as reported on the Statement of Revenues, Expenditures and Changes in Fund Balance (GAAP) | <u>\$ 1,993,159</u> |

The following table presents a reconciliation of the differences between the budgetary and GAAP basis of accounting for the major Special Revenue Funds (in thousands):

| | |
|---|------------------|
| Total expenditures as reported on the Statement of Revenues, Expenditures and Changes in Fund Balance – major Special Revenue Funds (budgetary basis) | <u>\$ 16,393</u> |
| Encumbrances for goods and services is reported in the year the purchase order, contract or commitment for expenditures is initiated; but reported in the year received or delivered for financial reporting purposes | <u>(51)</u> |
| Total expenditures as reported on the Statement of Revenues, Expenditures and Changes in Fund Balance (GAAP) | <u>\$ 16,342</u> |

**OTHER POST EMPLOYMENT BENEFITS
SCHEDULE OF FUNDING PROGRESS (in thousands)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

| Actuarial Valuation Date (a) | Actuarial Value of Assets (b) | Actuarial Accrued Liability (AAL) (c) | Unfunded AAL (UAAL) (c-b) | Funded Ratio (b/c) | Covered Payroll (d) | UAAL as a % of Covered Payroll ((c-b) / d) |
|---------------------------------------|--|--|---------------------------------|--------------------------|---------------------------|--|
| 01/01/2011 | \$ - | \$ 156,129 | \$ 156,129 | 0.0% | \$ 1,187,368 | 13.15% |
| 01/01/2013 | \$ - | \$ 163,250 | \$ 163,250 | 0.0% | \$ 1,053,105 | 15.50% |
| 01/01/2015 | \$ - | \$ 142,634 | \$ 142,634 | 0.0% | \$ 1,082,302 | 13.18% |

**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF
NET PENSION LIABILITY - FLORIDA RETIREMENT SYSTEM (FRS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(dollars in thousands)**

| | <u>2015</u> | <u>2014</u> |
|---|--------------|--------------|
| Proportion of the net pension liability (asset) | 3.13% | 3.14% |
| Proportionate share of the net pension liability (asset) | \$ 190,768 | \$ 540,324 |
| Covered employee payroll | \$ 1,082,302 | \$ 1,053,105 |
| Proportionate share of the net pension liability (asset) as a percentage of its covered employee payroll | 17.63% | 51.31% |
| Plan fiduciary net position as a percentage of the total pension liability | 96.09% | 88.54% |

SOURCE: Accounting & Financial Reporting Department

(UNAUDITED)

**SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
FLORIDA RETIREMENT SYSTEM (FRS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(dollars in thousands)**

| | <u>2015</u> | <u>2014</u> |
|--|--------------|--------------|
| Contractually required contribution | \$ 74,349 | \$ 68,486 |
| Contributions in relation to the contractually required contribution | \$ 74,349 | \$ 68,486 |
| Contribution deficiency (excess) | \$ - | \$ - |
| Covered employee payroll | \$ 1,082,302 | \$ 1,053,105 |
| Contributions as a percentage of covered employee payroll | 6.87% | 6.50% |

SOURCE: Accounting & Financial Reporting Department

(UNAUDITED)

**SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF NET PENSION LIABILITY
HEALTH INSURANCE SUBSIDY PENSION PLAN
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(dollars in thousands)**

| | <u>2015</u> | <u>2014</u> |
|---|--------------|--------------|
| Proportion of the net pension liability (asset) | 4.07% | 4.05% |
| Proportionate share of the net pension liability (asset) | \$ 380,520 | \$ 352,835 |
| Covered employee payroll | \$ 1,082,302 | \$ 1,053,105 |
| Proportionate share of the net pension liability (asset) as a percentage of its covered employee payroll | 35.16% | 33.50% |
| Plan fiduciary net position as a percentage of the total pension liability | 0.99% | 0.99% |

SOURCE: Accounting & Financial Reporting Department

(UNAUDITED)

**SCHEDULE OF THE DISTRICT'S CONTRIBUTIONS
HEALTH INSURANCE SUBSIDY PENSION PLAN
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(dollars in thousands)**

| | <u>2015</u> | <u>2014</u> |
|--|--------------|--------------|
| Contractually required contribution | \$ 15,458 | \$ 13,941 |
| Contributions in relation to the contractually required contribution | \$ 15,458 | \$ 13,941 |
| Contribution deficiency (excess) | <u>\$ -</u> | <u>\$ -</u> |
| Covered employee payroll | \$ 1,082,302 | \$ 1,053,105 |
| Contribution as a percentage of covered employee payroll | 1.43% | 1.32% |

SOURCE: Accounting & Financial Reporting Department

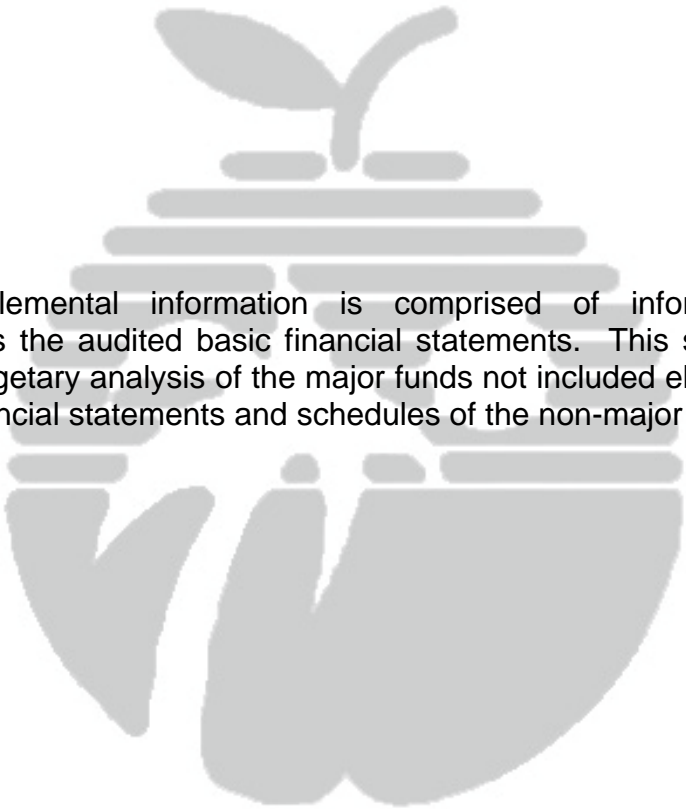
(UNAUDITED)

Broward County Public Schools



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Other Supplemental Information



Other supplemental information is comprised of information that accompanies the audited basic financial statements. This section deals with the budgetary analysis of the major funds not included elsewhere and the fund financial statements and schedules of the non-major funds.

Broward County Public Schools



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Other Major Fund Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Budgetary Basis) and Combining, Individual Non-Major Fund Statements and Schedules

The budgetary analysis schedules of the major funds not required to be included as supplemental information are included here with their respective funds.

Combining financial statements and schedules provide a more detailed view of the non-major funds summarized in the “Basic Financial Statements” presented in the preceding subsections.

**NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET (in thousands)
AS OF JUNE 30, 2015**

| | SPECIAL REVENUE | DEBT SERVICE | CAPITAL PROJECTS | TOTAL |
|---|----------------------------|-------------------------|-----------------------------|------------------|
| ASSETS: | | | | |
| Equity in pooled cash and investments | \$ 50,802 | \$ 1,146 | \$ 7,487 | \$ 59,435 |
| Due from other governmental agencies | 16,792 | 2 | 3,566 | 20,360 |
| Accrued interest receivable | 56 | - | 9 | 65 |
| Inventories | 2,951 | - | - | 2,951 |
| Other assets | 57 | - | - | 57 |
| Total assets | \$ 70,658 | \$ 1,148 | \$ 11,062 | \$ 82,868 |
| LIABILITIES AND FUND BALANCES | | | | |
| Liabilities: | | | | |
| Accounts payable and accrued expenditures | \$ 5,919 | \$ - | \$ 100 | \$ 6,019 |
| Due to other funds | 12,078 | - | - | 12,078 |
| Unearned revenue | 2,418 | - | 486 | 2,904 |
| Retainage payable | - | - | 378 | 378 |
| Matured debt and interest payable | - | 182 | - | 182 |
| Liability for compensated absences | 97 | - | - | 97 |
| Total liabilities | 20,512 | 182 | 964 | 21,658 |
| Fund balances: | | | | |
| Nonspendable | 2,951 | - | - | 2,951 |
| Restricted | 44,059 | 966 | 10,098 | 55,123 |
| Assigned | 3,136 | - | - | 3,136 |
| Total fund balance | 50,146 | 966 | 10,098 | 61,210 |
| Total liabilities and fund balance | \$ 70,658 | \$ 1,148 | \$ 11,062 | \$ 82,868 |

**NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES (in thousands)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

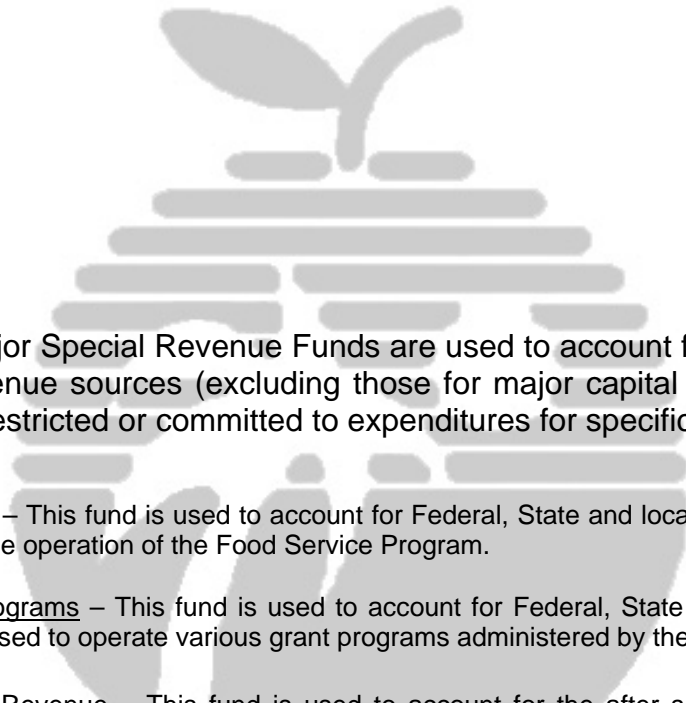
| | <u>SPECIAL REVENUE</u> | <u>DEBT SERVICE</u> | <u>CAPITAL PROJECTS</u> | <u>TOTAL</u> |
|---|----------------------------|-------------------------|-----------------------------|------------------|
| REVENUES: | | | | |
| Local sources: | | | | |
| Ad valorem taxes | \$ - | \$ 13 | \$ - | \$ 13 |
| Food sales | 17,009 | - | - | 17,009 |
| Interest on investments | 170 | 1 | 33 | 204 |
| Other | 6,878 | 2 | - | 6,880 |
| Total local sources | <u>24,057</u> | <u>16</u> | <u>33</u> | <u>24,106</u> |
| State sources: | | | | |
| Public education capital outlay | - | - | 4,530 | 4,530 |
| Categorical programs and other | 6,388 | 7,841 | 3,086 | 17,315 |
| Total state sources | <u>6,388</u> | <u>7,841</u> | <u>7,616</u> | <u>21,845</u> |
| Federal sources: | | | | |
| Food service | 79,241 | - | - | 79,241 |
| Grants and other | 184,324 | - | - | 184,324 |
| Total federal sources | <u>263,565</u> | <u>-</u> | <u>-</u> | <u>263,565</u> |
| Total revenues | <u>294,010</u> | <u>7,857</u> | <u>7,649</u> | <u>309,516</u> |
| EXPENDITURES: | | | | |
| Current operating: | | | | |
| Instructional services | 132,641 | - | - | 132,641 |
| Instructional support services | 45,562 | - | - | 45,562 |
| Pupil transportation services | 643 | - | - | 643 |
| Operation and maintenance of plant | 133 | - | - | 133 |
| School administration | 181 | - | - | 181 |
| General administration | 7,541 | - | - | 7,541 |
| Food services | 102,672 | - | - | 102,672 |
| Total current operating | <u>289,373</u> | <u>-</u> | <u>-</u> | <u>289,373</u> |
| Debt service: | | | | |
| Principal retirement | - | 6,445 | - | 6,445 |
| Interest charges and other | - | 2,530 | 6 | 2,536 |
| Total debt service | <u>-</u> | <u>8,975</u> | <u>6</u> | <u>8,981</u> |
| Capital outlay | | | | |
| | <u>-</u> | <u>-</u> | <u>1,583</u> | <u>1,583</u> |
| Total expenditures | <u>289,373</u> | <u>8,975</u> | <u>1,589</u> | <u>299,937</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>4,637</u> | <u>(1,118)</u> | <u>6,060</u> | <u>9,579</u> |
| OTHER FINANCING SOURCES (USES): | | | | |
| Refunding bonds issued | - | 9,200 | - | 9,200 |
| Payments to refunded bond escrow agent | - | (10,016) | - | (10,016) |
| Premium (discount) on long-term debt issued | - | 630 | - | 630 |
| Transfers in | 40 | 1,148 | - | 1,188 |
| Transfers out | (803) | - | (4,530) | (5,333) |
| Total other financing sources (uses) | <u>(763)</u> | <u>962</u> | <u>(4,530)</u> | <u>(4,331)</u> |
| Net change in fund balances | <u>3,874</u> | <u>(156)</u> | <u>1,530</u> | <u>5,248</u> |
| Fund balances, beginning of year | <u>46,272</u> | <u>1,122</u> | <u>8,568</u> | <u>55,962</u> |
| Fund balances, end of year | <u>\$ 50,146</u> | <u>\$ 966</u> | <u>\$ 10,098</u> | <u>\$ 61,210</u> |

Broward County Public Schools



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Non-Major Special Revenue Funds



The non-major Special Revenue Funds are used to account for funds from specific revenue sources (excluding those for major capital projects) that are legally restricted or committed to expenditures for specific purposes.

Food Services – This fund is used to account for Federal, State and local funds received and used for the operation of the Food Service Program.

Contracted Programs – This fund is used to account for Federal, State and local funds received and used to operate various grant programs administered by the School Board.

Other Special Revenue – This fund is used to account for the after school child care program which provides tuition waivers for families who have demonstrated financial need. This fund is also used to account for miscellaneous revenues and expenditures related to various District wide events and certain departmental activities.

NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET (in thousands)
AS OF JUNE 30, 2015

| | FOOD SERVICES | CONTRACTED PROGRAMS | OTHER SPECIAL REVENUE | TOTAL |
|--|--------------------------|--------------------------------|--------------------------------------|------------------|
| ASSETS: | | | | |
| Equity in pooled cash and investments | \$ 44,331 | \$ 3,316 | \$ 3,155 | \$ 50,802 |
| Due from other governmental agencies | 1,720 | 15,072 | - | 16,792 |
| Accrued interest receivable | 52 | - | 4 | 56 |
| Inventories | 2,951 | - | - | 2,951 |
| Other assets | 53 | - | 4 | 57 |
| Total assets | \$ 49,107 | \$ 18,388 | \$ 3,163 | \$ 70,658 |
| LIABILITIES AND FUND BALANCES: | | | | |
| LIABILITIES: | | | | |
| Accounts payable and accrued expenditures | \$ 2,016 | \$ 3,892 | \$ 11 | \$ 5,919 |
| Due to other funds | - | 12,078 | - | 12,078 |
| Unearned revenue | - | 2,418 | - | 2,418 |
| Liability for compensated absences | 97 | - | - | 97 |
| Total liabilities | 2,113 | 18,388 | 11 | 20,512 |
| FUND BALANCES: | | | | |
| Nonspendable | 2,951 | - | - | 2,951 |
| Restricted | 44,043 | - | 16 | 44,059 |
| Assigned | - | - | 3,136 | 3,136 |
| Total fund balances | 46,994 | - | 3,152 | 50,146 |
| Total liabilities and fund balances | \$ 49,107 | \$ 18,388 | \$ 3,163 | \$ 70,658 |

**NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (in thousands)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

| | FOOD SERVICES | CONTRACTED PROGRAMS | OTHER SPECIAL REVENUE | TOTAL |
|--|--------------------------|--------------------------------|--------------------------------------|------------------|
| REVENUES: | | | | |
| Local sources: | | | | |
| Food sales | \$ 17,009 | \$ - | \$ - | \$ 17,009 |
| Interest on investments | 158 | - | 12 | 170 |
| Other | 230 | 5,216 | 1,432 | 6,878 |
| Total local sources | <u>17,397</u> | <u>5,216</u> | <u>1,444</u> | <u>24,057</u> |
| State sources: | | | | |
| Other | 1,338 | 5,050 | - | 6,388 |
| Federal sources: | | | | |
| Food service | 79,241 | - | - | 79,241 |
| USDA | 7,489 | - | - | 7,489 |
| Other | 837 | 175,998 | - | 176,835 |
| Total federal sources | <u>87,567</u> | <u>175,998</u> | <u>-</u> | <u>263,565</u> |
| Total revenues | <u>106,302</u> | <u>186,264</u> | <u>1,444</u> | <u>294,010</u> |
| EXPENDITURES: | | | | |
| Current operating: | | | | |
| Instructional services | - | 132,252 | 389 | 132,641 |
| Instructional support services | - | 45,562 | - | 45,562 |
| Pupil transportation services | - | 635 | 8 | 643 |
| Operation and maintenance of plant | - | 133 | - | 133 |
| School administration | - | 181 | - | 181 |
| General administration | - | 7,541 | - | 7,541 |
| Food service | 102,672 | - | - | 102,672 |
| Total current operating | <u>102,672</u> | <u>186,304</u> | <u>397</u> | <u>289,373</u> |
| Total expenditures | <u>102,672</u> | <u>186,304</u> | <u>397</u> | <u>289,373</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>3,630</u> | <u>(40)</u> | <u>1,047</u> | <u>4,637</u> |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers in | - | 40 | - | 40 |
| Transfers out | - | - | (803) | (803) |
| Total other financing sources (uses) | <u>-</u> | <u>40</u> | <u>(803)</u> | <u>(763)</u> |
| Net change in fund balances | 3,630 | - | 244 | 3,874 |
| Fund balances, beginning of year | <u>43,364</u> | <u>-</u> | <u>2,908</u> | <u>46,272</u> |
| Fund balances, end of year | <u>\$ 46,994</u> | <u>\$ -</u> | <u>\$ 3,152</u> | <u>\$ 50,146</u> |

**NON-MAJOR SPECIAL REVENUE FUND - FOOD SERVICES
COMPARATIVE SCHEDULES OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (in thousands)
BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

| | BUDGET | | ACTUAL | VARIANCE Positive (Negative) |
|--|-----------------|----------------|------------------|------------------------------------|
| | ORIGINAL | FINAL | | |
| REVENUES: | | | | |
| Local sources: | | | | |
| Food sales | \$ 18,543 | \$ 17,009 | \$ 17,009 | \$ - |
| Interest on investments | 403 | 158 | 158 | - |
| Other | 495 | 230 | 230 | - |
| Total local sources | 19,441 | 17,397 | 17,397 | - |
| State sources: | | | | |
| Other | 1,357 | 1,338 | 1,338 | - |
| Federal sources: | | | | |
| Federal reimbursement | 78,788 | 79,241 | 79,241 | - |
| USDA | 6,541 | 7,489 | 7,489 | - |
| Other | 1,778 | 837 | 837 | - |
| Total federal sources | 87,107 | 87,567 | 87,567 | - |
| Total revenues | 107,905 | 106,302 | 106,302 | - |
| EXPENDITURES: | | | | |
| Salaries | 27,561 | 26,140 | 26,140 | - |
| Employee benefits | 15,119 | 13,688 | 13,688 | - |
| Purchased services | 5,718 | 5,459 | 5,619 | (160) |
| Energy services | 2,278 | 2,098 | 2,098 | - |
| Materials and supplies | 50,256 | 50,673 | 51,375 | (702) |
| Capital outlay | 5,379 | 2,665 | 3,662 | (997) |
| Other expenditures | 3,136 | 1,949 | 1,949 | - |
| Total expenditures | 109,447 | 102,672 | 104,531 | (1,859) |
| Excess (deficiency) of revenues over (under) expenditures (budgetary basis) | (1,542) | 3,630 | 1,771 | (1,859) |
| Excess (Deficiency) of revenues and other sources over (under) expenditures and other uses (budgetary basis) | \$ (1,542) | \$ 3,630 | 1,771 | \$ (1,859) |
| Appropriated beginning fund balances | \$ 1,542 | \$ - | | |
| Adjustment to conform with GAAP: | | | | |
| Elimination of encumbrances | | | 1,859 | |
| Excess(deficiency) of revenues over (under) expenditures (GAAP basis) | | | 3,630 | |
| Fund balances (deficits), beginning of year | | | 43,364 | |
| Fund balances, end of year | | | \$ 46,994 | |

**NON-MAJOR SPECIAL REVENUE FUND - CONTRACTED PROGRAMS
COMPARATIVE SCHEDULES OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (in thousands)
BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

| | BUDGET | | ACTUAL | VARIANCE Positive (Negative) |
|--|----------------|----------------|----------------|------------------------------------|
| | ORIGINAL | FINAL | | |
| REVENUES: | | | | |
| Local sources: | | | | |
| Other | \$ 5,187 | \$ 7,037 | \$ 5,216 | \$ (1,821) |
| State sources: | | | | |
| Other | 1,469 | 7,100 | 5,050 | (2,050) |
| Federal sources: | | | | |
| Other | 198,676 | 215,645 | 175,998 | (39,647) |
| Total revenues | <u>205,332</u> | <u>229,782</u> | <u>186,264</u> | <u>(43,518)</u> |
| EXPENDITURES: | | | | |
| Current operating: | | | | |
| Instructional services | 144,940 | 160,472 | 135,402 | 25,070 |
| Instructional support services | 49,562 | 57,576 | 47,159 | 10,417 |
| Pupil transportation services | 613 | 776 | 639 | 137 |
| Operation and maintenance of plant | 58 | 279 | 133 | 146 |
| School administration | 769 | 769 | 181 | 588 |
| General administration | 9,432 | 9,731 | 7,551 | 2,180 |
| Total current operating | <u>205,374</u> | <u>229,603</u> | <u>191,065</u> | <u>38,538</u> |
| Capital outlay | <u>-</u> | <u>220</u> | <u>29</u> | <u>191</u> |
| Total expenditures | <u>205,374</u> | <u>229,823</u> | <u>191,094</u> | <u>38,729</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(42)</u> | <u>(41)</u> | <u>(4,830)</u> | <u>(4,789)</u> |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers in | 40 | 40 | 40 | - |
| Total other financing sources (uses) | <u>40</u> | <u>40</u> | <u>40</u> | <u>-</u> |
| Excess (deficiency) of revenues and other sources over (under) expenditures and other uses (budgetary basis) | <u>\$ (2)</u> | <u>\$ (1)</u> | <u>(4,790)</u> | <u>\$ (4,789)</u> |
| Appropriated beginning fund balances | <u>\$ 2</u> | <u>\$ 1</u> | | |
| Adjustment to conform with GAAP: | | | | |
| Elimination of encumbrances | | | <u>4,790</u> | |
| Excess (deficiency) of revenues and other sources over (under) expenditures and other uses (GAAP basis) | | | - | |
| Fund balances, beginning of year | | | <u>-</u> | |
| Fund balances, end of year | | | <u>\$ -</u> | |

**NON-MAJOR SPECIAL REVENUE FUND - OTHER SPECIAL REVENUE
COMPARATIVE SCHEDULES OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (in thousands)
BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

| | BUDGET | | ACTUAL | VARIANCE Positive (Negative) |
|--|---------------|---------------|-----------------|------------------------------------|
| | ORIGINAL | FINAL | | |
| REVENUES: | | | | |
| Local sources: | | | | |
| Interest on investments | \$ - | \$ 12 | \$ 12 | \$ - |
| Other | 1,367 | 1,432 | 1,432 | - |
| Total revenues | <u>1,367</u> | <u>1,444</u> | <u>1,444</u> | <u>-</u> |
| EXPENDITURES: | | | | |
| Purchased services | 209 | 204 | 222 | (18) |
| Materials and supplies | 204 | 187 | 191 | (4) |
| Capital outlay | 18 | 6 | 6 | - |
| Other expenditures | 3 | - | 1 | (1) |
| Total expenditures | <u>434</u> | <u>397</u> | <u>420</u> | <u>(23)</u> |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers out | (800) | (803) | (803) | - |
| Total other financing uses | <u>(800)</u> | <u>(803)</u> | <u>(803)</u> | <u>-</u> |
| Excess (deficiency) of revenues and other sources over (under) expenditures and other uses (budgetary basis) | <u>\$ 133</u> | <u>\$ 244</u> | 221 | <u>\$ (23)</u> |
| Appropriated beginning fund balances | <u>\$ -</u> | <u>\$ -</u> | | |
| Adjustment to conform with GAAP: | | | | |
| Elimination of encumbrances | | | 23 | |
| Excess (deficiency) of revenues and other sources over (under) expenditures and other uses (GAAP Basis) | | | 244 | |
| Fund balances, beginning of year | | | <u>2,908</u> | |
| Fund balances, end of year | | | <u>\$ 3,152</u> | |

Major Debt Service Fund Comparative Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Budgetary Basis) and Non-Major Debt Service Funds

Debt Service Funds are used to account for the accumulation of resources and the payment of general long-term debt principal and interest. The non-major Debt Service Funds are:

Capital Outlay Bond Issue – Used to account for the payment of current year's principal and interest obligations on COBI Bonds.

District Bonds – Used to account for the payment of current year's principal and interest requirements on General Obligation Bonds.

