

**Annual Financial  
Report and GASB 34**

**Santa Rosa County School Board  
07/01/18 – 06/30/19**

**Prepared by the Finance Office**

**FLORIDA DEPARTMENT OF EDUCATION  
REPORT OF FINANCIAL DATA TO THE  
COMMISSIONER OF EDUCATION (ESE 348)  
DISTRICT SCHOOL BOARD OF SANTA ROSA COUNTY  
For the Fiscal Year Ended June 30, 2019**

Return completed form to:  
Florida Department of Education  
Office of Funding and Financial Reporting  
325 West Gaines Street, Room 814  
Tallahassee, Florida 32399-0400

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The Report of Financial Data to the Commissioner of Education (ESE 348) for the fiscal year ended June 30, 2019, was submitted in accordance with rule 6A-1.0071, Florida Administrative Code (section 1001.51(12)(b), Florida Statutes). This report was approved by the school board on September 10, 2019.

\_\_\_\_\_  
Signature of District School Superintendent  
ESE 348

\_\_\_\_\_  
Signature Date

DISTRICT SCHOOL BOARD OF SANTA ROSA COUNTY  
**STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE - GENERAL FUND**  
 For the Fiscal Year Ended June 30, 2019

Exhibit K-1  
 FDOE Page 1  
**Fund 100**

REVENUES	Account Number	
<i>Federal Direct:</i>		
Federal Impact, Current Operations	3121	882,930.86
Reserve Officers Training Corps (ROTC)	3191	
Miscellaneous