**NON-MAJOR DEBT SERVICE FUNDS
COMBINING BALANCE SHEET (in thousands)
AS OF JUNE 30, 2015**

| | COBI BONDS | DISTRICT BONDS | TOTAL |
|--|-----------------------|---------------------------|-----------------|
| ASSETS: | | | |
| Equity in pooled cash and investments | \$ 673 | \$ 473 | \$ 1,146 |
| Due from other governmental agencies | - | 2 | 2 |
| Total assets | \$ 673 | \$ 475 | \$ 1,148 |
| LIABILITIES AND FUND BALANCES: | | | |
| LIABILITIES: | | | |
| Matured debt and interest payable | \$ - | \$ 182 | \$ 182 |
| Total liabilities | \$ - | \$ 182 | \$ 182 |
| FUND BALANCES: | | | |
| Restricted | \$ 673 | \$ 293 | \$ 966 |
| Total fund balances | 673 | 293 | 966 |
| Total liabilities and fund balances | \$ 673 | \$ 475 | \$ 1,148 |

**NON-MAJOR DEBT SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (in thousands)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

| | COBI BONDS | DISTRICT BONDS | TOTAL |
|---|-----------------------|---------------------------|----------------|
| REVENUES: | | | |
| Local sources: | | | |
| Ad valorem taxes | \$ - | \$ 13 | \$ 13 |
| Interest on investments | - | 1 | 1 |
| Other | - | 2 | 2 |
| Total local sources | <u>-</u> | <u>16</u> | <u>16</u> |
| State sources: | | | |
| Other | 7,841 | - | 7,841 |
| Total state sources | <u>7,841</u> | <u>-</u> | <u>7,841</u> |
| Total revenues | <u>7,841</u> | <u>16</u> | <u>7,857</u> |
| EXPENDITURES: | | | |
| Principal retirement | 6,445 | - | 6,445 |
| Interest charges and other | 1,382 | 1,148 | 2,530 |
| Total expenditures | <u>7,827</u> | <u>1,148</u> | <u>8,975</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>14</u> | <u>(1,132)</u> | <u>(1,118)</u> |
| OTHER FINANCING SOURCES (USES): | | | |
| District bonds | - | - | - |
| Refunding bonds issued | 9,200 | - | 9,200 |
| Premium (discount) on long-term debt issued | 630 | - | 630 |
| Payments to refunded bond escrow agent | (10,016) | - | (10,016) |
| Transfers in | - | 1,148 | 1,148 |
| Transfers out | - | - | - |
| Total other financing sources (uses) | <u>(186)</u> | <u>1,148</u> | <u>962</u> |
| Net change in fund balances | (172) | 16 | (156) |
| Fund balances, beginning of year | <u>845</u> | <u>277</u> | <u>1,122</u> |
| Fund balances, end of year | <u>\$ 673</u> | <u>\$ 293</u> | <u>\$ 966</u> |

**MAJOR DEBT SERVICE FUNDS - COP SERIES
COMPARATIVE SCHEDULES OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (in thousands)
BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

| | BUDGET | | ACTUAL | VARIANCE Positive (Negative) |
|--|------------------|------------------|------------------|------------------------------------|
| | ORIGINAL | FINAL | | |
| REVENUES: | | | | |
| Local sources: | | | | |
| Interest on investments | \$ - | \$ 94 | \$ 94 | \$ - |
| Total revenues | <u>-</u> | <u>94</u> | <u>94</u> | <u>-</u> |
| EXPENDITURES: | | | | |
| Principal retirement | 80,774 | 77,646 | 77,646 | - |
| Interest charges and other | 77,349 | 73,739 | 73,739 | - |
| Total expenditures | <u>158,123</u> | <u>151,385</u> | <u>151,385</u> | <u>-</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>(158,123)</u> | <u>(151,291)</u> | <u>(151,291)</u> | <u>-</u> |
| OTHER FINANCING SOURCES (USES): | | | | |
| Certificates of participation | - | 423,165 | 423,165 | - |
| Net premium on long-term debt issued | - | 84,089 | 84,089 | - |
| Payments to refunded bond escrow agent | - | (505,318) | (505,318) | - |
| Transfers in | 164,323 | 155,957 | 155,957 | - |
| Transfers out | - | - | - | - |
| Total other financing sources (uses) | <u>164,323</u> | <u>157,893</u> | <u>157,893</u> | <u>-</u> |
| Excess (deficiency) of revenues and other sources over (under) expenditures and other uses | <u>\$ 6,200</u> | <u>\$ 6,602</u> | 6,602 | <u>\$ -</u> |
| Appropriated beginning fund balances | <u>\$ -</u> | <u>\$ -</u> | | |
| Fund balances (deficit), beginning of year | | | <u>(5,229)</u> | |
| Fund balances, end of year | | | <u>\$ 1,373</u> | |

**MAJOR DEBT SERVICE FUNDS - ARRA ECONOMIC STIMULUS
COMPARATIVE SCHEDULES OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (in thousands)
BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

| | BUDGET | | ACTUAL | VARIANCE Positive (Negative) |
|--|---------------|---------------|---------------|------------------------------------|
| | ORIGINAL | FINAL | | |
| REVENUES: | | | | |
| Local sources: | | | | |
| Interest on investments | \$ - | \$ 168 | \$ 169 | \$ 1 |
| Total revenues | \$ - | \$ 168 | \$ 169 | \$ 1 |
| EXPENDITURES: | | | | |
| Principal retirement | 4,540 | 4,540 | 4,540 | - |
| Interest charges and other | 8,061 | 8,061 | 8,061 | - |
| Total expenditures | 12,601 | 12,601 | 12,601 | - |
| Excess (deficiency) of revenues over (under) expenditures | (12,601) | (12,433) | (12,432) | 1 |
| OTHER FINANCING SOURCES: | | | | |
| Transfers in | 12,601 | 12,574 | 12,574 | - |
| Total other financing sources | 12,601 | 12,574 | 12,574 | - |
| Excess (deficiency) of revenues and other sources over (under) expenditures and other uses | \$ - | \$ 141 | 142 | \$ 1 |
| Appropriated beginning fund balances | \$ - | \$ - | | |
| Fund balances, beginning of year | | | 235 | |
| Fund balances, end of year | | | \$ 377 | |

**NON-MAJOR DEBT SERVICE FUNDS - COBI DEBT SERVICE
COMPARATIVE SCHEDULES OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (in thousands)
BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

| | BUDGET | | ACTUAL | VARIANCE Positive (Negative) |
|--|--------------|-----------------|---------------|------------------------------------|
| | ORIGINAL | FINAL | | |
| REVENUES: | | | | |
| Withheld for COBI bonds | \$ 8,150 | \$ 7,834 | \$ 7,834 | \$ - |
| Interest on investments | - | 7 | 7 | - |
| Total revenues | <u>8,150</u> | <u>7,841</u> | <u>7,841</u> | <u>-</u> |
| EXPENDITURES: | | | | |
| Principal retirement | 6,445 | 6,445 | 6,445 | - |
| Interest charges and other | 1,705 | 1,382 | 1,382 | - |
| Total expenditures | <u>8,150</u> | <u>7,827</u> | <u>7,827</u> | <u>-</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>-</u> | <u>14</u> | <u>14</u> | <u>-</u> |
| OTHER FINANCING SOURCES (USES): | | | | |
| Premium on refunding bonds | - | 630 | 630 | - |
| Refunding bonds issued | - | 9,200 | 9,200 | - |
| Payments to refunded bond escrow agent | - | (10,016) | (10,016) | - |
| Total other financing sources (uses) | <u>-</u> | <u>(186)</u> | <u>(186)</u> | <u>-</u> |
| Excess (Deficiency) of revenues and other sources over (under) expenditures and other uses | <u>\$ -</u> | <u>\$ (172)</u> | <u>(172)</u> | <u>\$ -</u> |
| Appropriated beginning fund balances | <u>\$ -</u> | <u>\$ 172</u> | | |
| Fund balances, beginning of year | | | <u>845</u> | |
| Fund balances, end of year | | | <u>\$ 673</u> | |

**NON-MAJOR DEBT SERVICE FUNDS - DISTRICT BONDS AND SECTION 237.161 LOANS
COMPARATIVE SCHEDULES OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (in thousands)
BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

| | BUDGET | | ACTUAL | VARIANCE Positive (Negative) |
|--|-------------|--------------|---------------|------------------------------------|
| | ORIGINAL | FINAL | | |
| REVENUES: | | | | |
| Local sources: | | | | |
| Ad valorem taxes | \$ - | \$ 13 | \$ 13 | \$ - |
| Interest on investments | - | 1 | 1 | - |
| Other | - | 2 | 2 | - |
| Total revenues | <u>-</u> | <u>16</u> | <u>16</u> | <u>-</u> |
| EXPENDITURES: | | | | |
| Interest charges and other | - | 1,148 | 1,148 | - |
| Total expenditures | <u>-</u> | <u>1,148</u> | <u>1,148</u> | <u>-</u> |
| Excess (deficiency) of revenues over (under) expenditures | - | (1,132) | (1,132) | - |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers in | - | 1,148 | 1,148 | - |
| Transfers out | - | - | - | - |
| Total other financing sources (uses) | <u>-</u> | <u>1,148</u> | <u>1,148</u> | <u>-</u> |
| Excess (deficiency) of revenues and other sources over (under) expenditures and other uses | <u>\$ -</u> | <u>\$ 16</u> | 16 | <u>\$ -</u> |
| Appropriated beginning fund balances | <u>\$ -</u> | <u>\$ -</u> | | |
| Fund balances, beginning of year | | | <u>277</u> | |
| Fund balances, end of year | | | <u>\$ 293</u> | |

Broward County Public Schools



***Educating Today's Students
To Succeed In Tomorrow's World***

Major Capital Projects Fund Comparative Schedules of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual (Budgetary Basis) and Non-Major Capital Projects Funds

Capital Projects Funds are used to account for the accumulation of resources and the payment of acquisition/construction of major facilities and equipment. The non-major Capital Projects Funds are:

Capital Outlay and Debt Service – Used to account for State approved projects financed with bonds sold by the State Board of Education on behalf of School districts.

Capital Outlay Bond Issue – Used to account for major construction projects on the Project Priority List financed by CO&DS revenues.

Public Education Capital Funds – Used to account for funds generated through the levy of the gross receipts tax on utilities and are used to accomplish fixed capital outlay projects of the School District.

**NON-MAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET (in thousands)
AS OF JUNE 30, 2015**

| | CAPITAL OUTLAY AND DEBT SERVICE | CAPITAL OUTLAY BOND ISSUE | PUBLIC EDUCATION CAPITAL FUND | TOTAL |
|--|--|--|--|------------------|
| ASSETS: | | | | |
| Equity in pooled cash and investments | \$ 5,433 | \$ 1,678 | \$ 376 | \$ 7,487 |
| Due from other governmental agencies | 3,566 | - | - | 3,566 |
| Accrued interest receivable | 7 | 2 | - | 9 |
| Total assets | \$ 9,006 | \$ 1,680 | \$ 376 | \$ 11,062 |
| LIABILITIES AND FUND BALANCES: | | | | |
| LIABILITIES: | | | | |
| Accounts payable and accrued expenditures | \$ 89 | \$ 11 | \$ - | \$ 100 |
| Deferred revenue | 486 | - | - | 486 |
| Retainages payable | - | 187 | 191 | 378 |
| Total liabilities | 575 | 198 | 191 | 964 |
| FUND BALANCES: | | | | |
| Restricted | 8,431 | 1,482 | 185 | 10,098 |
| Total fund balances | 8,431 | 1,482 | 185 | 10,098 |
| Total liabilities and fund balances | \$ 9,006 | \$ 1,680 | \$ 376 | \$ 11,062 |

**NON-MAJOR CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (in thousands)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

| | CAPITAL OUTLAY AND DEBT SERVICE | CAPITAL OUTLAY BOND ISSUE | PUBLIC EDUCATION CAPITAL OUTLAY FUND | TOTAL |
|--|--|--|---|------------------|
| REVENUES: | | | | |
| Local sources: | | | | |
| Interest on investments | \$ 27 | \$ 6 | \$ - | \$ 33 |
| Total local sources | 27 | 6 | - | 33 |
| State sources: | | | | |
| Public education capital outlay | - | - | 4,530 | 4,530 |
| Other | 3,086 | - | - | 3,086 |
| Total state sources | 3,086 | - | 4,530 | 7,616 |
| Total revenues | 3,113 | 6 | 4,530 | 7,649 |
| EXPENDITURES: | | | | |
| Interest charges and other | 6 | - | - | 6 |
| Capital outlay | 966 | 611 | 6 | 1,583 |
| Total expenditures | 972 | 611 | 6 | 1,589 |
| Excess (deficiency) of revenues over (under) expenditures | 2,141 | (605) | 4,524 | 6,060 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers out | - | - | (4,530) | (4,530) |
| Total other financing sources (uses) | - | - | (4,530) | (4,530) |
| Net change in fund balances | 2,141 | (605) | (6) | 1,530 |
| Fund balances, beginning of year | 6,290 | 2,087 | 191 | 8,568 |
| Fund balances, end of year | \$ 8,431 | \$ 1,482 | \$ 185 | \$ 10,098 |

**MAJOR CAPITAL PROJECTS FUNDS - LOCAL MILLAGE CAPITAL IMPROVEMENT
COMPARATIVE SCHEDULES OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (in thousands)
BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

| | BUDGET | | ACTUAL | VARIANCE Positive (Negative) |
|--|------------------|------------------|------------------|------------------------------------|
| | ORIGINAL | FINAL | | |
| REVENUES: | | | | |
| Local sources: | | | | |
| Ad valorem taxes | \$ 221,097 | \$ 218,480 | \$ 218,479 | \$ (1) |
| Interest on investments | - | 270 | 268 | (2) |
| Other | 4,052 | 5,311 | 5,311 | - |
| Total local sources | 225,149 | 224,061 | 224,058 | (3) |
| State sources: | | | | |
| Other | - | 198 | 198 | - |
| Total revenues | 225,149 | 224,259 | 224,256 | (3) |
| EXPENDITURES: | | | | |
| Capital outlay | 92,561 | 15,031 | 24,815 | (9,784) |
| Total expenditures | 92,561 | 15,031 | 24,815 | (9,784) |
| Excess (deficiency) of revenues over (under) expenditures | 132,588 | 209,228 | 199,441 | (9,787) |
| OTHER FINANCING SOURCES (USES): | | | | |
| Proceeds from sale of capital assets | - | 514 | 514 | - |
| Transfers out | (219,432) | (196,968) | (196,968) | - |
| Total other financing sources (uses) | (219,432) | (196,454) | (196,454) | - |
| Excess (deficiency) of revenues and other sources over (under) expenditures and other uses (budgetary basis) | \$ (86,844) | \$ 12,774 | 2,987 | \$ (9,787) |
| Appropriated beginning fund balances | \$ 86,844 | \$ - | | |
| Adjustments to conform with GAAP: | | | | |
| Elimination of encumbrances | | | 9,304 | |
| Excess (deficiency) of revenues over (under) expenditures (GAAP basis) | | | 12,291 | |
| Fund balances, beginning of year | | | 86,844 | |
| Fund balances, end of year | | | \$ 99,135 | |

**MAJOR CAPITAL PROJECTS FUNDS - ARRA ECONOMIC STIMULUS
COMPARATIVE SCHEDULES OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (in thousands)
BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

| | BUDGET | | ACTUAL | VARIANCE Positive (Negative) |
|--|-----------------|--------------|---------------|---|
| | ORIGINAL | FINAL | | |
| REVENUES: | | | | |
| Local sources: | | | | |
| Interest on investments | \$ - | \$ 20 | \$ 20 | \$ - |
| Total local sources | - | 20 | 20 | - |
| Total revenues | - | 20 | 20 | - |
| EXPENDITURES: | | | | |
| Capital outlay | 17,989 | 1,604 | 2,606 | (1,002) |
| Total expenditures | 17,989 | 1,604 | 2,606 | (1,002) |
| Excess (deficiency) of revenues over (under) expenditures | (17,989) | (1,584) | (2,586) | (1,002) |
| OTHER FINANCING SOURCES (USES): | | | | |
| Transfers out | - | (7) | (7) | - |
| Total other financing sources (uses) | - | (7) | (7) | - |
| Excess (deficiency) of revenues and other sources over (under) expenditures and other uses (budgetary basis) | \$ (17,989) | \$ (1,591) | (2,593) | \$ (1,002) |
| Appropriated beginning fund balances | \$ 17,989 | \$ 1,591 | | |
| Adjustment to conform with GAAP: | | | | |
| Elimination of encumbrances | | | 946 | |
| Excess (deficiency) of revenues and other sources over (under) expenditures and other uses (GAAP basis) | | | (1,647) | |
| Fund balances, beginning of year | | | 17,989 | |
| Fund balances, end of year | | | \$ 16,342 | |

**MAJOR CAPITAL PROJECTS FUNDS - OTHER CAPITAL IMPROVEMENT
COMPARATIVE SCHEDULES OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (in thousands)
BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

| | BUDGET | | ACTUAL | VARIANCE Positive (Negative) |
|--|-------------------|-----------------|-------------------|------------------------------------|
| | ORIGINAL | FINAL | | |
| REVENUES: | | | | |
| Local sources: | | | | |
| Interest on investments | \$ - | \$ 187 | \$ 187 | \$ - |
| Other | 8,501 | 20,303 | 20,303 | - |
| Total local sources | 8,501 | 20,490 | 20,490 | - |
| State sources: | | | | |
| Other | 14,166 | 13,617 | 13,617 | - |
| Total state sources | 14,166 | 13,617 | 13,617 | - |
| Total revenues | 22,667 | 34,107 | 34,107 | - |
| EXPENDITURES: | | | | |
| Capital outlay | 147,483 | 49,795 | 79,003 | (29,208) |
| Total expenditures | 147,483 | 49,795 | 79,003 | (29,208) |
| Excess (deficiency) of revenues over (under) expenditures | (124,816) | (15,688) | (44,896) | (29,208) |
| OTHER FINANCING SOURCES (USES): | | | | |
| Capital lease | 30,000 | 30,000 | 30,000 | - |
| Sale of capital assets | - | 317 | 317 | - |
| Transfers in | - | 1,764 | 1,764 | - |
| Transfers out | (20,000) | (26,198) | (26,198) | - |
| Total other financing sources (uses) | 10,000 | 5,883 | 5,883 | - |
| Excess (deficiency) of revenues and other sources over (under) expenditures and other uses (budgetary basis) | \$ (114,816) | \$ (9,805) | (39,013) | \$ (29,208) |
| Appropriated beginning fund balances | \$ 114,816 | \$ 9,805 | | |
| Adjustment to conform with GAAP: | | | | |
| Elimination of encumbrances | | | 25,394 | |
| Excess (deficiency) of revenues and other sources over (under) expenditures and other uses (GAAP basis) | | | (13,619) | |
| Fund balances, beginning of year | | | 114,818 | |
| Fund balances, end of year | | | \$ 101,199 | |

**MAJOR CAPITAL PROJECTS FUNDS - DISTRICT BONDS
COMPARATIVE SCHEDULES OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (in thousands)
BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

| | BUDGET | | ACTUAL | VARIANCE |
|--|----------|--------------|------------|------------------------|
| | ORIGINAL | FINAL | | Positive (Negative) |
| Capital outlay | \$ - | \$ 162,638 | \$ 4,228 | \$ 158,410 |
| Total expenditures | - | 162,638 | 4,228 | 158,410 |
| Excess (deficiency) of revenues over (under) expenditures | - | (162,638) | (4,228) | 158,410 |
| OTHER FINANCING SOURCES (USES): | | | | |
| Bonds | - | 155,055 | 155,055 | - |
| Premium (Discount) on Bonds | - | 8,732 | 8,732 | - |
| Transfers out | - | (1,149) | (1,149) | - |
| Total other financing sources (uses) | - | (1,149) | 162,638 | - |
| Excess (deficiency) of revenues and other sources over (under) expenditures and other uses (budgetary basis) | \$ - | \$ (163,787) | 158,410 | \$ 158,410 |
| Appropriated beginning fund balances | \$ - | \$ 163,787 | | |
| Adjustment to conform with GAAP: | | | | |
| Elimination of encumbrances | | | 2,002 | |
| Excess (deficiency) of revenues and other sources over (under) expenditures and other uses (GAAP basis) | | | 160,412 | |
| Fund balances, beginning of year | | | - | |
| Fund balances, end of year | | | \$ 160,412 | |

**NON-MAJOR CAPITAL PROJECTS FUNDS - CAPITAL OUTLAY AND DEBT SERVICE
 COMPARATIVE SCHEDULES OF REVENUES, EXPENDITURES,
 AND CHANGES IN FUND BALANCES (in thousands)
 BUDGET AND ACTUAL (BUDGETARY BASIS)
 FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

| | BUDGET | | ACTUAL | VARIANCE Positive (Negative) |
|---|------------|------------|----------|------------------------------------|
| | ORIGINAL | FINAL | | |
| REVENUES: | | | | |
| Local sources: | | | | |
| Interest on investments | \$ - | \$ 27 | \$ 27 | \$ - |
| Total local sources | - | 27 | 27 | - |
| State sources: | | | | |
| Other | - | 3,086 | 3,086 | - |
| Total state sources | - | 3,086 | 3,086 | - |
| Total revenues | - | 3,113 | 3,113 | - |
| EXPENDITURES: | | | | |
| Interest charges and other | - | 6 | 6 | - |
| Capital outlay | 6,290 | 9,397 | 1,391 | 8,006 |
| Total expenditures | 6,290 | 9,403 | 1,397 | 8,006 |
| Excess (deficiency) of revenues over (under) expenditures (budgetary basis) | \$ (6,290) | \$ (6,290) | 1,716 | \$ 8,006 |
| Appropriated beginning fund balances | \$ 6,290 | \$ 6,290 | | |
| Adjustments to conform with GAAP: | | | | |
| Elimination of encumbrances | | | 425 | |
| Excess (deficiency) of revenues over (under) expenditures (GAAP basis) | | | 2,141 | |
| Fund balances, beginning of year | | | 6,290 | |
| Fund balances, end of year | | | \$ 8,431 | |

**NON-MAJOR CAPITAL PROJECTS FUNDS - CAPITAL OUTLAY BOND ISSUES
COMPARATIVE SCHEDULES OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (in thousands)
BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

| | BUDGET | | ACTUAL | VARIANCE Positive (Negative) |
|---|-------------------|-------------------|-----------------|------------------------------------|
| | ORIGINAL | FINAL | | |
| REVENUES: | | | | |
| Local sources: | | | | |
| Interest on investments | \$ - | \$ 6 | \$ 6 | \$ - |
| Total revenues | <u>-</u> | <u>6</u> | <u>6</u> | <u>-</u> |
| EXPENDITURES: | | | | |
| Interest charges and other | - | - | - | - |
| Capital outlay | 2,086 | 2,093 | 613 | 1,480 |
| Total expenditures | <u>2,086</u> | <u>2,093</u> | <u>613</u> | <u>1,480</u> |
| Excess (deficiency) of revenues over (under) expenditures (budgetary basis) | <u>\$ (2,086)</u> | <u>\$ (2,087)</u> | <u>(607)</u> | <u>\$ 1,480</u> |
| Excess (deficiency) of revenues and other sources over (under) expenditures (budgetary basis) | <u>\$ (2,086)</u> | <u>\$ (2,087)</u> | <u>(607)</u> | <u>\$ 1,480</u> |
| Appropriated beginning fund balances | <u>\$ 2,086</u> | <u>\$ 2,087</u> | | |
| Adjustment to conform with GAAP: | | | | |
| Elimination of encumbrances | | | <u>2</u> | |
| Excess (deficiency) of revenues and other sources over (under) expenditures (GAAP basis) | | | (605) | |
| Fund balances, beginning of year | | | <u>2,087</u> | |
| Fund balances, end of year | | | <u>\$ 1,482</u> | |

**NON-MAJOR CAPITAL PROJECTS FUNDS - PUBLIC EDUCATION CAPITAL OUTLAY
COMPARATIVE SCHEDULES OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES (in thousands)
BUDGET AND ACTUAL (BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

| | BUDGET | | ACTUAL | VARIANCE Positive (Negative) |
|--|----------------|----------------|----------------|------------------------------------|
| | ORIGINAL | FINAL | | |
| REVENUES: | | | | |
| State sources: | | | | |
| Public education capital outlay | \$ 4,500 | \$ 4,530 | \$ 4,530 | \$ - |
| Total state sources | 4,500 | 4,530 | 4,530 | - |
| Total revenues | 4,500 | 4,530 | 4,530 | - |
| EXPENDITURES: | | | | |
| Capital outlay | 191 | 191 | 9 | 182 |
| Total expenditures | 191 | 191 | 9 | 182 |
| Excess (deficiency) of revenues over (under) expenditures (budgetary basis) | 4,309 | 4,339 | 4,521 | 182 |
| OTHER FINANCING USES: | | | | |
| Transfers out | (4,500) | (4,530) | (4,530) | - |
| Total other financing uses | (4,500) | (4,530) | (4,530) | - |
| Excess (Deficiency) of revenues over (under) expenditures and other uses (budgetary basis) | \$ (191) | \$ (191) | (9) | \$ 182 |
| Appropriated beginning fund balances | \$ 191 | \$ 191 | | |
| Adjustments to conform with GAAP: | | | | |
| Elimination of encumbrances | | | 3 | |
| Excess (deficiency) of revenues over (under) expenditures (GAAP basis) | | | (6) | |
| Fund balances, beginning of year | | | 191 | |
| Fund balances, end of year | | | \$ 185 | |

Agency Fund

An Agency Fund is used to account for the custody of funds for individual school activities. The District holds the assets in this fund in a fiduciary capacity.

Agency Fund – Used to account for the custody of funds for school activities.

AGENCY FUND
STATEMENT OF ASSETS AND LIABILITIES (in thousands)
AS OF JUNE 30, 2015

| | AGENCY FUND |
|---|------------------------|
| ASSETS: | |
| Equity in pooled cash and investments | \$ 4,829 |
| Cash and cash equivalents | 10,495 |
| Total assets | \$ 15,324 |
| LIABILITIES: | |
| Accounts payable | \$ 745 |
| Due to student organizations and other agencies | 14,579 |
| Total liabilities | \$ 15,324 |

AGENCY FUND

STATEMENT OF CHANGES IN ASSETS AND LIABILITIES (in thousands)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

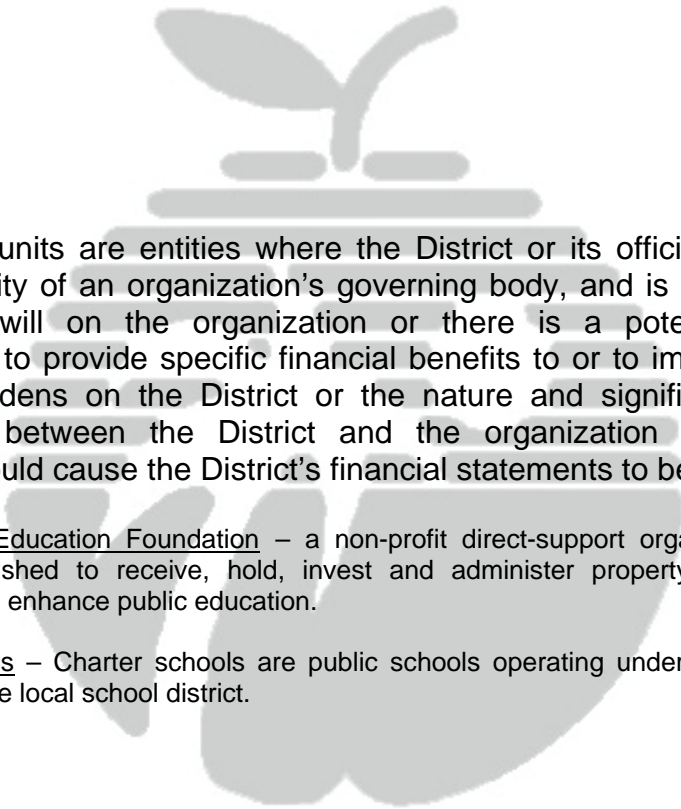
| | AGENCY FUND | | | |
|---|------------------|------------------|--------------------|------------------|
| | 2014 | Increases | Decreases | 2015 |
| ASSETS: | | | | |
| Equity in pooled cash and investments | \$ 5,099 | \$ 4,829 | \$ (5,099) | \$ 4,829 |
| Cash and cash equivalents | 9,449 | 73,755 | (72,709) | 10,495 |
| Total assets | \$ 14,548 | \$ 78,584 | \$ (77,808) | \$ 15,324 |
| LIABILITIES: | | | | |
| Accounts payable | \$ 650 | \$ 745 | \$ (650) | \$ 745 |
| Due to student organizations and other agencies | 13,898 | 77,839 | (77,158) | 14,579 |
| Total liabilities | \$ 14,548 | \$ 78,584 | \$ (77,808) | \$ 15,324 |

Broward County Public Schools



***Educating Today's Students
To Succeed In Tomorrow's World***

Component Units



Component units are entities where the District or its officials appoint a voting majority of an organization's governing body, and is either able to impose its will on the organization or there is a potential for the organization to provide specific financial benefits to or to impose specific financial burdens on the District or the nature and significance of the relationship between the District and the organization is such that exclusion would cause the District's financial statements to be incomplete.

The Broward Education Foundation – a non-profit direct-support organization of the District, established to receive, hold, invest and administer property and to make expenditures to enhance public education.

Charter Schools – Charter schools are public schools operating under a performance contract with the local school district.

COMBINING STATEMENT OF NET POSITION

COMPONENT UNITS (in thousands)

AS OF JUNE 30, 2015

| | Academics Solutions High School | Alpha International Academy | Atlantic Montessori Charter School | Avant Garde Academy | Ben Gamla Charter |
|--|---------------------------------------|-----------------------------------|---|------------------------|----------------------|
| ASSETS: | | | | | |
| Current assets: | | | | | |
| Cash, cash equivalents and investments | \$ 85 | \$ 27 | \$ 11 | \$ 5 | \$ 594 |
| Due from other governmental agencies | - | - | - | - | - |
| Due from other schools | - | - | - | - | 119 |
| Inventories | - | - | - | - | - |
| Prepays | - | - | - | - | 129 |
| Other assets | 11 | 22 | 120 | 1 | 28 |
| Total Current Assets | 96 | 49 | 131 | 6 | 870 |
| Non-current assets: | | | | | |
| Capital assets: | | | | | |
| Non-depreciable | - | - | - | - | - |
| Depreciable, net | 84 | 16 | 15 | - | 417 |
| Total non-current assets | 84 | 16 | 15 | - | 417 |
| Total assets | 180 | 65 | 146 | 6 | 1,287 |
| Deferred Outflow of Resources | | | | | |
| Deferred pension outflows | - | - | - | - | - |
| Total deferred outflow of resources | - | - | - | - | - |
| LIABILITIES: | | | | | |
| Current liabilities: | | | | | |
| Accounts payable and accrued expenses | 13 | 14 | 7 | 2 | 10 |
| Accrued payroll, taxes and withholding | 22 | - | 27 | 17 | 174 |
| Matured debt and interest payable | - | - | - | - | - |
| Due to other governmental agencies | - | - | - | - | - |
| Due to other schools | - | - | - | - | 185 |
| Unearned revenue | - | - | - | - | - |
| Obligations under capital leases | - | 4 | - | - | - |
| Liability for compensated absences | - | - | - | - | - |
| Debt, net of premiums and discounts | - | - | - | - | - |
| Other liabilities | - | - | 184 | - | - |
| Total current liabilities | 35 | 18 | 218 | 19 | 369 |
| Non-current liabilities: | | | | | |
| Obligations under capital leases | - | - | - | - | - |
| Liability for compensated absences | - | - | - | - | - |
| Debt, net of premiums and discounts | - | - | - | - | - |
| Other liabilities | - | - | 8 | - | 541 |
| Net pension liability | - | - | - | - | - |
| Total non-current liabilities | - | - | 8 | - | 541 |
| Total liabilities | 35 | 18 | 226 | 19 | 910 |
| Deferred Inflow of Resources | | | | | |
| Deferred pension inflows | - | - | - | - | - |
| Total deferred inflows of resources | - | - | - | - | - |
| NET POSITION: | | | | | |
| Net investment in capital assets | 84 | 10 | 15 | - | - |
| Restricted for: | | | | | |
| Capital projects | - | - | - | - | 124 |
| Scholarships and other purposes | - | - | - | - | - |
| Unrestricted (deficit) | 61 | 37 | (95) | (13) | 253 |
| Total net position | \$ 145 | \$ 47 | \$ (80) | \$ (13) | \$ 377 |

* The audited financial information was not reported to the District as of the date of publication of the CAFR.

Exhibit G1 (continued)

| Ben Gamla Charter High School | Ben Gamla Charter School Hallandale | Ben Gamla North | Ben Gamla South | Bridge Prep Academy of Hollywood Hills | Broward Charter School of Science & Technology * | Broward Community Charter School West |
|-------------------------------|-------------------------------------|-----------------|-----------------|--|--|---------------------------------------|
| \$ 42 | \$ 45 | \$ 43 | \$ 194 | \$ 13 | \$ - | \$ 62 |
| - | - | - | - | 186 | - | 52 |
| 50 | - | - | 12 | - | - | - |
| - | - | - | - | - | - | - |
| 4 | - | 10 | 19 | - | - | - |
| - | - | 46 | 310 | 136 | - | 68 |
| <u>96</u> | <u>45</u> | <u>99</u> | <u>535</u> | <u>335</u> | <u>-</u> | <u>182</u> |
| - | - | - | - | - | - | - |
| 203 | 1 | 31 | 211 | - | - | 40 |
| <u>203</u> | <u>1</u> | <u>31</u> | <u>211</u> | <u>-</u> | <u>-</u> | <u>40</u> |
| <u>299</u> | <u>46</u> | <u>130</u> | <u>746</u> | <u>335</u> | <u>-</u> | <u>222</u> |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | 9 | 186 | - | 14 |
| 33 | 6 | 9 | 123 | 110 | - | 77 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | 32 |
| - | - | - | 63 | 62 | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | 271 |
| <u>33</u> | <u>6</u> | <u>9</u> | <u>195</u> | <u>358</u> | <u>-</u> | <u>394</u> |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| 133 | 27 | - | - | - | - | - |
| - | - | - | - | - | - | - |
| <u>133</u> | <u>27</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <u>166</u> | <u>33</u> | <u>9</u> | <u>195</u> | <u>358</u> | <u>-</u> | <u>394</u> |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| 70 | - | 77 | 458 | 136 | - | 40 |
| - | - | - | - | - | - | 24 |
| - | - | - | - | - | - | - |
| 63 | 13 | 44 | 93 | (159) | - | (236) |
| <u>\$ 133</u> | <u>\$ 13</u> | <u>\$ 121</u> | <u>\$ 551</u> | <u>\$ (23)</u> | <u>\$ -</u> | <u>\$ (172)</u> |

COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS (in thousands)
AS OF JUNE 30, 2015

| | Broward Math and Science Schools | Central Charter School | Championship Academy of Distinction Davie | Championship Academy of Distinction Hollywood | Charter School of Excellence |
|--|---|---------------------------------------|--|--|---|
| ASSETS: | | | | | |
| Current assets: | | | | | |
| Cash, cash equivalents and investments | \$ 11 | \$ 96 | \$ 26 | \$ 96 | \$ 52 |
| Due from other governmental agencies | 68 | 113 | - | - | - |
| Due from other schools | - | - | - | - | - |
| Inventories | - | - | - | - | - |
| Prepays | - | 12 | - | 6 | - |
| Other assets | - | 5 | 154 | 1 | 62 |
| Total Current Assets | 79 | 226 | 180 | 103 | 114 |
| Non-current assets: | | | | | |
| Capital assets: | | | | | |
| Non-depreciable | - | - | - | - | - |
| Depreciable, net | 8 | 1,731 | 172 | 55 | 423 |
| Total non-current assets | 8 | 1,731 | 172 | 55 | 423 |
| Total assets | 87 | 1,957 | 352 | 158 | 537 |
| Deferred pension outflows | - | 862 | - | - | 194 |
| Total deferred outflow of resources | - | 862 | - | - | 194 |
| LIABILITIES: | | | | | |
| Current liabilities: | | | | | |
| Accounts payable and accrued expenses | 1 | 890 | 81 | 71 | 11 |
| Accrued payroll, taxes and withholding | - | - | 12 | - | 55 |
| Matured debt and interest payable | - | - | - | - | - |
| Due to other governmental agencies | - | - | - | - | 41 |
| Due to other schools | - | 135 | - | - | - |
| Unearned revenue | - | 23 | - | - | - |
| Obligations under capital leases | - | - | - | - | - |
| Liability for compensated absences | - | - | - | - | - |
| Debt, net of premiums and discounts | - | 166 | - | - | - |
| Other liabilities | - | - | 47 | - | - |
| Total current liabilities | 1 | 1,214 | 140 | 71 | 107 |
| Non-current liabilities: | | | | | |
| Obligations under capital leases | - | - | - | - | - |
| Liability for compensated absences | - | - | - | - | - |
| Debt, net of premiums and discounts | - | 349 | - | - | - |
| Other liabilities | 42 | - | - | - | - |
| Net pension liability | - | 1,777 | - | - | 726 |
| Total non-current liabilities | 42 | 2,126 | - | - | 726 |
| Total liabilities | 43 | 3,340 | 140 | 71 | 833 |
| Deferred Inflow of Resources | | | | | |
| Deferred pension inflows | - | 998 | - | - | 417 |
| Total deferred inflows of resources | - | 998 | - | - | 417 |
| NET POSITION: | | | | | |
| Net investment in capital assets | 8 | 1,215 | 172 | 55 | 423 |
| Restricted for: | | | | | |
| Capital projects | - | - | - | - | - |
| Scholarships and other purposes | - | - | - | - | - |
| Unrestricted (deficit) | 36 | (2,734) | 40 | 32 | (942) |
| Total net position | \$ 44 | \$ (1,519) | \$ 212 | \$ 87 | \$ (519) |

Exhibit G1 (continued)

| Charter School of Excellence Davie | Charter School of Excellence Davie 2 | Charter School of Excellence Ft Laud | Charter School of Excellence Riverland | Charter School of Excellence Riverland 2 | Charter School of Excellence Tamarac 1 | Charter School of Excellence Tamarac 2 |
|------------------------------------|--------------------------------------|--------------------------------------|--|--|--|--|
| \$ 9 | \$ 2 | \$ 3 | \$ 8 | \$ 3 | \$ 34 | \$ 8 |
| - | 116 | 99 | 21 | - | 45 | 49 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| 12 | - | - | 10 | - | 28 | - |
| <u>21</u> | <u>118</u> | <u>102</u> | <u>39</u> | <u>3</u> | <u>107</u> | <u>57</u> |
| - | - | - | - | - | - | - |
| 564 | 12 | - | 13 | 9 | 260 | 158 |
| <u>564</u> | <u>12</u> | <u>-</u> | <u>13</u> | <u>9</u> | <u>260</u> | <u>158</u> |
| <u>585</u> | <u>130</u> | <u>102</u> | <u>52</u> | <u>12</u> | <u>367</u> | <u>215</u> |
| 90 | 30 | 8 | 35 | 70 | 197 | 106 |
| <u>90</u> | <u>30</u> | <u>8</u> | <u>35</u> | <u>70</u> | <u>197</u> | <u>106</u> |
| 8 | 2 | 4 | 8 | 4 | 15 | - |
| 43 | - | - | 27 | - | 69 | 3 |
| - | - | - | - | - | - | - |
| 234 | - | - | - | 43 | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| 82 | - | - | - | - | 88 | - |
| <u>367</u> | <u>2</u> | <u>4</u> | <u>35</u> | <u>47</u> | <u>172</u> | <u>3</u> |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| 102 | - | - | - | - | 8 | - |
| <u>207</u> | <u>180</u> | <u>26</u> | <u>64</u> | <u>206</u> | <u>294</u> | <u>301</u> |
| <u>309</u> | <u>180</u> | <u>26</u> | <u>64</u> | <u>206</u> | <u>302</u> | <u>301</u> |
| <u>676</u> | <u>182</u> | <u>30</u> | <u>99</u> | <u>253</u> | <u>474</u> | <u>304</u> |
| 100 | 105 | 10 | 162 | 113 | 160 | 158 |
| <u>100</u> | <u>105</u> | <u>10</u> | <u>162</u> | <u>113</u> | <u>160</u> | <u>158</u> |
| 380 | 12 | - | 13 | 9 | 164 | 158 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| (481) | (139) | 70 | (187) | (293) | (234) | (299) |
| <u>\$ (101)</u> | <u>\$ (127)</u> | <u>\$ 70</u> | <u>\$ (174)</u> | <u>\$ (284)</u> | <u>\$ (70)</u> | <u>\$ (141)</u> |

**COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS (in thousands)
AS OF JUNE 30, 2015**

| | Discovery Middle Charter | Dolphin Park High | Eagles' Nest Elementary | Eagles' Nest Middle | Everest Charter School |
|--|--------------------------------|----------------------|----------------------------|------------------------|------------------------------|
| ASSETS: | | | | | |
| Current assets: | | | | | |
| Cash, cash equivalents and investments | \$ 59 | \$ 512 | \$ 206 | \$ 105 | \$ 18 |
| Due from other governmental agencies | 4 | - | - | 1 | - |
| Due from other schools | - | - | - | - | - |
| Inventories | - | - | - | - | - |
| Prepays | - | - | - | - | 7 |
| Other assets | 12 | - | 111 | 2 | - |
| Total Current Assets | <u>75</u> | <u>512</u> | <u>317</u> | <u>108</u> | <u>25</u> |
| Non-current assets: | | | | | |
| Capital assets: | | | | | |
| Non-depreciable | - | - | - | - | - |
| Depreciable, net | 6 | 133 | 60 | 32 | 37 |
| Total non-current assets | <u>6</u> | <u>133</u> | <u>60</u> | <u>32</u> | <u>37</u> |
| Total assets | <u>81</u> | <u>645</u> | <u>377</u> | <u>140</u> | <u>62</u> |
| Deferred pension outflows | - | - | - | - | - |
| Total deferred outflow of resources | - | - | - | - | - |
| LIABILITIES: | | | | | |
| Current liabilities: | | | | | |
| Accounts payable and accrued expenses | 5 | 165 | 15 | 11 | 11 |
| Accrued payroll, taxes and withholding | 17 | - | - | - | 26 |
| Matured debt and interest payable | - | - | - | - | - |
| Due to other governmental agencies | - | - | - | - | - |
| Due to other schools | - | - | - | - | - |
| Unearned revenue | - | 10 | - | - | - |
| Obligations under capital leases | - | - | - | - | - |
| Liability for compensated absences | - | - | - | - | - |
| Debt, net of premiums and discounts | - | - | - | - | - |
| Other liabilities | - | - | - | - | - |
| Total current liabilities | <u>22</u> | <u>175</u> | <u>15</u> | <u>11</u> | <u>37</u> |
| Non-current liabilities: | | | | | |
| Obligations under capital leases | - | - | - | - | - |
| Liability for compensated absences | - | - | - | - | - |
| Debt, net of premiums and discounts | - | - | - | - | - |
| Other liabilities | - | - | - | - | 24 |
| Net pension liability | - | - | - | - | - |
| Total non-current liabilities | - | - | - | - | 24 |
| Total liabilities | <u>22</u> | <u>175</u> | <u>15</u> | <u>11</u> | <u>61</u> |
| Deferred Inflow of Resources | | | | | |
| Deferred pension inflows | - | - | - | - | - |
| Total deferred inflows of resources | - | - | - | - | - |
| NET POSITION: | | | | | |
| Net investment in capital assets | 6 | 133 | 60 | 32 | 13 |
| Restricted for: | | | | | |
| Capital projects | - | - | 31 | 12 | - |
| Scholarships and other purposes | - | - | - | - | - |
| Unrestricted (deficit) | 53 | 337 | 271 | 85 | (12) |
| Total net position | <u>\$ 59</u> | <u>\$ 470</u> | <u>\$ 362</u> | <u>\$ 129</u> | <u>\$ 1</u> |

Exhibit G1 (continued)

| Excelsior Charter of Broward | Flagler High | Florida Virtual Academy | Franklin Academy A | Franklin Academy B | Franklin Academy E | Franklin Academy F |
|------------------------------------|--------------|----------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| \$ 72 | \$ 318 | \$ 396 | \$ 238 | \$ 6 | \$ 353 | \$ 6 |
| - | - | - | - | - | 3 | - |
| - | - | - | 943 | 367 | 281 | 536 |
| - | - | - | - | - | - | - |
| 5 | - | - | - | - | - | - |
| 1 | - | - | 3 | - | 160 | - |
| <u>78</u> | <u>318</u> | <u>396</u> | <u>1,184</u> | <u>373</u> | <u>797</u> | <u>542</u> |
| - | - | - | - | - | - | - |
| 102 | 66 | - | 695 | - | 1,108 | 37 |
| <u>102</u> | <u>66</u> | <u>-</u> | <u>695</u> | <u>-</u> | <u>1,108</u> | <u>37</u> |
| <u>180</u> | <u>384</u> | <u>396</u> | <u>1,879</u> | <u>373</u> | <u>1,905</u> | <u>579</u> |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| 15 | 287 | 370 | 97 | 259 | 91 | 4 |
| 74 | - | - | 443 | - | 427 | 96 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | 492 | 281 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| <u>89</u> | <u>287</u> | <u>370</u> | <u>540</u> | <u>259</u> | <u>1,010</u> | <u>381</u> |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| <u>89</u> | <u>287</u> | <u>370</u> | <u>540</u> | <u>259</u> | <u>1,010</u> | <u>381</u> |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| 102 | 66 | - | 1,422 | 341 | 776 | 573 |
| - | 9 | - | - | - | - | - |
| - | - | - | - | - | - | - |
| (11) | 22 | 26 | (83) | (227) | 119 | (375) |
| <u>\$ 91</u> | <u>\$ 97</u> | <u>\$ 26</u> | <u>\$ 1,339</u> | <u>\$ 114</u> | <u>\$ 895</u> | <u>\$ 198</u> |

**COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS (in thousands)
AS OF JUNE 30, 2015**

| | Greentree Prep Charter School | Henry McNeal Turner Learning Academy | Hollywood Academy of Arts & Science Elem | Hollywood Academy of Arts & Science Middle | iGeneration Empowerment Academy * |
|--|-------------------------------------|---|---|--|---|
| ASSETS: | | | | | |
| Current assets: | | | | | |
| Cash, cash equivalents and investments | \$ 28 | \$ 1 | \$ 1,373 | \$ 526 | \$ - |
| Due from other governmental agencies | - | 1 | 3 | - | - |
| Due from other schools | - | - | 37 | - | - |
| Inventories | - | - | - | - | - |
| Prepays | - | - | 48 | 7 | - |
| Other assets | 8 | - | 152 | 19 | - |
| Total Current Assets | <u>36</u> | <u>2</u> | <u>1,613</u> | <u>552</u> | <u>-</u> |
| Non-current assets: | | | | | |
| Capital assets: | | | | | |
| Non-depreciable | - | - | - | - | - |
| Depreciable, net | 15 | 4 | 11,946 | 4,536 | - |
| Total non-current assets | <u>15</u> | <u>4</u> | <u>11,946</u> | <u>4,536</u> | <u>-</u> |
| Total assets | <u>51</u> | <u>6</u> | <u>13,559</u> | <u>5,088</u> | <u>-</u> |
| Deferred pension outflows | - | - | - | - | - |
| Total deferred outflow of resources | - | - | - | - | - |
| LIABILITIES: | | | | | |
| Current liabilities: | | | | | |
| Accounts payable and accrued expenses | 21 | - | 39 | 1 | - |
| Accrued payroll, taxes and withholding | 36 | - | 291 | 95 | - |
| Matured debt and interest payable | - | - | - | - | - |
| Due to other governmental agencies | - | - | - | - | - |
| Due to other schools | - | - | - | 36 | - |
| Unearned revenue | - | - | - | - | - |
| Obligations under capital leases | - | - | 166 | 68 | - |
| Liability for compensated absences | - | - | 28 | 6 | - |
| Debt, net of premiums and discounts | - | - | - | - | - |
| Other liabilities | 13 | 109 | - | - | - |
| Total current liabilities | <u>70</u> | <u>109</u> | <u>524</u> | <u>206</u> | <u>-</u> |
| Non-current liabilities: | | | | | |
| Obligations under capital leases | - | - | 13,477 | 5,504 | - |
| Liability for compensated absences | - | - | 9 | 2 | - |
| Debt, net of premiums and discounts | - | - | - | - | - |
| Other liabilities | 4 | - | - | - | - |
| Net pension liability | - | - | - | - | - |
| Total non-current liabilities | <u>4</u> | <u>-</u> | <u>13,486</u> | <u>5,506</u> | <u>-</u> |
| Total liabilities | <u>74</u> | <u>109</u> | <u>14,010</u> | <u>5,712</u> | <u>-</u> |
| Deferred Inflow of Resources | | | | | |
| Deferred pension inflows | - | - | - | - | - |
| Total deferred inflows of resources | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| NET POSITION: | | | | | |
| Net investment in capital assets | 11 | 4 | (1,697) | (1,036) | - |
| Restricted for: | | | | | |
| Capital projects | - | - | - | - | - |
| Scholarships and other purposes | - | - | - | - | - |
| Unrestricted (deficit) | (34) | (107) | 1,246 | 412 | - |
| Total net position | <u>\$ (23)</u> | <u>\$ (103)</u> | <u>\$ (451)</u> | <u>\$ (624)</u> | <u>\$ -</u> |

* The audited financial information was not reported to the District as of the date of publication of the CAFR.

Exhibit G1 (continued)

| Imagine at Broward | Imagine at Broward (new) | Imagine at North Lauderdale Elem | Imagine at Weston | Imagine Middle School West | Imagine Schools Plantation Campus | International School of Broward |
|--------------------|--------------------------|----------------------------------|-------------------|----------------------------|-----------------------------------|---------------------------------|
| \$ - | \$ 1,176 | \$ 147 | \$ 766 | \$ 166 | \$ 543 | \$ 115 |
| - | 5 | 57 | - | - | - | 3 |
| - | - | - | 72 | - | - | 80 |
| - | - | - | - | - | - | - |
| - | 1 | 8 | 190 | 6 | 50 | 7 |
| - | 87 | 487 | 193 | 9 | 5 | 8 |
| - | 1,269 | 699 | 1,221 | 181 | 598 | 213 |
| - | - | - | - | - | - | - |
| - | 227 | 207 | 289 | 54 | 64 | 103 |
| - | 227 | 207 | 289 | 54 | 64 | 103 |
| - | 1,496 | 906 | 1,510 | 235 | 662 | 316 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | 24 | 26 | 80 | 8 | 130 | 56 |
| - | 430 | 342 | 612 | 101 | 215 | 69 |
| - | - | 312 | 94 | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | 72 | 3 | - |
| - | 12 | - | 26 | - | 13 | 213 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | 18 | 36 | - | - | - |
| - | 466 | 698 | 848 | 181 | 361 | 338 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | 203 | 252 | - | - | - |
| - | - | - | - | - | - | - |
| - | - | 203 | 252 | - | - | - |
| - | 466 | 901 | 1,100 | 181 | 361 | 338 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | 227 | 207 | 289 | 54 | 63 | 103 |
| - | - | - | 33 | - | - | - |
| - | - | - | - | - | - | - |
| - | 803 | (202) | 88 | - | 238 | (125) |
| \$ - | \$ 1,030 | \$ 5 | \$ 410 | \$ 54 | \$ 301 | \$ (22) |

**COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS (in thousands)
AS OF JUNE 30, 2015**

| | Kidz Choice Charter | Lauderhill High | Mavericks High of Central Broward | Mavericks High of North Broward | Melrose High |
|--|------------------------|--------------------|--|---------------------------------------|--------------|
| ASSETS: | | | | | |
| Current assets: | | | | | |
| Cash, cash equivalents and investments | \$ 62 | \$ 992 | \$ 122 | \$ 81 | \$ 236 |
| Due from other governmental agencies | - | 3 | 25 | 24 | - |
| Due from other schools | - | - | - | - | - |
| Inventories | - | - | - | - | - |
| Prepays | 27 | - | 154 | 189 | - |
| Other assets | - | - | 19 | 28 | - |
| Total Current Assets | <u>89</u> | <u>995</u> | <u>320</u> | <u>322</u> | <u>236</u> |
| Non-current assets: | | | | | |
| Capital assets: | | | | | |
| Non-depreciable | - | - | - | - | - |
| Depreciable, net | 112 | 180 | 101 | 295 | 66 |
| Total non-current assets | <u>112</u> | <u>180</u> | <u>101</u> | <u>295</u> | <u>66</u> |
| Total assets | <u>201</u> | <u>1,175</u> | <u>421</u> | <u>617</u> | <u>302</u> |
| Deferred pension outflows | - | - | - | - | - |
| Total deferred outflow of resources | - | - | - | - | - |
| LIABILITIES: | | | | | |
| Current liabilities: | | | | | |
| Accounts payable and accrued expenses | - | 226 | 68 | 64 | 230 |
| Accrued payroll, taxes and withholding | 37 | - | - | - | - |
| Matured debt and interest payable | - | - | - | - | - |
| Due to other governmental agencies | - | - | - | - | - |
| Due to other schools | - | - | - | - | - |
| Unearned revenue | - | 11 | - | - | - |
| Obligations under capital leases | - | - | - | - | - |
| Liability for compensated absences | - | - | - | - | - |
| Debt, net of premiums and discounts | - | - | - | - | - |
| Other liabilities | - | - | 105 | 112 | - |
| Total current liabilities | <u>37</u> | <u>237</u> | <u>173</u> | <u>176</u> | <u>230</u> |
| Non-current liabilities: | | | | | |
| Obligations under capital leases | - | - | - | - | - |
| Liability for compensated absences | - | - | - | - | - |
| Debt, net of premiums and discounts | - | - | - | - | - |
| Other liabilities | - | - | - | - | - |
| Net pension liability | - | - | - | - | - |
| Total non-current liabilities | - | - | - | - | - |
| Total liabilities | <u>37</u> | <u>237</u> | <u>173</u> | <u>176</u> | <u>230</u> |
| Deferred Inflow of Resources | | | | | |
| Deferred pension inflows | - | - | - | - | - |
| Total deferred inflows of resources | - | - | - | - | - |
| NET POSITION: | | | | | |
| Net investment in capital assets | 112 | 180 | 101 | 295 | 66 |
| Restricted for: | | | | | |
| Capital projects | - | 468 | - | - | - |
| Scholarships and other purposes | - | - | - | - | - |
| Unrestricted (deficit) | 52 | 290 | 147 | 146 | 6 |
| Total net position | <u>\$ 164</u> | <u>\$ 938</u> | <u>\$ 248</u> | <u>\$ 441</u> | <u>\$ 72</u> |

* The audited financial information was not reported to the District as of the date of publication of the CAFR.

Exhibit G1 (continued)

| New Generation Preparatory High * | New Life Charter Academy | North Broward Academy of Excellence Elem | North Broward Academy of Excellence Middle | North University High | Panacea Prep Charter School | Paragon Academy of Technology |
|-----------------------------------|--------------------------|--|--|-----------------------|-----------------------------|-------------------------------|
| \$ - | \$ 25 | \$ 131 | \$ 897 | \$ 410 | \$ 12 | \$ 110 |
| - | 99 | 8 | 6 | - | - | 21 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | 6 | 3 | - | - | 11 |
| - | 13 | 356 | 109 | - | 27 | - |
| - | 137 | 501 | 1,015 | 410 | 39 | 142 |
| - | - | - | - | - | - | - |
| - | 31 | 6,619 | 2,947 | - | 107 | 1 |
| - | 31 | 6,619 | 2,947 | - | 107 | 1 |
| - | 168 | 7,120 | 3,962 | 410 | 146 | 143 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | 37 | 197 | 3 | 221 | 8 | 1 |
| - | 8 | 247 | 98 | - | - | 45 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | 20 | - | - | - | - |
| - | - | - | - | 11 | - | - |
| - | - | 114 | 54 | - | - | - |
| - | - | 16 | 2 | - | - | - |
| - | - | - | - | - | - | - |
| - | 144 | - | - | - | 43 | - |
| - | 189 | 594 | 157 | 232 | 51 | 46 |
| - | - | 6,501 | 3,059 | - | - | - |
| - | - | 5 | 1 | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | 6,506 | 3,060 | - | - | - |
| - | 189 | 7,100 | 3,217 | 232 | 51 | 46 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | 31 | 4 | (167) | - | 107 | 1 |
| - | 89 | - | - | - | 39 | - |
| - | - | - | - | - | - | - |
| - | (141) | 16 | 912 | 178 | (51) | 96 |
| \$ - | \$ (21) | \$ 20 | \$ 745 | \$ 178 | \$ 95 | \$ 97 |

COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS (in thousands)
AS OF JUNE 30, 2015

| | Pathways Academy K-8 Center | Pivot Charter School | Renaissance Charter School Cooper City | Renaissance Charter School Coral Springs | Renaissance Charter School Pines |
|--|-----------------------------------|-------------------------|--|---|---|
| ASSETS: | | | | | |
| Current assets: | | | | | |
| Cash, cash equivalents and investments | \$ 28 | \$ - | \$ 653 | \$ 1,748 | \$ 252 |
| Due from other governmental agencies | - | - | 3 | 1 | 51 |
| Due from other schools | - | - | - | - | 370 |
| Inventories | - | - | - | - | - |
| Prepays | 3 | 66 | 8 | 12 | 46 |
| Other assets | 44 | - | 84 | 159 | 92 |
| Total Current Assets | 75 | 66 | 748 | 1,920 | 811 |
| Non-current assets: | | | | | |
| Capital assets: | | | | | |
| Non-depreciable | - | - | - | - | - |
| Depreciable, net | 58 | 780 | 524 | 17,676 | 731 |
| Total non-current assets | 58 | 780 | 524 | 17,676 | 731 |
| Total assets | 133 | 846 | 1,272 | 19,596 | 1,542 |
| Deferred pension outflows | - | - | - | - | - |
| Total deferred outflow of resources | - | - | - | - | - |
| LIABILITIES: | | | | | |
| Current liabilities: | | | | | |
| Accounts payable and accrued expenses | 82 | 134 | 34 | 61 | 165 |
| Accrued payroll, taxes and withholding | 91 | - | 328 | 408 | 223 |
| Matured debt and interest payable | - | - | - | - | - |
| Due to other governmental agencies | - | - | - | - | 48 |
| Due to other schools | - | - | - | - | - |
| Unearned revenue | - | - | - | - | - |
| Obligations under capital leases | - | - | - | 349 | 248 |
| Liability for compensated absences | - | - | 19 | 23 | 12 |
| Debt, net of premiums and discounts | - | - | - | - | - |
| Other liabilities | - | - | - | - | 238 |
| Total current liabilities | 173 | 134 | 381 | 841 | 934 |
| Non-current liabilities: | | | | | |
| Obligations under capital leases | - | - | - | 20,415 | 531 |
| Liability for compensated absences | - | - | 6 | 7 | 4 |
| Debt, net of premiums and discounts | - | - | - | - | - |
| Other liabilities | - | - | - | - | - |
| Net pension liability | - | - | - | - | - |
| Total non-current liabilities | - | - | 6 | 20,422 | 535 |
| Total liabilities | 173 | 134 | 387 | 21,263 | 1,469 |
| Deferred Inflow of Resources | | | | | |
| Deferred pension inflows | - | - | - | - | - |
| Total deferred inflows of resources | - | - | - | - | - |
| NET POSITION: | | | | | |
| Net investment in capital assets | 58 | 779 | 524 | (3,087) | (48) |
| Restricted for: | | | | | |
| Capital projects | - | - | - | - | - |
| Scholarships and other purposes | - | - | - | - | - |
| Unrestricted (deficit) | (98) | (67) | 361 | 1,420 | 121 |
| Total net position | \$ (40) | \$ 712 | \$ 885 | \$ (1,667) | \$ 73 |

Exhibit G1 (continued)

| Renaissance Charter School Pines Middle | Renaissance Charter School Plantation | Renaissance Charter School University | Rise Academy School of Science & Technology | Somerset Academy Conservatory High | Somerset Academy Davie | Somerset Academy East Preparatory |
|--|---|--|---|---|------------------------------|--|
| \$ 44 | \$ 837 | \$ 1,936 | \$ 18 | \$ 1,135 | \$ 961 | \$ 1,484 |
| 15 | - | 4 | - | - | - | - |
| - | - | - | - | - | - | 249 |
| - | - | - | - | - | - | - |
| 9 | 89 | 26 | - | 37 | 28 | 61 |
| 438 | 28 | 69 | 65 | - | - | - |
| 506 | 954 | 2,035 | 83 | 1,172 | 989 | 1,794 |
| - | - | - | - | - | - | - |
| 190 | 441 | 627 | 57 | 26 | 58 | 101 |
| 190 | 441 | 627 | 57 | 26 | 58 | 101 |
| 696 | 1,395 | 2,662 | 140 | 1,198 | 1,047 | 1,895 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| 56 | 41 | 33 | 13 | - | - | - |
| 43 | 229 | 354 | 81 | 17 | 42 | 86 |
| - | - | - | - | - | - | - |
| 15 | - | - | - | - | - | - |
| 370 | - | - | - | 6 | - | - |
| - | - | - | 77 | - | - | - |
| 63 | - | - | - | - | - | - |
| 2 | 20 | 24 | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | 1 | - | - | - | - |
| 549 | 290 | 412 | 171 | 23 | 42 | 86 |
| 143 | - | - | - | - | - | - |
| - | 7 | 8 | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| 143 | 7 | 8 | - | - | - | - |
| 692 | 297 | 420 | 171 | 23 | 42 | 86 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| (15) | 441 | 626 | 57 | 26 | 57 | 350 |
| - | - | - | 53 | 40 | - | - |
| - | - | - | - | - | - | - |
| 19 | 657 | 1,616 | (141) | 1,109 | 948 | 1,459 |
| \$ 4 | \$ 1,098 | \$ 2,242 | \$ (31) | \$ 1,175 | \$ 1,005 | \$ 1,809 |

**COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS (in thousands)
AS OF JUNE 30, 2015**

| | Somerset Academy Elem** | Somerset Academy High | Somerset Academy Hollywood | Somerset Academy Hollywood Middle | Somerset Academy Middle |
|--|-------------------------------|-----------------------------|----------------------------------|--|-------------------------------|
| ASSETS: | | | | | |
| Current assets: | | | | | |
| Cash, cash equivalents and investments | \$ 2,664 | \$ 980 | \$ 152 | \$ 16 | \$ 1,121 |
| Due from other governmental agencies | - | - | - | - | - |
| Due from other schools | 400 | - | - | - | - |
| Inventories | - | - | - | - | - |
| Prepays | 419 | 366 | 1 | 1 | 355 |
| Other assets | - | - | - | - | - |
| Total Current Assets | <u>3,483</u> | <u>1,346</u> | <u>153</u> | <u>17</u> | <u>1,476</u> |
| Non-current assets: | | | | | |
| Capital assets: | | | | | |
| Non-depreciable | 44 | - | - | - | - |
| Depreciable, net | 1,114 | 4,005 | 170 | 10 | 625 |
| Total non-current assets | <u>1,158</u> | <u>4,005</u> | <u>170</u> | <u>10</u> | <u>625</u> |
| Total assets | <u><u>4,641</u></u> | <u><u>5,351</u></u> | <u><u>323</u></u> | <u><u>27</u></u> | <u><u>2,101</u></u> |
| Deferred pension outflows | - | - | - | - | - |
| Total deferred outflow of resources | - | - | - | - | - |
| LIABILITIES: | | | | | |
| Current liabilities: | | | | | |
| Accounts payable and accrued expenses | - | - | - | - | - |
| Accrued payroll, taxes and withholding | 466 | 318 | 14 | 5 | 199 |
| Matured debt and interest payable | - | - | - | - | - |
| Due to other governmental agencies | - | - | - | - | - |
| Due to other schools | - | 55 | - | - | 39 |
| Unearned revenue | - | - | - | - | - |
| Obligations under capital leases | - | - | - | - | - |
| Liability for compensated absences | - | - | - | - | - |
| Debt, net of premiums and discounts | - | 253 | - | - | - |
| Other liabilities | - | - | - | - | - |
| Total current liabilities | <u>466</u> | <u>626</u> | <u>14</u> | <u>5</u> | <u>238</u> |
| Non-current liabilities: | | | | | |
| Obligations under capital leases | - | - | - | - | - |
| Liability for compensated absences | - | - | - | - | - |
| Debt, net of premiums and discounts | - | 1,608 | - | - | - |
| Other liabilities | - | 300 | 236 | 13 | - |
| Net pension liability | - | - | - | - | - |
| Total non-current liabilities | - | <u>1,908</u> | <u>236</u> | <u>13</u> | - |
| Total liabilities | <u>466</u> | <u>2,534</u> | <u>250</u> | <u>18</u> | <u>238</u> |
| Deferred Inflow of Resources | | | | | |
| Deferred pension inflows | - | - | - | - | - |
| Total deferred inflows of resources | - | - | - | - | - |
| NET POSITION: | | | | | |
| Net investment in capital assets | 1,458 | 1,844 | - | - | 625 |
| Restricted for: | - | - | - | - | - |
| Capital projects | 418 | 385 | - | - | 278 |
| Scholarships and other purposes | - | - | - | - | - |
| Unrestricted (deficit) | 2,299 | 588 | 73 | 9 | 960 |
| Total net position | <u><u>\$ 4,175</u></u> | <u><u>\$ 2,817</u></u> | <u><u>\$ 73</u></u> | <u><u>\$ 9</u></u> | <u><u>\$ 1,863</u></u> |

** Includes Somerset Academy Neighborhood

Exhibit G1 (continued)

| Somerset Academy Miramar | Somerset Academy Miramar High | Somerset Academy Miramar Middle | Somerset Academy North Lauderdale | Somerset Academy Pompano | Somerset Academy Pompano Middle | Somerset Miramar South |
|--------------------------|-------------------------------|---------------------------------|-----------------------------------|--------------------------|---------------------------------|------------------------|
| \$ 2,841 | \$ 187 | \$ 1,262 | \$ 1,147 | \$ 132 | \$ 66 | \$ 772 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| 121 | 86 | 90 | 199 | 12 | 4 | 2 |
| 1,849 | 30 | 14 | 49 | 20 | - | - |
| <u>4,811</u> | <u>303</u> | <u>1,366</u> | <u>1,395</u> | <u>164</u> | <u>70</u> | <u>774</u> |
| - | - | - | - | - | - | - |
| 570 | 331 | 117 | 416 | 121 | 21 | 4 |
| <u>570</u> | <u>331</u> | <u>117</u> | <u>416</u> | <u>121</u> | <u>21</u> | <u>4</u> |
| <u>5,381</u> | <u>634</u> | <u>1,483</u> | <u>1,811</u> | <u>285</u> | <u>91</u> | <u>778</u> |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| 186 | 67 | 127 | 218 | 47 | 6 | 19 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | 55 | - | - | - | - | - |
| - | - | - | - | - | - | - |
| <u>186</u> | <u>122</u> | <u>127</u> | <u>218</u> | <u>47</u> | <u>6</u> | <u>19</u> |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | 355 | - | - | 56 | - | - |
| - | - | - | - | - | - | - |
| - | 355 | - | - | 56 | - | - |
| <u>186</u> | <u>477</u> | <u>127</u> | <u>218</u> | <u>103</u> | <u>6</u> | <u>19</u> |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| 2,419 | 6 | 117 | 465 | 85 | 21 | 4 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | 13 |
| 2,776 | 151 | 1,239 | 1,128 | 97 | 64 | 742 |
| <u>\$ 5,195</u> | <u>\$ 157</u> | <u>\$ 1,356</u> | <u>\$ 1,593</u> | <u>\$ 182</u> | <u>\$ 85</u> | <u>\$ 759</u> |

COMBINING STATEMENT OF NET POSITION
COMPONENT UNITS (in thousands)
AS OF JUNE 30, 2015

| | Somerset Pines Academy | Somerset Preparatory High Broward Campus | Somerset Preparatory Middle | Somerset Village Academy | Somerset Village Academy Middle |
|--|------------------------------|---|-----------------------------------|--------------------------------|--|
| ASSETS: | | | | | |
| Current assets: | | | | | |
| Cash, cash equivalents and investments | \$ 982 | \$ 465 | \$ 707 | \$ 817 | \$ 276 |
| Due from other governmental agencies | - | - | - | - | - |
| Due from other schools | 56 | 1 | - | - | - |
| Inventories | - | - | - | - | - |
| Prepays | 77 | 44 | 76 | 100 | 19 |
| Other assets | - | - | - | 28 | - |
| Total Current Assets | <u>1,115</u> | <u>510</u> | <u>783</u> | <u>945</u> | <u>295</u> |
| Non-current assets: | | | | | |
| Capital assets: | | | | | |
| Non-depreciable | - | - | - | - | - |
| Depreciable, net | 267 | 109 | 170 | 139 | 68 |
| Total non-current assets | <u>267</u> | <u>109</u> | <u>170</u> | <u>139</u> | <u>68</u> |
| Total assets | <u>1,382</u> | <u>619</u> | <u>953</u> | <u>1,084</u> | <u>363</u> |
| Deferred pension outflows | - | - | - | - | - |
| Total deferred outflow of resources | - | - | - | - | - |
| LIABILITIES: | | | | | |
| Current liabilities: | | | | | |
| Accounts payable and accrued expenses | - | - | - | 25 | - |
| Accrued payroll, taxes and withholding | 132 | 62 | 65 | 62 | 31 |
| Matured debt and interest payable | - | - | - | - | - |
| Due to other governmental agencies | - | - | - | - | - |
| Due to other schools | - | - | - | - | - |
| Unearned revenue | - | - | - | - | - |
| Obligations under capital leases | - | - | - | - | - |
| Liability for compensated absences | - | - | - | - | - |
| Debt, net of premiums and discounts | - | - | - | - | - |
| Other liabilities | - | - | - | - | - |
| Total current liabilities | <u>132</u> | <u>62</u> | <u>65</u> | <u>87</u> | <u>31</u> |
| Non-current liabilities: | | | | | |
| Obligations under capital leases | - | - | - | - | - |
| Liability for compensated absences | - | - | - | - | - |
| Debt, net of premiums and discounts | - | - | - | - | - |
| Other liabilities | - | - | - | - | - |
| Net pension liability | - | - | - | - | - |
| Total non-current liabilities | - | - | - | - | - |
| Total liabilities | <u>132</u> | <u>62</u> | <u>65</u> | <u>87</u> | <u>31</u> |
| Deferred Inflow of Resources | | | | | |
| Deferred pension inflows | - | - | - | - | - |
| Total deferred inflows of resources | - | - | - | - | - |
| NET POSITION: | | | | | |
| Net investment in capital assets | 323 | 109 | 170 | 139 | 68 |
| Restricted for: | | | | | |
| Capital projects | - | - | - | - | - |
| Scholarships and other purposes | - | - | - | - | - |
| Unrestricted (deficit) | 927 | 448 | 718 | 858 | 264 |
| Total net position | <u>\$ 1,250</u> | <u>\$ 557</u> | <u>\$ 888</u> | <u>\$ 997</u> | <u>\$ 332</u> |

Exhibit G1 (concluded)

| South Broward Montessori | SunEd High School | SunEd High School of North Broward | Sunshine Elementary | West Broward Academy at Excelsior | Broward Education Foundation | Total Non-Major Component Units |
|--------------------------|-------------------|------------------------------------|---------------------|-----------------------------------|------------------------------|---------------------------------|
| \$ 1 | \$ 450 | \$ 404 | \$ 493 | \$ 50 | \$ 2,607 | \$ 39,365 |
| - | - | - | - | - | - | 1,086 |
| - | - | - | - | - | - | 3,573 |
| 72 | - | - | - | - | 1,552 | 1,624 |
| - | - | - | 50 | 2 | 4,424 | 7,732 |
| 8 | 1,031 | 52 | 15 | - | 112 | 7,010 |
| <u>81</u> | <u>1,481</u> | <u>456</u> | <u>558</u> | <u>52</u> | <u>8,695</u> | <u>60,390</u> |
| - | - | - | - | - | - | 44 |
| 160 | 69 | 375 | 34 | 21 | - | 64,788 |
| <u>160</u> | <u>69</u> | <u>375</u> | <u>34</u> | <u>21</u> | <u>-</u> | <u>64,832</u> |
| <u>241</u> | <u>1,550</u> | <u>831</u> | <u>592</u> | <u>73</u> | <u>8,695</u> | <u>125,222</u> |
| - | - | - | - | - | - | 1,592 |
| - | - | - | - | - | - | 1,592 |
| 14 | 32 | 1,096 | 28 | 4 | 348 | 6,286 |
| - | - | - | 110 | 23 | - | 8,575 |
| - | - | - | - | - | - | 406 |
| - | - | - | 20 | - | - | 433 |
| 121 | - | - | - | - | - | 1,940 |
| - | - | - | - | 15 | - | 411 |
| - | - | - | - | - | - | 1,066 |
| - | - | - | - | - | - | 152 |
| - | - | - | - | - | - | 474 |
| 82 | - | - | - | - | - | 1,573 |
| <u>217</u> | <u>32</u> | <u>1,096</u> | <u>158</u> | <u>42</u> | <u>348</u> | <u>21,316</u> |
| - | - | - | - | - | - | 49,630 |
| - | - | - | - | - | - | 49 |
| - | - | - | - | - | - | 1,957 |
| - | - | - | - | - | - | 2,304 |
| - | - | - | - | - | - | 3,781 |
| - | - | - | - | - | - | 57,721 |
| <u>217</u> | <u>32</u> | <u>1,096</u> | <u>158</u> | <u>42</u> | <u>348</u> | <u>79,037</u> |
| - | - | - | - | - | - | 2,223 |
| - | - | - | - | - | - | 2,223 |
| 161 | 69 | 375 | 35 | 21 | - | 14,260 |
| - | - | - | - | - | - | 2,003 |
| - | - | - | - | - | 4,424 | 4,437 |
| (137) | 1,449 | (640) | 399 | 10 | 3,923 | 24,854 |
| <u>\$ 24</u> | <u>\$ 1,518</u> | <u>\$ (265)</u> | <u>\$ 434</u> | <u>\$ 31</u> | <u>\$ 8,347</u> | <u>\$ 45,554</u> |

COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS (in thousands)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

| | Academics Solutions High School | Alpha International Academy | Atlantic Montessori Charter School | Avant Garde Academy | Ben Gamla Charter |
|--|---------------------------------------|-----------------------------------|---|------------------------|----------------------|
| EXPENSES: | | | | | |
| Instructional services | \$ 395 | \$ 313 | \$ 600 | \$ 149 | \$ 2,287 |
| Instructional support services | - | 14 | 1 | - | 1 |
| Pupil transportation services | 14 | 33 | 5 | 13 | - |
| Operation and maintenance of plant | 107 | 19 | 224 | 116 | 1,149 |
| School administration | 428 | 100 | 300 | 244 | 644 |
| General administration | 125 | 70 | 79 | 31 | 201 |
| Food services | - | 53 | 18 | 14 | 190 |
| Scholarships and programs | - | - | - | - | - |
| Facilities acquisition and construction | 100 | 107 | - | 8 | 8 |
| Interest expense | - | - | - | - | - |
| Depreciation - unallocated ⁽¹⁾ | - | 3 | 2 | - | - |
| Total expenses | <u>1,169</u> | <u>712</u> | <u>1,229</u> | <u>575</u> | <u>4,480</u> |
| PROGRAM REVENUES: | | | | | |
| Charges for services | - | 17 | 26 | 1 | 96 |
| Operating grants and contributions | - | 69 | - | 35 | 68 |
| Capital grants and contributions | - | - | - | - | 220 |
| Total program revenues | <u>-</u> | <u>86</u> | <u>26</u> | <u>36</u> | <u>384</u> |
| Net program expense | <u>(1,169)</u> | <u>(626)</u> | <u>(1,203)</u> | <u>(539)</u> | <u>(4,096)</u> |
| GENERAL REVENUES: | | | | | |
| Grants and contributions not restricted to specific programs | - | 655 | - | - | 3,873 |
| Other federal sources | - | - | - | - | - |
| Other state sources | 1,179 | - | 1,009 | 525 | - |
| Other local sources | 92 | - | 114 | 1 | - |
| Unrestricted investment earnings | - | - | - | - | - |
| Total general revenues | <u>1,271</u> | <u>655</u> | <u>1,123</u> | <u>526</u> | <u>3,873</u> |
| Change in net position | <u>102</u> | <u>29</u> | <u>(80)</u> | <u>(13)</u> | <u>(223)</u> |
| Total net position (deficit), beginning of year, as originally stated | <u>43</u> | <u>18</u> | <u>-</u> | <u>-</u> | <u>600</u> |
| Prior period adjustment | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total net position, beginning of year, as restated | <u>43</u> | <u>18</u> | <u>-</u> | <u>-</u> | <u>600</u> |
| Total net position (deficit), end of year | <u>\$ 145</u> | <u>\$ 47</u> | <u>\$ (80)</u> | <u>\$ (13)</u> | <u>\$ 377</u> |

⁽¹⁾ This amount excludes the depreciation that is included in the direct expenses of the various programs

* The audited financial information was not reported to the District as of the date of publication of the CAFR.

Exhibit G2 (continued)

| Ben Gamla Charter High School | Ben Gamla Charter School Hallandale | Ben Gamla North | Ben Gamla South | Bridge Prep Academy of Hollywood Hills | Broward Charter School of Science & Technology * | Broward Community Charter School West |
|--|--|----------------------------|----------------------------|---|---|--|
| \$ 539 | \$ 68 | \$ 198 | \$ 1,386 | \$ 865 | \$ - | \$ 967 |
| 1 | | 1 | 2 | 5 | - | 48 |
| 26 | 3 | | 86 | | - | 207 |
| 131 | 14 | 136 | 406 | 376 | - | 239 |
| 212 | 12 | 62 | 571 | 272 | - | 192 |
| 48 | 11 | 30 | 134 | 362 | - | 333 |
| 41 | 4 | 24 | 119 | 41 | - | 411 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | 687 |
| - | - | - | - | - | - | - |
| - | - | - | - | 22 | - | 23 |
| <u>998</u> | <u>112</u> | <u>451</u> | <u>2,704</u> | <u>1,943</u> | <u>-</u> | <u>3,107</u> |
| 6 | 1 | 5 | 16 | 124 | - | 107 |
| 27 | 3 | 9 | 80 | 216 | - | 2,190 |
| 57 | 4 | 25 | 157 | - | - | 91 |
| <u>90</u> | <u>8</u> | <u>39</u> | <u>253</u> | <u>340</u> | <u>-</u> | <u>2,388</u> |
| <u>(908)</u> | <u>(104)</u> | <u>(412)</u> | <u>(2,451)</u> | <u>(1,603)</u> | <u>-</u> | <u>(719)</u> |
| 784 | 79 | 456 | 2,516 | 1,630 | - | - |
| - | - | - | - | - | - | 474 |
| - | - | - | - | - | - | 7 |
| - | 25 | 1 | - | 9 | - | 16 |
| - | - | - | - | - | - | - |
| <u>784</u> | <u>104</u> | <u>457</u> | <u>2,516</u> | <u>1,639</u> | <u>-</u> | <u>497</u> |
| (124) | - | 45 | 65 | 36 | - | (222) |
| 257 | 13 | 76 | 486 | (59) | - | 50 |
| - | - | - | - | - | - | - |
| <u>257</u> | <u>13</u> | <u>76</u> | <u>486</u> | <u>(59)</u> | <u>-</u> | <u>50</u> |
| <u>\$ 133</u> | <u>\$ 13</u> | <u>\$ 121</u> | <u>\$ 551</u> | <u>\$ (23)</u> | <u>\$ -</u> | <u>\$ (172)</u> |

COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS (in thousands)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

| | Broward Math and Science Schools | Central Charter School | Championship Academy of Distinction Davie | Championship Academy of Distinction Hollywood | Charter School of Excellence |
|--|---|---------------------------------------|--|--|---|
| EXPENSES: | | | | | |
| Instructional services | \$ 408 | \$ 4,649 | \$ 2,021 | \$ 1,453 | \$ 937 |
| Instructional support services | 2 | 104 | - | - | 5 |
| Pupil transportation services | - | 105 | 99 | 59 | 102 |
| Operation and maintenance of plant | 79 | 2,081 | 971 | 833 | 212 |
| School administration | 189 | 590 | 935 | 664 | 558 |
| General administration | 118 | 1,486 | 101 | 105 | 114 |
| Food services | 13 | 800 | 287 | 265 | 101 |
| Scholarships and programs | - | - | - | - | - |
| Facilities acquisition and construction | 116 | - | 41 | 41 | 119 |
| Interest expense | - | 18 | - | - | 3 |
| Depreciation - unallocated (1) | 1 | - | 29 | 30 | - |
| Total expenses | <u>926</u> | <u>9,833</u> | <u>4,484</u> | <u>3,450</u> | <u>2,151</u> |
| PROGRAM REVENUES: | | | | | |
| Charges for services | 4 | 342 | 190 | 143 | 88 |
| Operating grants and contributions | 177 | 1,031 | 99 | 376 | 98 |
| Capital grants and contributions | - | 377 | 185 | 115 | 103 |
| Total program revenues | <u>181</u> | <u>1,750</u> | <u>474</u> | <u>634</u> | <u>289</u> |
| Net program expense | <u>(745)</u> | <u>(8,083)</u> | <u>(4,010)</u> | <u>(2,816)</u> | <u>(1,862)</u> |
| GENERAL REVENUES: | | | | | |
| Grants and contributions not restricted to specific programs | 637 | 7,294 | 4,066 | 2,650 | - |
| Other federal sources | - | - | - | - | - |
| Other state sources | - | - | - | - | 1,798 |
| Other local sources | 152 | - | 70 | 180 | 147 |
| Unrestricted investment earnings | - | - | - | - | 1 |
| Total general revenues | <u>789</u> | <u>7,294</u> | <u>4,136</u> | <u>2,830</u> | <u>1,946</u> |
| Change in net position | <u>44</u> | <u>(789)</u> | <u>126</u> | <u>14</u> | <u>84</u> |
| Total net position (deficit), beginning of year, as originally stated | <u>-</u> | <u>(730)</u> | <u>86</u> | <u>73</u> | <u>402</u> |
| Prior period adjustment | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>(1,005)</u> |
| Total net position, beginning of year, as restated | <u>-</u> | <u>(730)</u> | <u>86</u> | <u>73</u> | <u>(603)</u> |
| Total net position (deficit), end of year | <u>\$ 44</u> | <u>\$ (1,519)</u> | <u>\$ 212</u> | <u>\$ 87</u> | <u>\$ (519)</u> |

⁽¹⁾ This amount excludes the depreciation that is included in the direct expenses of the various programs

Exhibit G2 (continued)

| Charter School of Excellence Davie | Charter School of Excellence Davie 2 | Charter School of Excellence Ft Laud | Charter School of Excellence Riverland | Charter School of Excellence Riverland 2 | Charter School of Excellence Tamarac 1 | Charter School of Excellence Tamarac 2 |
|------------------------------------|--------------------------------------|--------------------------------------|--|--|--|--|
| \$ 716 | \$ 114 | \$ 80 | \$ 381 | \$ 141 | \$ 1,145 | \$ 166 |
| 7 | - | 1 | 6 | - | 14 | |
| 68 | - | - | 73 | 24 | 194 | |
| 85 | - | 7 | 77 | 17 | 167 | 5 |
| 501 | 58 | 58 | 197 | 99 | 979 | 57 |
| 111 | 11 | 9 | 59 | 17 | 190 | 21 |
| 79 | 8 | 22 | 86 | - | 197 | |
| - | - | - | - | - | - | |
| 105 | 11 | 18 | 82 | 32 | 371 | 3 |
| 11 | - | - | - | - | 8 | - |
| - | - | - | - | - | - | - |
| <u>1,683</u> | <u>202</u> | <u>195</u> | <u>961</u> | <u>330</u> | <u>3,265</u> | <u>252</u> |
| 80 | - | - | 11 | - | 63 | - |
| 85 | - | - | 95 | - | 202 | 1 |
| 63 | 7 | 7 | 34 | 11 | 121 | 7 |
| <u>228</u> | <u>7</u> | <u>7</u> | <u>140</u> | <u>11</u> | <u>386</u> | <u>8</u> |
| <u>(1,455)</u> | <u>(195)</u> | <u>(188)</u> | <u>(821)</u> | <u>(319)</u> | <u>(2,879)</u> | <u>(244)</u> |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| 1,375 | 180 | 180 | 823 | 298 | 2,736 | 215 |
| 104 | 10 | 14 | 56 | 17 | 196 | 12 |
| - | - | - | - | - | - | - |
| <u>1,479</u> | <u>190</u> | <u>194</u> | <u>879</u> | <u>315</u> | <u>2,932</u> | <u>227</u> |
| 24 | (5) | 6 | 58 | (4) | 53 | (17) |
| 115 | 125 | 94 | 7 | (45) | 166 | 203 |
| <u>(240)</u> | <u>(247)</u> | <u>(30)</u> | <u>(239)</u> | <u>(235)</u> | <u>(289)</u> | <u>(327)</u> |
| <u>(125)</u> | <u>(122)</u> | <u>64</u> | <u>(232)</u> | <u>(280)</u> | <u>(123)</u> | <u>(124)</u> |
| <u>\$ (101)</u> | <u>\$ (127)</u> | <u>\$ 70</u> | <u>\$ (174)</u> | <u>\$ (284)</u> | <u>\$ (70)</u> | <u>\$ (141)</u> |

**COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS (in thousands)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

| | Discovery Middle Charter | Dolphin Park High | Eagles' Nest Elementary | Eagles' Nest Middle | Everest Charter School |
|--|--------------------------------|----------------------|----------------------------|------------------------|------------------------------|
| EXPENSES: | | | | | |
| Instructional services | \$ 376 | \$ 611 | \$ 495 | \$ 233 | \$ 244 |
| Instructional support services | 14 | 226 | 174 | 78 | 1 |
| Pupil transportation services | 87 | 97 | 78 | 48 | - |
| Operation and maintenance of plant | 76 | 515 | 110 | 34 | 35 |
| School administration | 107 | - | 158 | 84 | 7 |
| General administration | 128 | 629 | 115 | 78 | 53 |
| Food services | 65 | - | 81 | 41 | 9 |
| Scholarships and programs | - | - | - | - | - |
| Facilities acquisition and construction | 276 | 28 | 311 | 134 | 53 |
| Interest expense | - | - | - | - | - |
| Depreciation - unallocated (1) | 3 | - | 11 | 6 | 7 |
| Total expenses | <u>1,132</u> | <u>2,106</u> | <u>1,533</u> | <u>736</u> | <u>409</u> |
| PROGRAM REVENUES: | | | | | |
| Charges for services | - | - | 120 | - | 6 |
| Operating grants and contributions | 129 | 54 | 58 | 108 | - |
| Capital grants and contributions | 44 | 121 | 64 | 38 | - |
| Total program revenues | <u>173</u> | <u>175</u> | <u>242</u> | <u>146</u> | <u>6</u> |
| Net program expense | <u>(959)</u> | <u>(1,931)</u> | <u>(1,291)</u> | <u>(590)</u> | <u>(403)</u> |
| GENERAL REVENUES: | | | | | |
| Grants and contributions not restricted to specific programs | 837 | 1,671 | 1,503 | 677 | 385 |
| Other federal sources | 8 | - | - | - | - |
| Other state sources | - | - | - | - | - |
| Other local sources | - | 350 | - | - | 17 |
| Unrestricted investment earnings | - | - | - | - | - |
| Total general revenues | <u>845</u> | <u>2,021</u> | <u>1,503</u> | <u>677</u> | <u>402</u> |
| Change in net position | <u>(114)</u> | <u>90</u> | <u>212</u> | <u>87</u> | <u>(1)</u> |
| Total net position (deficit), beginning of year, as originally stated | <u>173</u> | <u>380</u> | <u>150</u> | <u>42</u> | <u>2</u> |
| Prior period adjustment | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total net position, beginning of year, as restated | <u>173</u> | <u>380</u> | <u>150</u> | <u>42</u> | <u>2</u> |
| Total net position (deficit), end of year | <u>\$ 59</u> | <u>\$ 470</u> | <u>\$ 362</u> | <u>\$ 129</u> | <u>\$ 1</u> |

(1) This amount excludes the depreciation that is included in the direct expenses of the various programs

Exhibit G2 (continued)

| Excelsior Charter of Broward | Flagler High | Florida Virtual Academy | Franklin Academy A | Franklin Academy B | Franklin Academy E | Franklin Academy F |
|------------------------------------|----------------|-------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| \$ 626 | \$ 634 | \$ 211 | \$ 4,156 | \$ 457 | \$ 3,308 | \$ 1,375 |
| 3 | 244 | 471 | 327 | - | 219 | - |
| 31 | 115 | - | 339 | - | 171 | 78 |
| 59 | 434 | 31 | 1,917 | 235 | 1,388 | 659 |
| 94 | - | 87 | 798 | 111 | 673 | 336 |
| 238 | 1,166 | 55 | 926 | 107 | 651 | 364 |
| 49 | - | - | 267 | 32 | 199 | 85 |
| - | - | - | - | - | - | - |
| 209 | 56 | - | - | - | - | - |
| - | - | - | - | - | - | - |
| 12 | - | - | 157 | - | 286 | 7 |
| <u>1,321</u> | <u>2,649</u> | <u>855</u> | <u>8,887</u> | <u>942</u> | <u>6,895</u> | <u>2,904</u> |
| 21 | - | - | 137 | 15 | 46 | 53 |
| 2 | 54 | 8 | 157 | 17 | 476 | 33 |
| 51 | 217 | - | 479 | 43 | 211 | 57 |
| <u>74</u> | <u>271</u> | <u>8</u> | <u>773</u> | <u>75</u> | <u>733</u> | <u>143</u> |
| <u>(1,247)</u> | <u>(2,378)</u> | <u>(847)</u> | <u>(8,114)</u> | <u>(867)</u> | <u>(6,162)</u> | <u>(2,761)</u> |
| 1,171 | 2,361 | 873 | 7,755 | 810 | 5,695 | 2,623 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| 90 | 4 | - | 481 | 300 | 328 | 250 |
| - | - | - | - | - | - | - |
| <u>1,261</u> | <u>2,365</u> | <u>873</u> | <u>8,236</u> | <u>1,110</u> | <u>6,023</u> | <u>2,873</u> |
| 14 | (13) | 26 | 122 | 243 | (139) | 112 |
| 77 | 110 | - | 1,217 | (129) | 1,034 | 86 |
| - | - | - | - | - | - | - |
| <u>77</u> | <u>110</u> | <u>-</u> | <u>1,217</u> | <u>(129)</u> | <u>1,034</u> | <u>86</u> |
| <u>\$ 91</u> | <u>\$ 97</u> | <u>\$ 26</u> | <u>\$ 1,339</u> | <u>\$ 114</u> | <u>\$ 895</u> | <u>\$ 198</u> |

**COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS (in thousands)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

| | Greentree Prep Charter School | Henry McNeal Turner Learning Academy | Hollywood Academy of Arts & Science Elem | Hollywood Academy of Arts & Science Middle | iGeneration Empowerment Academy * |
|--|-------------------------------------|---|---|--|---|
| EXPENSES: | | | | | |
| Instructional services | \$ 213 | \$ 264 | \$ 3,684 | \$ 1,341 | \$ - |
| Instructional support services | - | - | 242 | 113 | - |
| Pupil transportation services | - | 41 | - | - | - |
| Operation and maintenance of plant | 144 | 36 | 1,020 | 433 | - |
| School administration | 116 | 120 | 444 | 135 | - |
| General administration | 30 | 75 | 2,122 | 863 | - |
| Food services | 2 | 59 | 290 | 109 | - |
| Scholarships and programs | - | - | - | - | - |
| Facilities acquisition and construction | - | 64 | - | - | - |
| Interest expense | - | - | - | - | - |
| Depreciation - unallocated (1) | 1 | 3 | - | - | - |
| Total expenses | <u>506</u> | <u>662</u> | <u>7,802</u> | <u>2,994</u> | <u>-</u> |
| PROGRAM REVENUES: | | | | | |
| Charges for services | 6 | - | 499 | 43 | - |
| Operating grants and contributions | - | 36 | 317 | 144 | - |
| Capital grants and contributions | - | 22 | 301 | 154 | - |
| Total program revenues | <u>6</u> | <u>58</u> | <u>1,117</u> | <u>341</u> | <u>-</u> |
| Net program expense | <u>(500)</u> | <u>(604)</u> | <u>(6,685)</u> | <u>(2,653)</u> | <u>-</u> |
| GENERAL REVENUES: | | | | | |
| Grants and contributions not restricted to specific programs | 449 | 485 | 6,837 | 2,693 | - |
| Other federal sources | - | - | - | - | - |
| Other state sources | - | - | - | - | - |
| Other local sources | 28 | 9 | 50 | 21 | - |
| Unrestricted investment earnings | - | - | - | - | - |
| Total general revenues | <u>477</u> | <u>494</u> | <u>6,887</u> | <u>2,714</u> | <u>-</u> |
| Change in net position | <u>(23)</u> | <u>(110)</u> | <u>202</u> | <u>61</u> | <u>-</u> |
| Total net position (deficit), beginning of year, as originally stated | <u>-</u> | <u>7</u> | <u>(653)</u> | <u>(685)</u> | <u>-</u> |
| Prior period adjustment | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total net position, beginning of year, as restated | <u>-</u> | <u>7</u> | <u>(653)</u> | <u>(685)</u> | <u>-</u> |
| Total net position (deficit), end of year | <u>\$ (23)</u> | <u>\$ (103)</u> | <u>\$ (451)</u> | <u>\$ (624)</u> | <u>\$ -</u> |

(1) This amount excludes the depreciation that is included in the direct expenses of the various programs

* The audited financial information was not reported to the District as of the date of publication of the CAFR.

Exhibit G2 (continued)

| Imagine at Broward | Imagine at Broward (new) | Imagine at North Lauderdale Elem | Imagine at Weston | Imagine Middle School West | Imagine Schools Plantation Campus | International School of Broward |
|--------------------|--------------------------|----------------------------------|-------------------|----------------------------|-----------------------------------|---------------------------------|
| \$ - | \$ 3,248 | \$ 2,589 | \$ 3,083 | \$ 856 | \$ 1,292 | \$ 963 |
| - | 137 | 90 | 136 | 41 | 70 | - |
| - | - | 229 | 147 | 48 | - | - |
| - | 1,928 | 829 | 1,804 | 587 | 446 | 263 |
| - | 1,236 | 996 | 778 | 276 | 514 | 253 |
| - | 28 | 59 | 29 | 13 | 23 | 375 |
| - | 354 | 386 | 177 | 43 | 13 | 53 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | 15 |
| - | 6,931 | 5,178 | 6,154 | 1,864 | 2,358 | 1,922 |
| - | 727 | 8 | 676 | 143 | 142 | 180 |
| - | 431 | 913 | 370 | 175 | - | 47 |
| - | - | - | - | - | - | 105 |
| - | 1,158 | 921 | 1,046 | 318 | 142 | 332 |
| - | (5,773) | (4,257) | (5,108) | (1,546) | (2,216) | (1,590) |
| - | 5,656 | 3,806 | 4,952 | 1,383 | 2,146 | 1,571 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| - | 201 | 497 | 296 | 147 | 144 | 15 |
| - | - | - | - | - | - | - |
| - | 5,857 | 4,303 | 5,248 | 1,530 | 2,290 | 1,586 |
| - | 84 | 46 | 140 | (16) | 74 | (4) |
| - | 946 | (41) | 270 | 70 | 227 | (18) |
| - | - | - | - | - | - | - |
| - | 946 | (41) | 270 | 70 | 227 | (18) |
| \$ - | \$ 1,030 | \$ 5 | \$ 410 | \$ 54 | \$ 301 | \$ (22) |

COMBINING STATEMENT OF ACTIVITIES

COMPONENT UNITS (in thousands)

FOR THE FISCAL YEAR ENDED JUNE 30, 2015

| | Kidz Choice Charter | Lauderhill High | Mavericks High of Central Broward | Mavericks High of North Broward | Melrose High |
|--|------------------------|--------------------|--|---------------------------------------|----------------|
| EXPENSES: | | | | | |
| Instructional services | \$ 286 | \$ 607 | 912 | \$ 825 | \$ 462 |
| Instructional support services | 1 | 250 | 117 | 128 | 170 |
| Pupil transportation services | - | 156 | 113 | 68 | 94 |
| Operation and maintenance of plant | 46 | 393 | 871 | 807 | 403 |
| School administration | 238 | - | - | - | - |
| General administration | 75 | 1,659 | 290 | 295 | 693 |
| Food services | 1 | - | - | - | - |
| Scholarships and programs | - | - | - | - | - |
| Facilities acquisition and construction | 90 | 51 | - | - | 56 |
| Interest expense | - | - | - | - | - |
| Depreciation - unallocated (1) | 8 | - | - | - | - |
| Total expenses | 745 | 3,116 | 2,303 | 2,123 | 1,878 |
| PROGRAM REVENUES: | | | | | |
| Charges for services | - | - | - | - | - |
| Operating grants and contributions | - | 48 | 48 | 73 | 57 |
| Capital grants and contributions | 31 | 228 | 152 | 138 | 128 |
| Total program revenues | 31 | 276 | 200 | 211 | 185 |
| Net program expense | (714) | (2,840) | (2,103) | (1,912) | (1,693) |
| GENERAL REVENUES: | | | | | |
| Grants and contributions not restricted to specific programs | 736 | 3,056 | 2110 | 1,918 | 1,655 |
| Other federal sources | - | - | - | - | - |
| Other state sources | - | - | - | - | - |
| Other local sources | 10 | 11 | 3 | 4 | 2 |
| Unrestricted investment earnings | - | - | - | - | - |
| Total general revenues | 746 | 3,067 | 2,113 | 1,922 | 1,657 |
| Change in net position | 32 | 227 | 10 | 10 | (36) |
| Total net position (deficit), beginning of year, as originally stated | 132 | 711 | 238 | 431 | 108 |
| Prior period adjustment | - | - | - | - | - |
| Total net position, beginning of year, as restated | 132 | 711 | 238 | 431 | 108 |
| Total net position (deficit), end of year | \$ 164 | \$ 938 | \$ 248 | \$ 441 | \$ 72 |

(1) This amount excludes the depreciation that is included in the direct expenses of the various programs

* The audited financial information was not reported to the District as of the date of publication of the CAFR.

Exhibit G2 (continued)

| | New Generation Preparatory High * | New Life Charter Academy | North Broward Academy of Excellence Elem | North Broward Academy of Excellence Middle | North University High | Panacea Prep Charter School | Paragon Academy of Technology |
|----|--|--------------------------------|--|--|-----------------------------|-----------------------------------|-------------------------------------|
| \$ | - | \$ 149 | \$ 2,481 | \$ 1,170 | \$ 685 | \$ 370 | \$ 418 |
| | - | 40 | 244 | 86 | 202 | 1 | 61 |
| | - | 2 | - | - | 157 | 98 | 73 |
| | - | 70 | 974 | 446 | 404 | 72 | 109 |
| | - | 107 | 303 | 142 | - | 195 | 75 |
| | - | 76 | 944 | 434 | 818 | 111 | 89 |
| | - | 34 | 272 | 155 | - | 55 | 59 |
| | - | - | - | - | - | - | - |
| | - | 99 | - | - | - | 132 | 155 |
| | - | - | - | - | - | - | - |
| | - | 8 | - | - | - | 17 | - |
| | - | 585 | 5,218 | 2,433 | 2,266 | 1,051 | 1,039 |
| | - | - | 186 | 16 | - | - | 2 |
| | - | 198 | 466 | 265 | 54 | 258 | 157 |
| | - | - | 228 | 117 | 177 | - | 41 |
| | - | 198 | 880 | 398 | 231 | 258 | 200 |
| | - | (387) | (4,338) | (2,035) | (2,035) | (793) | (839) |
| | - | 354 | 4,446 | 2,036 | 2,093 | 848 | 749 |
| | - | - | - | - | - | - | - |
| | - | - | - | - | - | - | - |
| | - | 12 | 32 | 13 | 13 | 42 | 21 |
| | - | - | - | - | - | - | - |
| | - | 366 | 4,478 | 2,049 | 2,106 | 890 | 770 |
| | - | (21) | 140 | 14 | 71 | 97 | (69) |
| | - | - | (120) | 731 | 107 | (2) | 166 |
| | - | - | - | - | - | - | - |
| | - | - | (120) | 731 | 107 | (2) | 166 |
| \$ | - | \$ (21) | \$ 20 | \$ 745 | \$ 178 | \$ 95 | \$ 97 |

**COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS (in thousands)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

| | Pathways Academy K-8 Center | Pivot Charter School | Renaissance Charter School Cooper City | Renaissance Charter School Coral Springs | Renaissance Charter School Pines |
|--|--|---------------------------------|---|---|---|
| EXPENSES: | | | | | |
| Instructional services | \$ 824 | \$ 781 | \$ 4,081 | \$ 4,846 | \$ 3,215 |
| Instructional support services | 49 | - | 437 | 337 | 237 |
| Pupil transportation services | 131 | 94 | 53 | - | - |
| Operation and maintenance of plant | 411 | 115 | 2,045 | 1,641 | 1,952 |
| School administration | - | 245 | 465 | 570 | 375 |
| General administration | 461 | 153 | 1,410 | 3,220 | 201 |
| Food services | 232 | - | 337 | 396 | 321 |
| Scholarships and programs | - | - | - | - | - |
| Facilities acquisition and construction | - | 256 | - | - | - |
| Interest expense | - | - | - | - | - |
| Depreciation - unallocated (1) | - | 327 | - | - | - |
| Total expenses | 2,108 | 1,971 | 8,828 | 11,010 | 6,301 |
| PROGRAM REVENUES: | | | | | |
| Charges for services | - | - | 450 | 465 | 316 |
| Operating grants and contributions | 257 | - | 361 | 505 | 353 |
| Capital grants and contributions | 80 | - | 365 | 455 | 240 |
| Total program revenues | 337 | - | 1,176 | 1,425 | 909 |
| Net program expense | (1,771) | (1,971) | (7,652) | (9,585) | (5,392) |
| GENERAL REVENUES: | | | | | |
| Grants and contributions not restricted to specific programs | 1,736 | 1,176 | 7,594 | 9,569 | 5,430 |
| Other federal sources | - | - | - | - | - |
| Other state sources | - | - | - | - | - |
| Other local sources | 8 | 421 | 56 | 61 | 35 |
| Unrestricted investment earnings | - | - | - | - | - |
| Total general revenues | 1,744 | 1,597 | 7,650 | 9,630 | 5,465 |
| Change in net position | (27) | (374) | (2) | 45 | 73 |
| Total net position (deficit), beginning of year, as originally stated | (13) | 1,086 | 887 | (1,712) | - |
| Prior period adjustment | - | - | - | - | - |
| Total net position, beginning of year, as restated | (13) | 1,086 | 887 | (1,712) | - |
| Total net position (deficit), end of year | \$ (40) | \$ 712 | \$ 885 | \$ (1,667) | \$ 73 |

(1) This amount excludes the depreciation that is included in the direct expenses of the various programs

Exhibit G2 (continued)

| Renaissance Charter School Pines Middle | Renaissance Charter School Plantation | Renaissance Charter School University | Rise Academy School of Science & Technology | Somerset Academy Conservatory High | Somerset Academy Davie | Somerset Academy East Preparatory |
|--|--|--|---|---|------------------------------|--|
| \$ 1,100 | \$ 3,183 | \$ 4,759 | \$ 1,229 | \$ 197 | \$ 593 | \$ 933 |
| 48 | 300 | 255 | 23 | 1 | 2 | 4 |
| - | 209 | 52 | 49 | 9 | - | - |
| 613 | 1,798 | 2,180 | 107 | 160 | 241 | 455 |
| 102 | 462 | 502 | 239 | 129 | 195 | 267 |
| 12 | 853 | 1,696 | 167 | 55 | 73 | 159 |
| 102 | 409 | 399 | 96 | 19 | 60 | 166 |
| - | - | - | - | - | - | - |
| - | - | - | 301 | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | 15 | - | - | - |
| <u>1,977</u> | <u>7,214</u> | <u>9,843</u> | <u>2,226</u> | <u>570</u> | <u>1,164</u> | <u>1,984</u> |
| 63 | 301 | 382 | - | 6 | 32 | 13 |
| 110 | 506 | 685 | 5 | 14 | 52 | 210 |
| 76 | 300 | 431 | - | 52 | 44 | 90 |
| <u>249</u> | <u>1,107</u> | <u>1,498</u> | <u>5</u> | <u>72</u> | <u>128</u> | <u>313</u> |
| <u>(1,728)</u> | <u>(6,107)</u> | <u>(8,345)</u> | <u>(2,221)</u> | <u>(498)</u> | <u>(1,036)</u> | <u>(1,671)</u> |
| 1,291 | 6,201 | 8,998 | 1,791 | 734 | 1,003 | 1,947 |
| - | - | - | 412 | - | - | - |
| - | - | - | - | - | - | - |
| 441 | 49 | 62 | - | 1 | 49 | 30 |
| - | - | - | - | - | - | - |
| <u>1,732</u> | <u>6,250</u> | <u>9,060</u> | <u>2,203</u> | <u>735</u> | <u>1,052</u> | <u>1,977</u> |
| 4 | 143 | 715 | (18) | 237 | 16 | 306 |
| - | 955 | 1,527 | (13) | 938 | 989 | 1,503 |
| - | - | - | - | - | - | - |
| - | 955 | 1,527 | (13) | 938 | 989 | 1,503 |
| <u>\$ 4</u> | <u>\$ 1,098</u> | <u>\$ 2,242</u> | <u>\$ (31)</u> | <u>\$ 1,175</u> | <u>\$ 1,005</u> | <u>\$ 1,809</u> |

**COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS (in thousands)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015**

| | Somerset Academy Elem** | Somerset Academy High | Somerset Academy Hollywood | Somerset Academy Hollywood Middle | Somerset Academy Middle |
|--|-------------------------------|-----------------------------|----------------------------------|--|-------------------------------|
| EXPENSES: | | | | | |
| Instructional services | \$ 5,720 | \$ 3,781 | \$ 269 | \$ 56 | \$ 2,312 |
| Instructional support services | 12 | 12 | 5 | - | 4 |
| Pupil transportation services | 60 | 106 | - | - | 84 |
| Operation and maintenance of plant | 2,823 | 1,655 | 178 | 35 | 1,810 |
| School administration | 1,446 | 1,005 | 79 | 10 | 586 |
| General administration | 637 | 619 | 36 | 10 | 365 |
| Food services | 289 | 176 | 41 | 8 | 136 |
| Scholarships and programs | - | - | - | - | - |
| Facilities acquisition and construction | 81 | 133 | - | - | 64 |
| Interest expense | - | - | - | - | - |
| Depreciation - unallocated (1) | - | - | - | - | - |
| Total expenses | <u>11,068</u> | <u>7,487</u> | <u>608</u> | <u>119</u> | <u>5,361</u> |
| PROGRAM REVENUES: | | | | | |
| Charges for services | 431 | 52 | 13 | - | 42 |
| Operating grants and contributions | 375 | 133 | 154 | 7 | 101 |
| Capital grants and contributions | 633 | 646 | - | 4 | 409 |
| Total program revenues | <u>1,439</u> | <u>831</u> | <u>167</u> | <u>11</u> | <u>552</u> |
| Net program expense | <u>(9,629)</u> | <u>(6,656)</u> | <u>(441)</u> | <u>(108)</u> | <u>(4,809)</u> |
| GENERAL REVENUES: | | | | | |
| Grants and contributions not restricted to specific programs | 9,842 | 6,826 | 389 | 66 | 5,004 |
| Other federal sources | - | - | - | - | - |
| Other state sources | - | - | - | - | - |
| Other local sources | 38 | 36 | 70 | 45 | - |
| Unrestricted investment earnings | - | - | - | - | - |
| Total general revenues | <u>9,880</u> | <u>6,862</u> | <u>459</u> | <u>111</u> | <u>5,004</u> |
| Change in net position | <u>251</u> | <u>206</u> | <u>18</u> | <u>3</u> | <u>195</u> |
| Total net position (deficit), beginning of year, as originally stated | <u>3,924</u> | <u>2,611</u> | <u>55</u> | <u>6</u> | <u>1,668</u> |
| Prior period adjustment | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total net position, beginning of year, as restated | <u>3,924</u> | <u>2,611</u> | <u>55</u> | <u>6</u> | <u>1,668</u> |
| Total net position (deficit), end of year | <u>\$ 4,175</u> | <u>\$ 2,817</u> | <u>\$ 73</u> | <u>\$ 9</u> | <u>\$ 1,863</u> |

(1) This amount excludes the depreciation that is included in the direct expenses of the various programs

** Includes Somerset Academy Neighborhood

Exhibit G2 (continued)

| Somerset Academy Miramar | Somerset Academy Miramar High | Somerset Academy Miramar Middle | Somerset Academy North Lauderdale | Somerset Academy Pompano | Somerset Academy Pompano Middle | Somerset Miramar South |
|--------------------------|-------------------------------|---------------------------------|-----------------------------------|--------------------------|---------------------------------|------------------------|
| \$ 2,395 | \$ 1,046 | \$ 1,330 | \$ 2,942 | \$ 567 | \$ 62 | \$ 181 |
| 8 | 3 | 5 | 7 | 1 | 1 | - |
| - | 12 | - | - | - | - | - |
| 1,329 | 384 | 891 | 1,076 | 245 | 31 | 54 |
| 385 | 295 | 252 | 861 | 189 | 18 | 159 |
| 283 | 134 | 193 | 309 | 80 | 15 | 49 |
| 220 | 82 | 148 | 388 | 100 | 14 | 36 |
| - | - | - | - | - | - | - |
| 68 | - | 34 | - | - | - | - |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| 4,688 | 1,956 | 2,853 | 5,583 | 1,182 | 141 | 479 |
| 272 | 102 | 31 | 11 | 8 | 1 | 8 |
| 271 | 91 | 236 | 634 | 67 | 12 | 28 |
| 239 | 133 | 168 | 360 | - | 8 | 31 |
| 782 | 326 | 435 | 1,005 | 75 | 21 | 67 |
| (3,906) | (1,630) | (2,418) | (4,578) | (1,107) | (120) | (412) |
| 4,293 | 1,662 | 2,614 | 4,510 | 1,114 | 143 | 737 |
| - | - | - | - | - | - | - |
| - | - | - | - | - | - | - |
| 53 | 13 | - | - | 2 | - | - |
| - | - | - | - | - | - | - |
| 4,346 | 1,675 | 2,614 | 4,510 | 1,116 | 143 | 737 |
| 440 | 45 | 196 | (68) | 9 | 23 | 325 |
| 4,755 | 112 | 1,160 | 1,661 | 173 | 62 | 434 |
| - | - | - | - | - | - | - |
| 4,755 | 112 | 1,160 | 1,661 | 173 | 62 | 434 |
| \$ 5,195 | \$ 157 | \$ 1,356 | \$ 1,593 | \$ 182 | \$ 85 | \$ 759 |

COMBINING STATEMENT OF ACTIVITIES
COMPONENT UNITS (in thousands)
FOR THE FISCAL YEAR ENDED JUNE 30, 2015

| | Somerset Pines Academy | Somerset Preparatory High Broward Campus | Somerset Preparatory Middle | Somerset Village Academy | Somerset Village Academy Middle |
|--|------------------------------|---|-----------------------------------|--------------------------------|--|
| EXPENSES: | | | | | |
| Instructional services | \$ 1,820 | \$ 722 | \$ 878 | \$ 844 | \$ 503 |
| Instructional support services | 6 | 1 | 9 | 3 | - |
| Pupil transportation services | - | - | 14 | - | - |
| Operation and maintenance of plant | 792 | 342 | 453 | 515 | 216 |
| School administration | 457 | 170 | 456 | 430 | 60 |
| General administration | 212 | 101 | 152 | 118 | 69 |
| Food services | 155 | 120 | 97 | 106 | 49 |
| Scholarships and programs | - | - | - | - | - |
| Facilities acquisition and construction | - | - | - | 3 | - |
| Interest expense | - | - | - | - | - |
| Depreciation - unallocated (1) | - | - | - | - | - |
| Total expenses | <u>3,442</u> | <u>1,456</u> | <u>2,059</u> | <u>2,019</u> | <u>897</u> |
| PROGRAM REVENUES: | | | | | |
| Charges for services | 13 | 4 | 15 | 3 | 1 |
| Operating grants and contributions | 235 | 117 | 172 | 232 | 106 |
| Capital grants and contributions | 224 | 96 | 135 | 70 | 38 |
| Total program revenues | <u>472</u> | <u>217</u> | <u>322</u> | <u>305</u> | <u>145</u> |
| Net program expense | <u>(2,970)</u> | <u>(1,239)</u> | <u>(1,737)</u> | <u>(1,714)</u> | <u>(752)</u> |
| GENERAL REVENUES: | | | | | |
| Grants and contributions not restricted to specific programs | 3,124 | 1,285 | 1,998 | 1,645 | 699 |
| Other federal sources | - | - | - | - | - |
| Other state sources | - | - | - | - | - |
| Other local sources | 2 | - | - | 5 | - |
| Unrestricted investment earnings | - | - | - | - | - |
| Total general revenues | <u>3,126</u> | <u>1,285</u> | <u>1,998</u> | <u>1,650</u> | <u>699</u> |
| Change in net position | 156 | 46 | 261 | (64) | (53) |
| Total net position (deficit), beginning of year, as originally stated | 1,094 | 511 | 627 | 1,061 | 385 |
| Prior period adjustment | - | - | - | - | - |
| Total net position, beginning of year, as restated | <u>1,094</u> | <u>511</u> | <u>627</u> | <u>1,061</u> | <u>385</u> |
| Total net position (deficit), end of year | <u>\$ 1,250</u> | <u>\$ 557</u> | <u>\$ 888</u> | <u>\$ 997</u> | <u>\$ 332</u> |

(1) This amount excludes the depreciation that is included in the direct expenses of the various programs

Exhibit G2 (concluded)

| | South Broward Montessori | SunEd High School | SunEd High School of North Broward | Sunshine Elementary | West Broward Acadmy at Excelsior | Broward Education Foundation | Total Non-Major Component Units |
|----|--------------------------------|----------------------|---|------------------------|---|------------------------------------|--|
| \$ | 409 | \$ 546 | \$ 342 | \$ 1,014 | \$ 169 | \$ - | \$ 112,251 |
| | - | 60 | 69 | 134 | 33 | - | 6,164 |
| | - | 75 | 48 | 73 | - | - | 4,450 |
| | 34 | 458 | 423 | 202 | 19 | - | 50,712 |
| | 179 | 778 | 625 | 186 | 62 | - | 28,544 |
| | 64 | 54 | 83 | 188 | 64 | 383 | 30,055 |
| | 12 | - | - | 179 | 5 | - | 10,561 |
| | - | - | - | - | - | 2,909 | 2,909 |
| | 86 | - | - | 289 | 29 | - | 4,907 |
| | - | - | - | - | - | - | 40 |
| | 11 | - | - | - | 5 | - | 1,009 |
| | <u>795</u> | <u>1,971</u> | <u>1,590</u> | <u>2,265</u> | <u>386</u> | <u>3,292</u> | <u>251,602</u> |
| | 13 | - | - | 4 | - | 60 | 7,458 |
| | - | - | - | 249 | - | 3,358 | 19,650 |
| | 131 | 168 | 345 | 85 | - | - | 10,787 |
| | <u>144</u> | <u>168</u> | <u>345</u> | <u>338</u> | <u>-</u> | <u>3,418</u> | <u>37,895</u> |
| | <u>(651)</u> | <u>(1,803)</u> | <u>(1,245)</u> | <u>(1,927)</u> | <u>(386)</u> | <u>126</u> | <u>(213,707)</u> |
| | 585 | 2,338 | 1,088 | 1,986 | 367 | - | 200,765 |
| | - | - | - | - | - | - | 894 |
| | - | - | - | - | - | - | 10,325 |
| | 219 | - | 2 | 62 | - | - | 6,367 |
| | - | - | - | - | - | 46 | 47 |
| | <u>804</u> | <u>2,338</u> | <u>1,090</u> | <u>2,048</u> | <u>367</u> | <u>46</u> | <u>218,398</u> |
| | 153 | 535 | (155) | 121 | (19) | 172 | 4,691 |
| | (129) | 983 | (110) | 313 | 50 | 8,175 | 43,475 |
| | - | - | - | - | - | - | (2,612) |
| | <u>(129)</u> | <u>983</u> | <u>(110)</u> | <u>313</u> | <u>50</u> | <u>8,175</u> | <u>40,863</u> |
| \$ | <u>24</u> | <u>\$ 1,518</u> | <u>\$ (265)</u> | <u>\$ 434</u> | <u>\$ 31</u> | <u>\$ 8,347</u> | <u>\$ 45,554</u> |

Broward County Public Schools



***Educating Today's Students
To Succeed In Tomorrow's World***



Broward County Public Schools

**Statistical
Section**

Broward County Public Schools



***Educating Today's Students
To Succeed In Tomorrow's World***

Statistical Tables

This section of the School Board of Broward County's Comprehensive Annual Financial Report (CAFR) is the chief source of information regarding the School Board's economic condition. It presents detailed information for understanding what the information in the financial statements, note disclosures and required supplemental information says about the School Board's overall financial position. All of the information presented in the statistical section is organized around five specific objectives.

Financial Trends (Table 1 – 4)

These schedules contain trend information to assist the reader in understanding how the School Board's financial position has changed over time.

Revenue Capacity (Table 5 – 10)

These schedules contain information to assist the reader in understanding and assessing the School Board's major revenue sources.

Debt Capacity (Table 11 – 15)

These schedules present information to assist the reader in understanding the School Board's current levels of outstanding debt and its ability to issue additional debt in the future.

Demographic & Economic Information (Table 16 - 19)

These schedules offer demographic and economic indicators to assist the reader in understanding the environment in which the School Board's financial activities take place.

Operating Information (Table 20 – 23)

These schedules contain service and infrastructure data to assist the reader in understanding how the information in the School Board's financial report relates to the service the School Board provides and the activities it performs.

TABLE 1 - NET POSITION BY COMPONENT
LAST TEN FISCAL YEARS (accrual basis of accounting)
 (dollars in thousands)

| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
|-------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-------------------|
| PRIMARY GOVERNMENT: | | | | | | | | | | |
| NET POSITION: | | | | | | | | | | |
| Invested in capital assets reported | \$ 1,375,410 | \$ 1,429,092 | \$ 1,467,281 | \$ 1,528,246 | \$ 1,469,885 | \$ 1,459,470 | \$ 1,354,057 | \$ 1,304,750 | \$ 1,280,610 | \$ 1,282,288 |
| Restricted for: | | | | | | | | | | |
| State required carryover programs | 9,613 | 18,179 | 12,934 | 2,882 | 5,104 | 4,660 | 6,521 | 2,787 | 1,292 | 3,973 |
| Debt service | 25,837 | 30,433 | 23,605 | 13,324 | 12,318 | 15,310 | 11,763 | 9,353 | 4,080 | 2,716 |
| Capital projects | 316,111 | 324,154 | 359,238 | 263,636 | 207,636 | 126,574 | 128,358 | 137,110 | 131,394 | 145,340 |
| Special revenue | 4,748 | 2,576 | 1,380 | 2,611 | 11,354 | 19,626 | 30,275 | 38,570 | 43,378 | 47,010 |
| Unrestricted (deficits) | (11,752) | (54,951) | (40,486) | (90,842) | (108,596) | (76,872) | (145,677) | (148,466) | (143,647) | (894,179) |
| Total net position | <u>\$ 1,719,967</u> | <u>\$ 1,749,483</u> | <u>\$ 1,823,952</u> | <u>\$ 1,719,857</u> | <u>\$ 1,597,701</u> | <u>\$ 1,548,768</u> | <u>\$ 1,385,297</u> | <u>\$ 1,344,104</u> | <u>\$ 1,317,107</u> | <u>\$ 587,148</u> |

SOURCE: The School Board of Broward County - Accounting & Financial Reporting Department

(UNAUDITED)

TABLE 2 - CHANGES IN NET POSITION
LAST TEN FISCAL YEARS (accrual basis of accounting)
 (dollars in thousands)

| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
|---|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| PRIMARY GOVERNMENT: | | | | | | | | | | |
| PROGRAM EXPENSES: | | | | | | | | | | |
| Instructional services | \$ 1,391,571 | \$ 1,458,996 | \$ 1,535,029 | \$ 1,570,848 | \$ 1,500,822 | \$ 1,544,961 | \$ 1,374,058 | \$ 1,436,331 | \$ 1,524,589 | \$ 1,538,275 |
| Instructional support services | 251,724 | 262,062 | 269,177 | 274,977 | 254,985 | 236,635 | 219,525 | 211,569 | 223,511 | 235,943 |
| Pupil transportation services | 83,456 | 85,097 | 92,070 | 91,121 | 102,714 | 93,605 | 87,777 | 88,793 | 85,853 | 84,884 |
| Operation and maintenance of plant | 233,472 | 249,784 | 256,039 | 256,559 | 250,936 | 247,447 | 229,195 | 231,624 | 229,247 | 240,306 |
| School administration | 121,995 | 130,786 | 134,685 | 136,038 | 133,619 | 134,051 | 122,644 | 126,801 | 131,084 | 133,624 |
| General administration | 89,612 | 120,302 | 111,333 | 100,440 | 102,111 | 92,854 | 79,246 | 73,474 | 75,592 | 69,449 |
| Food services | 90,871 | 89,644 | 94,192 | 93,785 | 90,025 | 93,200 | 90,191 | 96,243 | 98,713 | 104,666 |
| Interest expense | 85,380 | 115,679 | 151,433 | 97,615 | 60,652 | 24,517 | 32,646 | 32,894 | 44,541 | 138,546 |
| Facilities acquisition and construction | 64,849 | 90,227 | 89,550 | 71,259 | 102,028 | 102,841 | 128,897 | 76,437 | 70,231 | 49,691 |
| Total expenses | <u>2,412,930</u> | <u>2,602,577</u> | <u>2,733,508</u> | <u>2,692,642</u> | <u>2,597,892</u> | <u>2,570,111</u> | <u>2,364,179</u> | <u>2,374,166</u> | <u>2,483,361</u> | <u>2,595,384</u> |
| PROGRAM REVENUES: | | | | | | | | | | |
| Charges for services | | | | | | | | | | |
| Instructional services | 18,822 | 20,103 | 20,470 | 20,576 | 21,038 | 21,169 | 23,201 | 24,833 | 27,282 | 28,133 |
| Pupil transportation services | 838 | 1,134 | 1,054 | 1,338 | 1,375 | 1,114 | 1,140 | 1,291 | 1,138 | 1,209 |
| Food services | 24,563 | 29,662 | 29,460 | 27,894 | 24,794 | 23,025 | 21,479 | 20,773 | 19,578 | 17,009 |
| Total charges for services | <u>44,223</u> | <u>50,899</u> | <u>50,984</u> | <u>49,808</u> | <u>47,207</u> | <u>45,308</u> | <u>45,820</u> | <u>46,897</u> | <u>47,998</u> | <u>46,351</u> |
| Operating grants and contributions | 81,455 | 85,858 | 90,974 | 93,765 | 67,242 | 73,666 | 74,915 | 79,369 | 84,318 | 88,904 |
| Capital grants and contributions | 47,959 | 31,620 | 128,579 | 47,632 | 32,883 | 27,270 | 28,657 | 21,687 | 27,518 | 29,441 |
| Total program revenues | <u>173,637</u> | <u>168,377</u> | <u>270,537</u> | <u>191,205</u> | <u>147,332</u> | <u>146,244</u> | <u>149,392</u> | <u>147,953</u> | <u>159,834</u> | <u>164,696</u> |
| Total net program (expense) revenue | <u>\$ (2,239,293)</u> | <u>\$ (2,434,200)</u> | <u>\$ (2,462,971)</u> | <u>\$ (2,501,437)</u> | <u>\$ (2,450,560)</u> | <u>\$ (2,423,867)</u> | <u>\$ (2,214,787)</u> | <u>\$ (2,226,213)</u> | <u>\$ (2,323,527)</u> | <u>\$ (2,430,688)</u> |
| GENERAL REVENUES: | | | | | | | | | | |
| Ad valorem taxes levied for: | | | | | | | | | | |
| General purposes | \$ 743,610 | \$ 864,254 | \$ 926,121 | \$ 961,492 | \$ 906,798 | \$ 831,155 | \$ 757,984 | \$ 778,692 | \$ 814,054 | \$ 864,701 |
| Debt service | 28,189 | 28,867 | 28,980 | 210 | 51 | 51 | 21 | 15 | 22 | 13 |
| Capital outlays | 254,586 | 304,126 | 338,057 | 297,268 | 229,963 | 200,622 | 192,258 | 196,120 | 204,254 | 218,479 |
| Grants and contributions not restricted to specific programs: | | | | | | | | | | |
| Florida education finance program | 660,356 | 606,419 | 544,725 | 417,274 | 438,467 | 548,797 | 505,357 | 553,397 | 626,111 | 628,202 |
| Other federal sources | 202,916 | 171,201 | 193,891 | 183,247 | 348,546 | 381,178 | 205,162 | 195,655 | 192,642 | 208,119 |
| Other state sources | 313,298 | 377,712 | 422,331 | 407,314 | 367,078 | 374,624 | 372,518 | 386,985 | 388,984 | 394,190 |
| Other local sources | 43,123 | 40,210 | 28,290 | 93,412 | 28,913 | 34,035 | 13,002 | 71,410 | 68,145 | 239,471 |
| Unrestricted investment earnings | 40,211 | 70,927 | 55,045 | 37,125 | 8,588 | 4,472 | 5,014 | 2,746 | 2,518 | 1,920 |
| Total general revenues | <u>2,286,289</u> | <u>2,463,716</u> | <u>2,537,440</u> | <u>2,397,342</u> | <u>2,328,404</u> | <u>2,374,934</u> | <u>2,051,316</u> | <u>2,185,020</u> | <u>2,296,730</u> | <u>2,555,095</u> |
| Change in net position | <u>\$ 46,996</u> | <u>\$ 29,516</u> | <u>\$ 74,469</u> | <u>\$ (104,095)</u> | <u>\$ (122,156)</u> | <u>\$ (48,933)</u> | <u>\$ (163,471)</u> | <u>\$ (41,193)</u> | <u>\$ (26,797)</u> | <u>\$ 124,407</u> |

SOURCE: The School Board of Broward County - Accounting & Financial Reporting Department

(UNAUDITED)

**TABLE 3 - FUND BALANCES OF GOVERNMENTAL FUNDS
LAST TEN FISCAL YEARS (modified accrual basis of accounting)
(dollars in thousands)**

| | <u>2006 *</u> | <u>2007 *</u> | <u>2008 *</u> | <u>2009 *</u> |
|--|-----------------------|------------------------|----------------------|-------------------------|
| GENERAL FUND: | | | | |
| Nonspendable | \$ 10,657 | \$ 14,895 | \$ 18,392 | \$ 19,401 |
| Restricted | 9,613 | 18,179 | 12,934 | 2,882 |
| Committed | 2,103 | 2,103 | 2,103 | 2,103 |
| Assigned | 4,024 | 7,478 | 14,119 | 2,365 |
| Unassigned | 90,419 | 56,213 | 68,351 | 58,206 |
| Total General Fund | <u>\$ 116,816</u> | <u>\$ 98,868</u> | <u>\$ 115,899</u> | <u>\$ 84,957</u> |
| Total Change in General Fund Balance | <u>\$ (2,572)</u> | <u>\$ (17,948)</u> | <u>\$ 17,031</u> | <u>\$ (30,942)</u> |
| ALL OTHER GOVERNMENTAL FUNDS:⁽¹⁾ | | | | |
| Nonspendable | \$ 3,428 | \$ 2,661 | \$ 2,139 | \$ 1,699 |
| Restricted | 913,480 | 906,141 | 964,778 | 721,383 |
| Committed | - | - | - | - |
| Assigned | 1,387 | 1,844 | 1,981 | 1,982 |
| Unassigned | - | - | - | - |
| Total All Other Governmental Funds | <u>\$ 918,295</u> | <u>\$ 910,646</u> | <u>\$ 968,898</u> | <u>\$ 725,064</u> |
| Total Change in Other Gov Funds Balance | <u>\$ 53,138</u> | <u>\$ (7,649)</u> | <u>\$ 58,252</u> | <u>\$ (243,834)</u> |

(1) Includes Special Revenue, Debt Service and Capital Projects Funds.

* The District implemented GASB 54 for the fiscal year ended June 30, 2011.
The fund balances from the prior fiscal years were restated for comparison purposes.

SOURCE: The School Board of Broward County - Accounting & Financial Reporting Department

Table 3 (concluded)

| <u>2010 *</u> | <u>2011</u> | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> |
|---------------------|--------------------|--------------------|--------------------|--------------------|-------------------|
| \$ 11,105 | \$ 10,571 | \$ 10,015 | \$ 9,775 | \$ 8,128 | \$ 20,361 |
| 5,104 | 4,660 | 6,521 | 2,787 | 1,292 | 3,973 |
| 2,103 | 2,103 | 1,690 | 1,020 | 55,019 | 54,635 |
| 2,510 | 25,497 | 9,274 | 10,117 | 30,177 | 23,199 |
| 48,628 | 57,000 | 49,646 | 59,179 | 50,164 | 59,264 |
| <u>\$ 69,450</u> | <u>\$ 99,831</u> | <u>\$ 77,146</u> | <u>\$ 82,878</u> | <u>\$ 144,780</u> | <u>\$ 161,432</u> |
| <u>\$ (15,507)</u> | <u>\$ 30,381</u> | <u>\$ (22,685)</u> | <u>\$ 5,732</u> | <u>\$ 61,902</u> | <u>\$ 16,652</u> |
| \$ 1,677 | \$ 1,968 | \$ 2,010 | \$ 2,221 | \$ 2,375 | \$ 2,951 |
| 510,346 | 439,693 | 369,817 | 313,001 | 270,579 | 433,961 |
| - | - | - | - | - | - |
| 1,950 | 4,011 | 2,513 | 2,701 | 2,894 | 3,136 |
| - | - | - | - | (5,229) | - |
| <u>\$ 513,973</u> | <u>\$ 445,672</u> | <u>\$ 374,340</u> | <u>\$ 317,923</u> | <u>\$ 270,619</u> | <u>\$ 440,048</u> |
| <u>\$ (211,091)</u> | <u>\$ (68,301)</u> | <u>\$ (71,332)</u> | <u>\$ (56,417)</u> | <u>\$ (47,304)</u> | <u>\$ 169,429</u> |

(UNAUDITED)

TABLE 4 - GENERAL GOVERNMENT SUMMARY OF REVENUES BY SOURCE AND EXPENDITURES BY FUNCTION ⁽¹⁾ (modified accrual basis of accounting)
LAST TEN FISCAL YEARS
(dollars in thousands)

| | 2006 | 2007 | 2008 | 2009 |
|--|---------------------|---------------------|---------------------|---------------------|
| REVENUES: | | | | |
| Local sources: | | | | |
| Ad valorem taxes | \$ 1,028,902 | \$ 1,197,247 | \$ 1,293,158 | \$ 1,258,970 |
| Food sales | 24,563 | 29,663 | 29,461 | 27,896 |
| Interest income | 36,860 | 68,737 | 50,388 | 33,697 |
| Other | 68,526 | 64,613 | 69,389 | 67,662 |
| Total local sources | <u>1,158,851</u> | <u>1,360,260</u> | <u>1,442,396</u> | <u>1,388,225</u> |
| State sources: | | | | |
| Florida education finance program | 730,797 | 679,652 | 616,014 | 486,418 |
| Public education capital outlay | 31,662 | 19,626 | 105,718 | 25,570 |
| Classrooms for kids | 4,386 | - | - | - |
| Discretionary lottery funds | 13,656 | 10,833 | 13,012 | 6,608 |
| Categorical programs and other | 274,891 | 342,176 | 397,823 | 389,270 |
| Total state sources | <u>1,055,392</u> | <u>1,052,287</u> | <u>1,132,567</u> | <u>907,866</u> |
| Federal sources: | | | | |
| Food service | 42,638 | 45,381 | 51,096 | 55,767 |
| Grants and other | 200,218 | 188,273 | 185,369 | 196,824 |
| Total federal sources | <u>242,856</u> | <u>233,654</u> | <u>236,465</u> | <u>252,591</u> |
| TOTAL REVENUES | <u>\$ 2,457,099</u> | <u>\$ 2,646,201</u> | <u>\$ 2,811,428</u> | <u>\$ 2,548,682</u> |
| EXPENDITURES: | | | | |
| Current operating: | | | | |
| Instructional services | \$ 1,284,930 | \$ 1,364,798 | \$ 1,427,580 | \$ 1,455,381 |
| Instructional support services | 237,445 | 249,491 | 254,565 | 258,476 |
| Pupil transportation services | 80,005 | 83,540 | 89,126 | 88,616 |
| Operation and maintenance of plant | 225,552 | 242,697 | 247,274 | 247,376 |
| School administration | 118,487 | 127,287 | 130,432 | 131,907 |
| General administration | 98,451 | 124,842 | 116,385 | 107,400 |
| Food services | 84,848 | 83,855 | 87,492 | 86,656 |
| Total current operating | <u>2,129,718</u> | <u>2,276,510</u> | <u>2,352,854</u> | <u>2,375,812</u> |
| Debt service: | | | | |
| Principal retirement | 97,361 | 102,083 | 106,839 | 89,484 |
| Interest charges | 71,273 | 96,128 | 107,318 | 103,359 |
| Total debt service | <u>168,634</u> | <u>198,211</u> | <u>214,157</u> | <u>192,843</u> |
| Capital outlay: | | | | |
| Facilities acquisition & construction-non capitalized | 65,918 | 96,361 | 142,072 | 71,189 |
| Facilities acquisition & construction-capitalized | 400,930 | 389,542 | 318,606 | 408,389 |
| Total capital outlay | <u>466,848</u> | <u>485,903</u> | <u>460,678</u> | <u>479,578</u> |
| TOTAL EXPENDITURES | <u>\$ 2,765,200</u> | <u>\$ 2,960,624</u> | <u>\$ 3,027,689</u> | <u>\$ 3,048,233</u> |
| Excess of revenues over (under) | | | | |
| Expenditures | <u>(308,101)</u> | <u>(314,423)</u> | <u>(216,261)</u> | <u>(499,551)</u> |
| Other financing sources (uses): | | | | |
| Proceeds of bonds sold | 460 | 40,757 | 4,875 | - |
| Premium on refunding bonds | - | - | - | - |
| Proceeds of refunding bonds issued | - | - | - | - |
| Proceeds of certificates of participation | 267,105 | 272,625 | 270,560 | 133,963 |
| Premium (discount) on long-term debt issued | 6,740 | 13,695 | 4,627 | (816) |
| Capital leases | 81,355 | - | 10,896 | 16,972 |
| Proceeds from sale of capital assets | 257 | 217 | 386 | 3,211 |
| Proceeds of loss recovery | 2,750 | 2,928 | 200 | 198 |
| Payments to refunded bond escrow agents | - | (41,396) | - | - |
| Transfers in | 167,598 | 230,279 | 260,734 | 353,096 |
| Transfers out | (167,598) | (230,279) | (260,734) | (281,849) |
| Total other financing sources (uses) | <u>358,667</u> | <u>288,826</u> | <u>291,544</u> | <u>224,775</u> |
| Net change in fund balances | <u>\$ 50,566</u> | <u>\$ (25,597)</u> | <u>\$ 75,283</u> | <u>\$ (274,776)</u> |
| Debt service as a percentage of noncapital expenditures | 7.13% | 7.71% | 7.91% | 7.31% |

(1) Includes General, Special Revenue, Debt Service and Capital Projects Funds

SOURCE: The School Board of Broward County - Accounting & Financial Reporting Department

Table 4 (concluded)

| 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| \$ 1,129,024 | \$ 1,016,239 | \$ 961,867 | \$ 978,812 | \$ 1,018,330 | \$ 1,083,193 |
| 24,794 | 23,025 | 21,477 | 20,771 | 19,578 | 17,009 |
| 6,992 | 4,274 | 2,838 | 2,615 | 2,518 | 1,917 |
| 59,439 | 66,600 | 56,770 | 74,550 | 94,300 | 85,166 |
| <u>1,220,249</u> | <u>1,110,138</u> | <u>1,042,952</u> | <u>1,076,748</u> | <u>1,134,726</u> | <u>1,187,285</u> |
| 502,051 | 611,112 | 577,416 | 553,397 | 626,111 | 628,202 |
| 10,894 | 5,000 | - | 6,688 | - | 4,530 |
| - | - | - | - | - | - |
| 749 | 1,003 | 870 | - | 2,662 | 980 |
| 326,109 | 334,929 | 322,957 | 410,011 | 415,196 | 419,458 |
| <u>839,803</u> | <u>952,044</u> | <u>901,243</u> | <u>970,096</u> | <u>1,043,969</u> | <u>1,053,170</u> |
| 62,534 | 65,604 | 67,416 | 71,623 | 75,853 | 79,241 |
| 352,119 | 387,888 | 211,264 | 202,062 | 199,749 | 216,447 |
| <u>414,653</u> | <u>453,492</u> | <u>278,680</u> | <u>273,685</u> | <u>275,602</u> | <u>295,688</u> |
| <u>\$ 2,474,705</u> | <u>\$ 2,515,674</u> | <u>\$ 2,222,875</u> | <u>\$ 2,320,529</u> | <u>\$ 2,454,297</u> | <u>\$ 2,536,143</u> |
| \$ 1,396,303 | \$ 1,440,371 | \$ 1,281,602 | \$ 1,326,327 | \$ 1,436,698 | \$ 1,454,184 |
| 239,841 | 221,500 | 205,933 | 199,026 | 210,415 | 222,934 |
| 97,486 | 89,432 | 85,530 | 85,256 | 83,170 | 81,293 |
| 242,354 | 238,992 | 221,986 | 224,168 | 222,009 | 233,826 |
| 129,519 | 129,971 | 118,847 | 122,935 | 127,539 | 130,628 |
| 99,396 | 102,259 | 79,904 | 76,312 | 78,659 | 73,213 |
| 83,625 | 89,138 | 85,985 | 93,059 | 96,920 | 102,672 |
| <u>2,288,524</u> | <u>2,311,663</u> | <u>2,079,787</u> | <u>2,127,083</u> | <u>2,255,410</u> | <u>2,298,750</u> |
| 79,303 | 79,553 | 77,611 | 77,807 | 85,328 | 88,631 |
| 101,653 | 98,668 | 93,968 | 92,340 | 96,110 | 84,460 |
| <u>180,956</u> | <u>178,221</u> | <u>171,579</u> | <u>170,147</u> | <u>181,438</u> | <u>173,091</u> |
| 60,652 | 24,517 | 32,646 | 32,892 | 44,521 | 49,676 |
| 189,031 | 96,646 | 37,355 | 49,455 | 38,113 | 24,913 |
| <u>249,683</u> | <u>121,163</u> | <u>70,001</u> | <u>82,347</u> | <u>82,634</u> | <u>74,589</u> |
| <u>\$ 2,719,163</u> | <u>\$ 2,611,047</u> | <u>\$ 2,321,367</u> | <u>\$ 2,379,577</u> | <u>\$ 2,519,482</u> | <u>\$ 2,546,430</u> |
| <u>(244,458)</u> | <u>(95,373)</u> | <u>(98,492)</u> | <u>(59,048)</u> | <u>(65,185)</u> | <u>(10,287)</u> |
| 4,217 | - | - | - | - | 155,055 |
| - | 1,124 | 1,367 | - | - | - |
| - | 6,995 | 12,265 | - | - | 9,200 |
| - | 227,155 | 270,650 | 44,535 | 114,140 | 423,165 |
| - | 8,924 | 29,027 | - | - | 93,451 |
| 8,902 | - | - | 5,032 | 20,300 | 30,000 |
| 626 | 2,001 | 2,679 | 414 | 480 | 831 |
| 7,116 | 2,289 | 94 | 2,842 | 109 | - |
| (3,001) | (191,035) | (311,422) | (44,460) | (113,825) | (515,334) |
| 251,564 | 251,274 | 234,336 | 238,439 | 293,828 | 236,476 |
| <u>(251,564)</u> | <u>(251,274)</u> | <u>(234,521)</u> | <u>(238,439)</u> | <u>(235,249)</u> | <u>(236,476)</u> |
| <u>17,860</u> | <u>57,453</u> | <u>4,475</u> | <u>8,363</u> | <u>79,783</u> | <u>196,368</u> |
| <u>\$ (226,598)</u> | <u>\$ (37,920)</u> | <u>\$ (94,017)</u> | <u>\$ (50,685)</u> | <u>\$ 14,598</u> | <u>\$ 186,081</u> |
| 7.15% | 7.09% | 7.51% | 7.30% | 7.31% | 6.86% |

(UNAUDITED)

**TABLE 5 - ASSESSED VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL YEARS
(dollars in thousands)**

| FISCAL YEAR | ASSESSED VALUE ⁽¹⁾ | | EXEMPTIONS ⁽²⁾ | | NET ASSESSED TAXABLE PROPERTY VALUE | DIRECT TAX RATE |
|-------------|-------------------------------|-------------------|---------------------------|-------------------|-------------------------------------|-----------------|
| | REAL PROPERTY | PERSONAL PROPERTY | REAL PROPERTY | PERSONAL PROPERTY | | |
| 2006 | \$ 182,205,008 | \$ 7,858,592 | \$ 56,377,574 | \$ 113,389 | \$ 133,572,637 | 8.0623 |
| 2007 | 228,312,740 | 8,133,702 | 77,337,384 | 83,781 | 159,025,277 | 7.8687 |
| 2008 | 255,456,494 | 7,983,385 | 86,564,782 | 104,821 | 176,770,276 | 7.6484 |
| 2009 | 239,733,615 | 7,993,405 | 70,349,768 | 160,322 | 177,216,930 | 7.4170 |
| 2010 | 202,144,709 | 7,955,487 | 50,824,776 | 189,290 | 159,086,130 | 7.4310 |
| 2011 | 171,869,596 | 7,732,226 | 40,219,956 | 187,099 | 139,194,767 | 7.6310 |
| 2012 | 169,479,765 | 7,421,889 | 41,083,095 | 196,897 | 135,621,662 | 7.4180 |
| 2013 | 168,965,812 | 7,367,500 | 39,660,644 | 201,407 | 136,471,261 | 7.4560 |
| 2014 | 178,153,457 | 7,645,682 | 42,807,958 | 948,264 | 142,042,917 | 7.4800 |
| 2015 | 198,141,803 | 7,700,685 | 51,306,429 | 996,305 | 153,539,754 | 7.4380 |

(1) The basis of assessed value is approximately 100% of actual value.

(2) Exemptions allowed by Florida Statutes, Chapter 196

SOURCE: Broward County Property Appraiser

(UNAUDITED)

**TABLE 6 - PROPERTY TAX RATES AND LEVIES - DIRECT AND OVERLAPPING GOVERNMENTS
LAST TEN FISCAL YEARS
(dollars in thousands)**

| FISCAL YEAR | THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA | | | | BROWARD COUNTY COMMISSION | SPECIAL TAXING DISTRICTS ⁽¹⁾ | TOTAL |
|----------------|---|---------------------|-----------------|--------|---------------------------------|---|---------|
| | GENERAL FUND | CAPITAL PROJECTS | DEBT SERVICE | TOTAL | | | |
| 2006 | 5.8410 | 2.0000 | 0.2213 | 8.0623 | 6.7830 | 0.6970 | 15.5423 |
| 2007 | 5.6790 | 2.0000 | 0.1897 | 7.8687 | 6.0660 | 0.6970 | 14.6317 |
| 2008 | 5.4770 | 2.0000 | 0.1714 | 7.6484 | 5.2868 | 0.6240 | 13.5592 |
| 2009 | 5.6670 | 1.7500 | 0.0000 | 7.4170 | 5.3150 | 0.6240 | 13.3560 |
| 2010 | 5.9310 | 1.5000 | 0.0000 | 7.4310 | 4.8890 | 0.6240 | 12.9440 |
| 2011 | 6.1310 | 1.5000 | 0.0000 | 7.6310 | 5.1020 | 0.6240 | 13.3570 |
| 2012 | 5.9180 | 1.5000 | 0.0000 | 7.4180 | 5.1860 | 0.4360 | 13.0400 |
| 2013 | 5.9560 | 1.5000 | 0.0000 | 7.4560 | 5.2580 | 0.4290 | 13.1430 |
| 2014 | 5.9800 | 1.5000 | 0.0000 | 7.4800 | 5.4400 | 0.4110 | 13.3310 |
| 2015 | 5.9380 | 1.5000 | 0.0000 | 7.4380 | 5.4580 | 0.3840 | 13.2800 |

Property Tax Levies

| | | | | | | | |
|------|------------|------------|-----------|--------------|------------|-----------|--------------|
| 2006 | \$ 780,198 | \$ 267,145 | \$ 29,560 | \$ 1,076,903 | \$ 906,023 | \$ 93,100 | \$ 2,076,026 |
| 2007 | 903,105 | 318,051 | 30,167 | 1,251,323 | 964,647 | 110,841 | 2,326,811 |
| 2008 | 968,171 | 353,541 | 30,298 | 1,352,010 | 934,549 | 110,305 | 2,396,864 |
| 2009 | 1,004,289 | 310,130 | - | 1,314,419 | 941,819 | 110,583 | 2,366,821 |
| 2010 | 943,539 | 238,629 | - | 1,182,168 | 777,756 | 99,270 | 2,059,194 |
| 2011 | 853,403 | 208,789 | - | 1,062,192 | 710,172 | 86,858 | 1,859,222 |
| 2012 | 802,609 | 203,432 | - | 1,006,041 | 703,334 | 59,172 | 1,768,547 |
| 2013 | 812,822 | 204,706 | - | 1,017,528 | 717,566 | 58,546 | 1,793,640 |
| 2014 | 849,416 | 213,064 | - | 1,062,480 | 772,713 | 58,380 | 1,893,573 |
| 2015 | 911,719 | 230,309 | - | 1,142,028 | 838,020 | 58,959 | 2,039,007 |

(1) Includes South Florida Water Management

SOURCE: Broward County Property Appraiser

(UNAUDITED)

TABLE 7 - PRINCIPAL TAXPAYERS - BROWARD COUNTY
CURRENT YEAR AND NINE YEARS AGO
(dollars in thousands)

| TAXPAYER | 2015 | | | 2006 | | |
|-----------------------------------|-------------------------|------|-------------------------------------|-------------------------|------|-------------------------------------|
| | TAX LEVY ⁽¹⁾ | RANK | PERCENT OF TOTAL AGGREGATE TAX LEVY | TAX LEVY ⁽¹⁾ | RANK | PERCENT OF TOTAL AGGREGATE TAX LEVY |
| Florida Power & Light Co | \$ 37,533 | 1 | 1.11% | \$ 30,632 | 1 | 0.94% |
| Sunrise Mills Ltd Prtnr | 9,154 | 2 | 0.27% | 8,586 | 3 | 0.26% |
| Wal-Mart Stores East LP | 8,260 | 3 | 0.24% | 2,676 | 7 | 0.08% |
| Bellsouth Telecommunications Inc | 7,118 | 4 | 0.21% | 12,745 | 2 | 0.39% |
| Diplomat Properties Ltd Prtnr | 4,666 | 5 | 0.14% | 7,204 | 4 | 0.22% |
| Arium Resort LLC | 4,352 | 6 | 0.13% | - | - | - |
| Sunbeam Dev Corp | 3,899 | 7 | 0.11% | - | - | - |
| Sunbeam Properties Inc | 3,655 | 8 | 0.11% | - | - | - |
| JRA HHF Venture LLC | 2,761 | 9 | 0.08% | - | - | - |
| Camden Summit Partnership LP | 2,699 | 10 | 0.08% | - | - | - |
| WCI Communiites | - | - | - | 5,185 | 5 | 0.16% |
| Palm Vacation Group | - | - | - | 2,866 | 6 | 0.09% |
| Cocowalk Dev. Inc | - | - | - | 2,649 | 8 | 0.08% |
| Marriott Ownership Resorts, Inc. | - | - | - | 2,482 | 9 | 0.08% |
| Northwestern Mutual Life Ins. Co. | - | - | - | 2,432 | 10 | 0.07% |
| Total principal taxpayers | <u>84,097</u> | | <u>2.48%</u> | <u>77,457</u> | | <u>2.37%</u> |
| All other taxpayers | <u>3,310,449</u> | | <u>97.52%</u> | <u>3,196,692</u> | | <u>97.63%</u> |
| Total aggregate tax levy | <u>\$ 3,394,546</u> | | <u>100.00%</u> | <u>\$ 3,274,149</u> | | <u>100.00%</u> |

(1) Includes Tax Levy from all taxing jurisdictions within Broward County.

SOURCE: Broward County Revenue Collections Department
 SOURCE: Broward County School Board

(UNAUDITED)

Broward County Public Schools



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TABLE 8 - PROPERTY TAX LEVIES AND COLLECTIONS
ALL GOVERNMENTAL FUND TYPES
LAST TEN FISCAL YEARS
(dollars in thousands)

| FISCAL YEAR | TOTAL TAX LEVY | LESS ADJUSTMENTS | | NET TAX LEVY | COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY | |
|-------------|----------------|---------------------------|--------------------------|--------------|--|--------------------|
| | | DEDUCTIONS ⁽¹⁾ | DISCOUNTS ⁽²⁾ | | AMOUNT | PERCENTAGE OF LEVY |
| 2006 | \$ 1,076,903 | \$ 8,137 | \$ 36,051 | \$ 1,032,715 | \$ 1,025,439 | 99.30% |
| 2007 | 1,251,323 | 6,739 | 40,646 | 1,203,938 | 1,194,144 | 99.19% |
| 2008 | 1,352,010 | 9,019 | 42,928 | 1,300,063 | 1,289,033 | 99.15% |
| 2009 | 1,314,419 | 6,670 | 42,216 | 1,265,533 | 1,249,478 | 98.73% |
| 2010 | 1,182,168 | 12,390 | 38,689 | 1,131,089 | 1,115,273 | 98.60% |
| 2011 | 1,062,192 | 10,880 | 35,658 | 1,015,654 | 1,004,118 | 98.86% |
| 2012 | 1,006,041 | 5,680 | 34,340 | 966,021 | 961,815 | 99.56% |
| 2013 | 1,017,528 | 3,890 | 35,072 | 978,566 | 977,705 | 99.91% |
| 2014 | 1,062,480 | 3,845 | 36,865 | 1,021,770 | 1,018,308 | 99.66% |
| 2015 | 1,142,028 | 11,382 | 39,633 | 1,091,013 | 1,083,180 | 99.28% |

(1) Deductions reflect adjustments by Value Adjustment Board

(2) Reflects discounts for early payment

SOURCE: The School Board of Broward County - Treasurer's Office

Table 8 (concluded)

| COLLECTED IN SUBSEQUENT YEARS | TOTAL COLLECTIONS THRU JUNE 30, 2014 | |
|--|---|-----------------------|
| | AMOUNT | PERCENTAGE OF LEVY |
| \$ 3,463 | \$ 1,028,902 | 99.63% |
| 3,103 | 1,197,247 | 99.44% |
| 4,125 | 1,293,158 | 99.47% |
| 9,492 | 1,258,970 | 99.48% |
| 13,751 | 1,129,024 | 99.82% |
| 12,120 | 1,016,238 | 100.06% |
| 52 | 961,867 | 99.57% |
| 1,107 | 978,812 | 100.03% |
| 22 | 1,018,330 | 99.66% |
| 13 | 1,083,193 | 99.28% |

(UNAUDITED)

**TABLE 9 - EDUCATIONAL IMPACT FEE REVENUES
LAST SEVEN FISCAL YEARS
(dollars in thousands)**

| <u>FISCAL YEAR</u> | <u>REVENUE</u> |
|------------------------|----------------|
| 2009 | \$ 498 |
| 2010 | 2,240 |
| 2011 | 4,853 |
| 2012 | 3,996 |
| 2013 | 14,850 |
| 2014 | 6,326 |
| 2015 | 15,728 |

SOURCE: The School Board of Broward County - Accounting & Financial Reporting Department

(UNAUDITED)

TABLE 10 - ANTICIPATED LOCAL OPTION MILLAGE LEVY REQUIRED TO COVER COMBINED MAXIMUM ANNUAL BASIC LEASE PAYMENTS REPRESENTED BY THE OUTSTANDING CERTIFICATES OF PARTICIPATION (dollars in thousands)

| | <u>2015</u> |
|---|----------------|
| ¹ Net Taxable Assessed Valuation | \$ 153,539,754 |
| Funds generated from Local Option Millage Levy assuming a levy of 1.50 mills | \$ 221,097 |
| Local Option Millage Levy Legally Available to make Lease Payments assuming 75% of the 1.50 mills is Available | \$ 165,823 |
| ² Maximum Combined Annual Lease Payment represented by the Outstanding Certificates | \$ 162,044 |
| ³ Minimum Millage Required to Produce 1.00x coverage of Maximum Annual Basic Lease Payments represented by the Outstanding Certificates | 1.099 |
| ³ Minimum Local Option Millage Levy Required under Applicable Law to Produce 1.00x Coverage of Maximum Annual Basic Lease Payments represented by the Outstanding Certificates | 1.466 |

(1) SOURCE: Broward County Property Appraiser

(2) Net of U.S. Treasury direct subsidy rebate

(3) SOURCE: The School Board of Broward County - Treasury Department

(UNAUDITED)

**TABLE 11 - RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL YEARS
(dollars in thousands, except per capita amount)**

| FISCAL YEAR | CAPITAL OUTLAY BONDS ⁽³⁾ | GENERAL OBLIGATION BONDS ⁽³⁾ | CERTIFICATES OF PARTICIPATION | CAPITAL LEASES | TOTAL | PERCENT OF ASSESSED TAXABLE PROPERTY VALUATION ⁽²⁾ | PERCENT OF TOTAL OUTSTANDING DEBT TO PERSONAL INCOME ⁽¹⁾ | PER CAPITA ⁽¹⁾ |
|-------------|-------------------------------------|---|-------------------------------|----------------|--------------|---|---|---------------------------|
| 2006 | \$ 86,847 | \$ 55,061 | \$ 1,496,779 | \$ 86,013 | \$ 1,724,700 | 1.29% | 2.45% | \$ 961 |
| 2007 | 81,787 | 28,241 | 1,733,918 | 62,743 | 1,906,689 | 1.20% | 2.65% | 1,084 |
| 2008 | 79,960 | - | 1,950,144 | 48,744 | 2,078,848 | 1.18% | 2.82% | 1,184 |
| 2009 | 73,039 | - | 2,022,542 | 39,204 | 2,134,785 | 1.20% | 2.93% | 1,224 |
| 2010 | 67,044 | - | 1,998,639 | 34,816 | 2,100,499 | 1.32% | 2.91% | 1,197 |
| 2011 | 66,030 | - | 1,983,094 | 23,740 | 2,072,864 | 1.49% | NA | 1,182 |
| 2012 | 58,736 | - | 1,978,065 | 16,361 | 2,053,162 | 1.51% | NA | 1,159 |
| 2013 | 43,984 | - | 1,888,062 | 15,463 | 1,947,509 | 1.43% | NA | 1,091 |
| 2014 | 35,285 | - | 1,794,131 | 29,513 | 1,858,929 | 1.31% | NA | 1,004 |
| 2015 | 28,382 | 163,787 | 1,731,741 | 51,560 | 1,975,470 | 1.29% | NA | 1,053 |

NA Not Available

(1) Refer to TABLE 20 for Personal Income and Per Capita

(2) Refer to TABLE 9 for Net Assessed Taxable Property Value

(3) Includes Premium

SOURCE: The School Board of Broward County - Accounting & Financial Reporting Department

(UNAUDITED)

**TABLE 12 - RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE
AND NET BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS**

(dollars in thousands, except net bonded debt per capita and per pupil)

| FISCAL YEAR | NET ASSESSED TAXABLE VALUE⁽¹⁾ | TOTAL BONDED DEBT | LESS DEBT SERVICE FUNDS | NET BONDED DEBT⁽²⁾ | RATIO OF NET BONDED DEBT TO TAXABLE VALUE | NET BONDED DEBT PER CAPITA⁽³⁾ | NET BONDED DEBT PER PUPIL⁽³⁾ |
|--------------------|---|--------------------------|--------------------------------|--------------------------------------|--|---|--|
| 2006 | \$ 133,572,637 | \$ 86,847 | \$ 8,046 | \$ 78,801 | 0.06% | \$ 44 | \$ 291 |
| 2007 | 159,025,277 | 81,787 | 8,046 | 73,741 | 0.05% | 42 | 281 |
| 2008 | 176,770,276 | 79,960 | 8,046 | 71,914 | 0.04% | 41 | 278 |
| 2009 | 177,216,930 | 73,039 | 8,046 | 64,993 | 0.04% | 37 | 254 |
| 2010 | 159,086,130 | 67,044 | 8,046 | 58,998 | 0.04% | 34 | 231 |
| 2011 | 139,194,767 | 66,030 | 1,742 | 64,288 | 0.05% | 37 | 250 |
| 2012 | 135,621,662 | 58,736 | 1,604 | 57,132 | 0.04% | 32 | 221 |
| 2013 | 136,471,261 | 43,984 | 1,386 | 42,598 | 0.03% | 24 | 163 |
| 2014 | 142,042,917 | 35,285 | 1,123 | 34,162 | 0.02% | 18 | 130 |
| 2015 | 153,539,754 | 192,169 | 1,148 | 191,021 | 0.12% | 102 | 720 |

(1) SOURCE: Broward County Property Appraiser

(2) SOURCE: The School Board of Broward County - Accounting & Financial Reporting Department

(3) Refer to TABLE 20 for population and school enrollment data.

(UNAUDITED)

**TABLE 13 - COMPUTATION OF DIRECT AND OVERLAPPING DEBT
CURRENT YEAR AND NINE YEARS AGO**
(dollars in thousands, except per capita amount)

| FINANCIAL PARAMETERS | JUNE 30, 2015 | JUNE 30, 2006 |
|--|---------------------|---------------------|
| Direct debt: | | |
| General obligation bonds | \$ 155,055 | \$ 54,056 |
| Certificates of Participation | 1,576,077 | 1,460,917 |
| Special obligation bonds ⁽¹⁾ | 26,260 | 86,925 |
| Capital Leases | 51,560 | 86,013 |
| Premium/Discount (net) | 122,570 | 36,789 |
| Interest Rate Swap | 43,948 | - |
| TOTAL DIRECT DEBT | 1,975,470 | 1,724,700 |
| Overlapping debt: ⁽²⁾ | | |
| Broward County ⁽³⁾ | 279,630 | 611,605 |
| TOTAL DIRECT AND OVERLAPPING DEBT | \$ 2,255,100 | \$ 2,336,305 |
| | | |
| Population ⁽⁴⁾ | 1,876,261 | 1,793,998 |
| Assessed property valuation ⁽⁵⁾ | \$ 205,842,488 | \$ 190,063,600 |
| Net Assessed taxable property valuation ⁽⁵⁾ | \$ 153,539,754 | \$ 133,572,637 |
| | | |
| DEBT RATIOS | | |
| PERCENT OF ASSESSED PROPERTY VALUATION | | |
| Direct debt | 0.96% | 0.91% |
| Overlapping debt | 0.14% | 0.32% |
| Direct and overlapping debt | 1.10% | 1.23% |
| PERCENT OF ASSESSED TAXABLE PROPERTY VALUATION | | |
| Direct debt | 1.29% | 1.29% |
| Overlapping debt | 0.18% | 0.46% |
| Direct and overlapping debt | 1.47% | 1.75% |
| PER CAPITA | | |
| Direct debt | \$ 1,053 | \$ 961 |
| Overlapping debt | \$ 149 | \$ 341 |
| Direct and overlapping debt | \$ 1,201 | \$ 1,302 |

(1) Special obligation debt is payable from motor vehicle and gross receipts taxes.

(2) Overlapping debt includes only general obligation debt secured by ad valorem taxes as of September 30, 2014.

(3) Because the county and the school district coincide, the percentage of overlap is 100%.

(4) SOURCE: Broward County Government, Planning Services Division

(5) SOURCE: Broward County Property Appraiser

Broward County Public Schools



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TABLE 14 - LEGAL DEBT MARGIN INFORMATION

LAST TEN FISCAL YEARS

(dollars in thousands)

| | <u>2006</u> | <u>2007</u> | <u>2008</u> | <u>2009</u> |
|---|----------------------|----------------------|----------------------|----------------------|
| Limit on bond indebtedness | \$ 13,357,264 | \$ 15,902,528 | \$ 17,677,028 | \$ 17,721,693 |
| Total net debt applicable to limit | <u>132,934</u> | <u>98,993</u> | <u>69,499</u> | <u>63,004</u> |
| Legal debt margin on bonded debt | <u>\$ 13,224,330</u> | <u>\$ 15,803,535</u> | <u>\$ 17,607,529</u> | <u>\$ 17,658,689</u> |
| Total net debt applicable to limit as a percentage of debt limit | 1.00% | 0.62% | 0.39% | 0.36% |

The Florida State Board of Education Administrative Rule 6A-1.037(2), establishes a limit on bonded indebtedness for school districts in Florida. The limit for each school district is computed using a stated percentage of the net assessed value of taxable property as of the most current year.
Rule repealed April 18, 2006.

SOURCE: The School Board of Broward County - Accounting & Financial Reporting Department

Table 14 (concluded)

| <u>2010</u> | <u>2011</u> | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> |
|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| \$ 15,908,613 | \$ 13,919,477 | \$ 13,562,166 | \$ 13,647,126 | \$ 14,204,292 | \$ 15,353,975 |
| 57,144 | 61,748 | 53,736 | 39,734 | 34,162 | 191,021 |
| <u>\$ 15,851,469</u> | <u>\$ 13,857,729</u> | <u>\$ 13,508,430</u> | <u>\$ 13,607,392</u> | <u>\$ 14,170,130</u> | <u>\$ 15,162,954</u> |
| 0.36% | 0.44% | 0.40% | 0.29% | 0.24% | 1.24% |

LEGAL DEBT MARGIN CALCULATION FOR FISCAL YEAR

| | |
|--|-----------------------|
| Net Assessed Taxable Property Value - January 2014 | <u>\$ 153,539,754</u> |
| Limit on Bond Indebtedness, 10% of net assessed taxable property value | \$ 15,353,975 |
| Total Bonded Debt | 192,169 |
| Less: | |
| Net Position in Debt Service Funds | <u>(1,148)</u> |
| TOTAL AMOUNT APPLICABLE TO DEBT LIMIT | <u>191,021</u> |
| LEGAL DEBT MARGIN ON BONDED DEBT | <u>\$ 15,162,954</u> |

(UNAUDITED)

TABLE 15 - RATIO OF ANNUAL DEBT SERVICE FOR GENERAL BONDED DEBT TO TOTAL GENERAL EXPENDITURES LAST TEN FISCAL YEARS
(dollars in thousands)

| FISCAL YEAR | PRINCIPAL⁽¹⁾ | INTEREST⁽¹⁾ | TOTAL DEBT SERVICE | TOTAL GENERAL EXPENDITURES | RATIO OF DEBT SERVICE TO GENERAL EXPENDITURES |
|--------------------|--------------------------------|-------------------------------|---------------------------|-----------------------------------|--|
| 2006 | \$ 31,350 | \$ 7,629 | \$ 38,979 | \$ 2,765,200 | 1.41% |
| 2007 | 32,825 | 5,209 | 38,034 | 2,960,624 | 1.28% |
| 2008 | 27,007 | 4,486 | 31,493 | 3,027,689 | 1.04% |
| 2009 | 6,495 | 3,591 | 10,086 | 3,048,233 | 0.33% |
| 2010 | 6,835 | 3,406 | 10,241 | 2,719,163 | 0.38% |
| 2011 | 7,160 | 3,011 | 10,171 | 2,611,047 | 0.39% |
| 2012 | 7,500 | 2,744 | 10,244 | 2,321,367 | 0.44% |
| 2013 | 7,665 | 2,338 | 10,003 | 2,379,577 | 0.42% |
| 2014 | 7,935 | 2,000 | 9,935 | 2,519,482 | 0.39% |
| 2015 | 6,445 | 1,382 | 7,827 | 2,546,430 | 0.31% |

(1) Excludes Certificates of Participation (COPs)

SOURCE: The School Board of Broward County - Accounting & Financial Reporting Department

(UNAUDITED)

**TABLE 16 - DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS**

| FISCAL YEAR | POPULATION⁽¹⁾ | PER CAPITA INCOME⁽¹⁾ | CIVILIAN LABOR FORCE⁽²⁾ | UNEMPLOYMENT RATE⁽²⁾ | PERSONAL INCOME⁽²⁾ | FALL SCHOOL ENROLLMENT⁽³⁾ |
|--------------------|---------------------------------|--|---|--|--------------------------------------|---|
| 2006 | 1,793,998 | \$ 37,403 | 963,022 | 3.10% | \$ 70,454,147 | 270,935 |
| 2007 | 1,759,591 | 39,743 | 1,002,106 | 3.40% | 71,994,871 | 262,616 |
| 2008 | 1,756,087 | 41,169 | 1,010,017 | 5.20% | 73,591,000 | 258,905 |
| 2009 | 1,744,590 | 41,974 | 1,008,628 | 9.50% | 72,752,000 | 255,738 |
| 2010 | 1,754,893 | 41,185 | 986,391 | 10.10% | 72,092,767 | 255,203 |
| 2011 | 1,753,162 | NA | 988,080 | 9.60% | NA | 256,872 |
| 2012 | 1,771,099 | NA | 996,526 | 7.80% | NA | 258,803 |
| 2013 | 1,784,715 | NA | 1,071,430 | 6.10% | NA | 260,796 |
| 2014 | 1,850,613 * | NA | 1,072,698 * | 5.30% | NA | 262,563 |
| 2015 | 1,876,261 * | NA | 990,036 * | 5.10% | NA | 265,401 |

NA Not Available

* Population Estimates

(1) SOURCE: Broward County Government, Planning and Redevelopment Division

(2) SOURCE: Bureau of Labor Statistics, United States Department of Labor

(3) SOURCE: Broward School Board Benchmark Day Enrollment Count

(UNAUDITED)

**TABLE 17 - SCHEDULE OF DISTRICT STATISTICS
LAST TEN FISCAL YEARS**

| | <u>2006</u> | <u>2007</u> | <u>2008</u> | <u>2009</u> |
|------------------------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| Student Enrollment: ⁽¹⁾ | | | | |
| Pre-K | 4,321 | 3,876 | 4,042 | 4,002 |
| K | 18,086 | 17,039 | 16,471 | 15,814 |
| Pre-1 | - | - | - | - |
| 1 | 19,039 | 18,571 | 18,010 | 17,244 |
| 2 | 19,205 | 17,918 | 18,022 | 17,467 |
| 3 | 20,757 | 18,926 | 18,603 | 18,524 |
| 4 | 18,580 | 18,916 | 17,785 | 17,643 |
| 5 | 19,985 | 17,967 | 18,486 | 17,671 |
| 6 | 18,668 | 19,011 | 17,603 | 18,154 |
| 7 | 19,781 | 18,069 | 18,627 | 17,577 |
| 8 | 19,790 | 18,875 | 17,513 | 18,112 |
| 9 | 21,676 | 20,778 | 20,240 | 19,320 |
| 10 | 19,236 | 18,887 | 18,394 | 18,167 |
| 11 | 17,336 | 17,264 | 16,974 | 16,785 |
| 12 | 15,403 | 15,704 | 15,770 | 15,968 |
| Centers | 3,936 | 4,715 | 5,243 | 4,592 |
| Total District Schools | <u>255,799</u> | <u>246,516</u> | <u>241,783</u> | <u>237,040</u> |
| Charter Schools | <u>15,136</u> | <u>16,100</u> | <u>17,122</u> | <u>18,698</u> |
| Total | <u><u>270,935</u></u> | <u><u>262,616</u></u> | <u><u>258,905</u></u> | <u><u>255,738</u></u> |
| Average Class Size: | | | | |
| Grades Pre-K - 3 | 18.05 | - | - | - |
| Grades 4 - 8 | 20.95 | - | - | - |
| Grades 9 - 12 | 24.29 | - | - | - |
| Number of Schools: | | | | |
| Elementary | 138 | 138 | 138 | 138 |
| Middle | 41 | 41 | 42 | 43 |
| High | 31 | 32 | 32 | 33 |
| Adult/Vocational | 5 | 5 | 5 | 5 |
| Centers | 10 | 12 | 12 | 10 |
| Charter | 38 | 48 | 52 | 56 |
| K-8 | | | | |
| Total | <u><u>263</u></u> | <u><u>276</u></u> | <u><u>281</u></u> | <u><u>285</u></u> |

(1) SOURCE: Broward School Board 14th Day Memo

Table 17 (concluded)

| <u>2010</u> | <u>2011</u> | <u>2012</u> | <u>2013</u> | <u>2014</u> | <u>2015</u> |
|----------------|----------------|----------------|----------------|----------------|----------------|
| 4,244 | 4,465 | 4,345 | 4,282 | 4,323 | 4,839 |
| 15,772 | 16,035 | 15,741 | 15,788 | 15,664 | 15,015 |
| - | - | - | - | - | - |
| 16,468 | 16,603 | 16,389 | 16,209 | 16,763 | 16,811 |
| 17,062 | 16,296 | 16,488 | 16,138 | 16,207 | 16,813 |
| 18,262 | 17,690 | 17,011 | 17,081 | 17,066 | 17,084 |
| 17,509 | 17,331 | 16,484 | 15,865 | 15,946 | 16,332 |
| 17,422 | 17,389 | 17,139 | 16,194 | 15,722 | 15,905 |
| 17,315 | 16,952 | 16,713 | 16,420 | 15,744 | 15,402 |
| 18,238 | 17,418 | 16,890 | 16,936 | 16,470 | 15,862 |
| 17,399 | 17,999 | 17,287 | 17,116 | 16,921 | 16,563 |
| 18,488 | 17,486 | 18,176 | 17,764 | 17,581 | 18,137 |
| 17,941 | 18,211 | 17,331 | 18,256 | 17,735 | 17,690 |
| 17,345 | 16,872 | 17,227 | 16,662 | 17,219 | 16,995 |
| 16,460 | 16,947 | 16,187 | 16,668 | 15,961 | 16,571 |
| 4,676 | 5,904 | 5,906 | 6,138 | 5,633 | 5,330 |
| <u>234,601</u> | <u>233,598</u> | <u>229,314</u> | <u>227,517</u> | <u>224,955</u> | <u>225,349</u> |
| <u>20,602</u> | <u>23,274</u> | <u>29,489</u> | <u>33,279</u> | <u>37,608</u> | <u>40,052</u> |
| <u>255,203</u> | <u>256,872</u> | <u>258,803</u> | <u>260,796</u> | <u>262,563</u> | <u>265,401</u> |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| - | - | - | - | - | - |
| 141 | 141 | 141 | 141 | 140 | 137 |
| 42 | 42 | 42 | 42 | 40 | 40 |
| 33 | 33 | 33 | 33 | 32 | 33 |
| 5 | 5 | 5 | 5 | 3 | 9 |
| 10 | 10 | 12 | 10 | 14 | 19 |
| 56 | 68 | 76 | 83 | 95 | 99 |
| | 1 | 1 | 1 | | - |
| <u>287</u> | <u>300</u> | <u>310</u> | <u>315</u> | <u>324</u> | <u>337</u> |

(UNAUDITED)

**TABLE 18 - COMPARATIVE ENROLLMENT TRENDS ⁽¹⁾
TEN LARGEST U.S. SCHOOL DISTRICTS
LAST TEN FISCAL YEARS**

| SCHOOL DISTRICT | 2005 | 2006 | 2007 | 2008 |
|--|----------------|----------------|----------------|----------------|
| New York City, NY | 1,023,674 | 1,014,058 | 999,150 | 1,035,406 |
| Los Angeles, CA | 741,367 | 727,319 | 707,627 | 693,680 |
| Chicago, IL | 426,812 | 420,982 | 413,694 | 407,510 |
| Miami-Dade County, FL | 368,933 | 362,070 | 353,790 | 348,128 |
| Clark County, NV (Las Vegas) | 283,221 | 294,131 | 303,448 | 309,051 |
| Broward County, FL ⁽²⁾ | 272,691 | 270,935 | 262,616 | 258,905 |
| Houston, TX | 208,945 | 210,292 | 202,936 | 199,534 |
| Hillsborough County, FL | 189,469 | 193,757 | 193,517 | 193,180 |
| State of Hawaii | 183,185 | 182,818 | 180,728 | 179,897 |
| Orange County, FL | NA | NA | NA | 174,142 |

NA Not Available

(1) Based on students enrolled in grades kindergarten through twelve during the fall with 1/2 day kindergarten students counted as 1/2 student.

SOURCE: American School & University Magazine Sept 2014 Issue

(2) SOURCE: Broward School Board Twentieth Day Membership Count

Table 18 (concluded)

| 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|----------------|----------------|----------------|----------------|----------------|----------------|
| 1,029,459 | 1,038,741 | 1,043,886 | 1,041,437 | 1,036,053 | 1,104,479 |
| 687,534 | 670,746 | 667,273 | 662,140 | 655,494 | 653,826 |
| 421,430 | 407,157 | 405,644 | 409,530 | 403,461 | 399,930 |
| 345,525 | 345,804 | 347,366 | 350,227 | 354,236 | 356,232 |
| 312,761 | 307,059 | 314,059 | 321,655 | 311,429 | 314,598 |
| 255,738 | 255,203 | 256,872 | 258,803 | 260,796 | 262,563 |
| 200,225 | 202,773 | 204,245 | 201,594 | 202,586 | 210,716 |
| 192,007 | 193,265 | 194,525 | 197,001 | 200,287 | 203,432 |
| 179,478 | 180,196 | 179,601 | 181,213 | 183,251 | 185,273 |
| 172,257 | 173,259 | 176,008 | 179,989 | 183,021 | 187,092 |

(UNAUDITED)

**TABLE 19 - LARGEST EMPLOYERS IN BROWARD COUNTY
CURRENT YEAR AND NINE YEARS AGO**

| <u>EMPLOYERS</u> | <u>2015</u> | | |
|--------------------------------|------------------|-------------|--|
| | <u>EMPLOYEES</u> | <u>RANK</u> | <u>PERCENTAGE OF TOTAL COUNTY EMPLOYMENT</u> |
| School Board of Broward County | 25,709 | 1 | 2.6% |
| Broward County Government | 12,409 | 2 | 1.3% |
| Memorial Healthcare System | 11,200 | 3 | 1.1% |
| Broward Health | 8,219 | 4 | 0.8% |
| AutoNation | 3,971 | 5 | 0.4% |
| Nova Southeastern University | 3,783 | 6 | 0.4% |
| American Express | 3,200 | 7 | 0.3% |
| The Answer Group | 2,800 | 8 | 0.3% |
| Broward College | 2,800 | 9 | 0.3% |
| City of Fort Lauderdale | 2,457 | 10 | 0.2% |
| | <u>76,548</u> | | <u>7.7%</u> |

| | <u>2006</u> | | |
|----------------------------------|------------------|-------------|------------------------------|
| | <u>EMPLOYEES</u> | <u>RANK</u> | <u>PRODUCTS/ SERVICE</u> |
| School Board of Broward County | 30,150 | 1 | Public Education |
| Memorial Healthcare System | 9,370 | 2 | Health Care |
| North Broward Hospital District | 7,472 | 3 | Health Care |
| Broward County Government | 6,964 | 4 | Government |
| American Express | 4,200 | 5 | Financial Services |
| Motorola | 3,500 | 6 | Communications Equipment |
| Pediatrix Medical Group | 2,826 | 7 | Health Care |
| BCF Financial Corp/Bank Atlantic | 2,547 | 8 | Financial |
| City of Fort Lauderdale | 2,250 | 9 | Government |
| Ed Morse Automotive Group | 2,200 | 10 | Automotive |
| | <u>71,479</u> | | |

**SOURCE: 2015 Greater Fort Lauderdale Alliance/Broward County
(Economic Sourcebook & Market Profile)**

SOURCE: 2006 School Board of Broward County CAFR - Statistical Section

(UNAUDITED)

**TABLE 20 - CLASSIFICATION OF FULL-TIME PERSONNEL
LAST TEN FISCAL YEARS**

| FISCAL YEAR | INSTRUCTIONAL STAFF⁽¹⁾ | TEACHER AIDES | PRINCIPALS & ASSISTANT PRINCIPALS | MANAGEMENT & SUPPORT STAFF⁽²⁾ | TOTAL |
|------------------------|--|--------------------------|--|---|--------------|
| 2006 | 17,253 | 2,629 | 648 | 9,620 | 30,150 |
| 2007 | 17,527 | 2,605 | 677 | 9,794 | 30,603 |
| 2008 | 17,178 | 2,631 | 654 | 9,714 | 30,177 |
| 2009 | 16,848 | 2,398 | 665 | 9,408 | 29,319 |
| 2010 | 15,490 | 2,207 | 651 | 8,934 | 27,282 |
| 2011 | 16,143 | 2,377 | 650 | 8,621 | 27,791 |
| 2012 | 14,432 | 2,343 | 644 | 8,092 | 25,511 |
| 2013 | 14,773 | 2,319 | 644 | 7,842 | 25,578 |
| 2014 | 14,821 | 2,431 | 646 | 7,895 | 25,793 |
| 2015 | 14,756 | 2,447 | 640 | 7,866 | 25,709 |

(1) Includes Elementary and Secondary Teachers, Exceptional Student Teachers, Other Teachers, Guidance/Psychological, Librarians, Other Professional Instructional Staff.

(2) Includes Officials, Administrators and Managers (Instructional and Non-Instructional), Supervisors of Instructional, Technicians, Clerical/Secretarial Staff, Service Workers, Skilled Crafters, Laborers.

SOURCE: The School Board of Broward County - Accounting & Financial Reporting Department

(UNAUDITED)

**TABLE 21 - TEACHERS' SALARIES
LAST TEN FISCAL YEARS**

| FISCAL YEAR | MINIMUM SALARY | MAXIMUM SALARY | AVERAGE SALARY |
|--------------------|-----------------------|-----------------------|-----------------------|
| 2006 | \$ 35,000 | \$ 73,000 | \$ 54,000 |
| 2007 | 37,000 | 75,488 | 56,244 |
| 2008 | 38,500 | 78,000 | 58,250 |
| 2009 | 39,000 | 79,250 | 59,125 |
| 2010 | 39,000 | 79,250 | 59,125 |
| 2011 | 39,000 | 79,250 | 59,125 |
| 2012 | 39,000 | 79,250 | 59,125 |
| 2013 | 39,000 | 79,250 | 59,125 |
| 2014 | 39,000 | 79,250 | 59,125 |
| 2015 | 39,000 | 79,250 | 59,125 |

SOURCE: The School Board of Broward County - Employee Relations Department

(UNAUDITED)

**TABLE 22 - SCHEDULE OF OPERATING STATISTICS
LAST TEN FISCAL YEARS**

| FISCAL YEAR | ENROLLMENT | OPERATING EXPENDITURES | COST PER PUPIL | INSTRUCTIONAL STAFF |
|--------------------|-------------------|-------------------------------|-----------------------|----------------------------|
| 2006 | 270,935 | \$ 2,129,718,000 | \$ 7,861 | 17,253 |
| 2007 | 262,616 | 2,276,510,000 | 8,669 | 17,527 |
| 2008 | 258,905 | 2,352,854,000 | 9,088 | 17,178 |
| 2009 | 255,738 | 2,375,812,000 | 9,290 | 16,848 |
| 2010 | 255,203 | 2,288,524,000 | 8,967 | 15,490 |
| 2011 | 256,872 | 2,311,663,000 | 8,999 | 16,143 |
| 2012 | 258,803 | 2,079,787,000 | 8,036 | 14,432 |
| 2013 | 260,796 | 2,127,083,000 | 8,156 | 14,773 |
| 2014 | 262,563 | 2,255,410,000 | 8,590 | 14,821 |
| 2015 | 265,401 | 2,298,750,000 | 8,661 | 14,756 |

SOURCE: The School Board of Broward County - Accounting & Financial Reporting Department

(UNAUDITED)

TABLE 23 - CAPITAL ASSET INFORMATION
LAST TEN FISCAL YEARS

| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
|-----------------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|------------|
| Schools | | | | | | | | | | |
| Elementary | | | | | | | | | | |
| Permanent Buildings: | | | | | | | | | | |
| Number | 1,059 | 1,068 | 1,108 | 1,134 | 1,136 | 1,135 | 1,134 | 1,129 | 1,127 | 1,097 |
| Square Feet | 14,166,090 | 14,270,778 | 15,236,061 | 15,512,619 | 15,566,992 | 15,512,260 | 15,498,519 | 15,489,384 | 15,372,627 | 15,074,527 |
| Portables: | | | | | | | | | | |
| Number | 693 | 664 | 636 | 583 | 579 | 579 | 579 | 577 | 566 | 520 |
| Square Feet | 595,131 | 567,399 | 546,631 | 500,487 | 496,475 | 496,475 | 496,475 | 494,671 | 485,439 | 447,083 |
| Student stations | 122,549 | 122,462 | 127,910 | 126,865 | 126,122 | 125,016 | 124,026 | 123,331 | 124,125 | 120,922 |
| Enrollment | 119,973 | 113,213 | 111,419 | 108,365 | 106,739 | 105,746 | 103,597 | 101,557 | 101,691 | 102,799 |
| Middle | | | | | | | | | | |
| Permanent Buildings: | | | | | | | | | | |
| Number | 375 | 379 | 385 | 383 | 385 | 387 | 384 | 383 | 375 | 373 |
| Square Feet | 7,404,206 | 7,482,753 | 7,567,767 | 7,549,176 | 7,524,411 | 7,599,063 | 7,589,355 | 7,592,960 | 7,453,381 | 7,289,620 |
| Portables: | | | | | | | | | | |
| Number | 648 | 643 | 629 | 593 | 575 | 571 | 471 | 470 | 459 | 454 |
| Square Feet | 523,049 | 519,361 | 510,217 | 479,893 | 467,813 | 463,393 | 375,727 | 374,935 | 366,375 | 362,183 |
| Student stations | 75,016 | 72,824 | 73,708 | 73,075 | 71,636 | 71,353 | 70,115 | 69,348 | 69,526 | 67,381 |
| Enrollment | 58,239 | 55,955 | 53,743 | 53,843 | 52,952 | 52,432 | 50,890 | 50,472 | 49,135 | 47,827 |
| High | | | | | | | | | | |
| Permanent Buildings: | | | | | | | | | | |
| Number | 440 | 447 | 458 | 486 | 493 | 493 | 476 | 475 | 459 | 450 |
| Square Feet | 8,990,446 | 9,319,756 | 9,531,424 | 9,946,842 | 9,918,353 | 9,895,698 | 9,885,884 | 9,829,410 | 9,243,782 | 9,205,240 |
| Portables: | | | | | | | | | | |
| Number | 557 | 574 | 599 | 589 | 588 | 587 | 585 | 572 | 573 | 567 |
| Square Feet | 450,474 | 483,424 | 503,083 | 480,429 | 479,789 | 478,997 | 477,413 | 466,051 | 467,063 | 461,515 |
| Student stations | 87,005 | 89,628 | 89,693 | 90,580 | 89,721 | 89,258 | 88,209 | 85,857 | 83,986 | 82,720 |
| Enrollment | 73,651 | 72,633 | 71,378 | 70,240 | 70,234 | 69,516 | 68,921 | 69,350 | 68,496 | 69,393 |
| Other | | | | | | | | | | |
| Permanent Buildings: | | | | | | | | | | |
| Number | 171 | 170 | 170 | 146 | 141 | 142 | 158 | 161 | 161 | 156 |
| Square Feet | 1,849,599 | 1,846,127 | 1,907,580 | 1,692,830 | 1,720,955 | 1,722,318 | 1,878,169 | 1,907,937 | 1,908,164 | 1,997,898 |
| Portables: | | | | | | | | | | |
| Number | 110 | 118 | 131 | 136 | 152 | 154 | 106 | 106 | 106 | 106 |
| Square Feet | 90,060 | 99,339 | 104,572 | 112,264 | 122,960 | 124,984 | 86,168 | 86,168 | 86,168 | 86,168 |
| Student stations | 12,362 | 12,473 | 12,214 | 11,278 | 11,246 | 11,133 | 13,020 | 13,310 | 13,639 | 14,061 |
| Enrollment | 3,936 | 4,715 | 5,243 | 4,592 | 4,676 | 5,904 | 5,906 | 6,138 | 5,633 | 5,330 |
| Administrative | | | | | | | | | | |
| Permanent Buildings: | | | | | | | | | | |
| Number | 86 | 90 | 92 | 102 | 103 | 91 | 75 | 76 | 76 | 76 |
| Portables: | 37 | 47 | 50 | 148 | 147 | 144 | 289 | 287 | 306 | 304 |
| Square Feet | 1,280,711 | 1,293,537 | 1,359,241 | 1,489,688 | 1,490,476 | 1,412,179 | 1,532,993 | 1,536,819 | 1,553,753 | 1,557,264 |

SOURCE: The School Board of Broward County - Accounting & Financial Reporting Department

(UNAUDITED)



The School Board of Broward County, Florida, prohibits any policy or procedure which results in discrimination on the basis of age, color, disability, gender identity, gender expression, national origin, marital status, race, religion, sex or sexual orientation. Individuals who wish to file a discrimination and/or harassment complaint may call the Director, Equal Educational Opportunities/ADA Compliance Department at 754-321-2150 or Teletype Machine (TTY) 754-321-2158.

Individuals with disabilities requesting accommodations under the Americans with Disabilities Act Amendments Act of 2008, (ADAAA) may call Equal Educational Opportunities/ADA Compliance Department at 754-321-2150 or Teletype Machine (TTY) 754-321-2158.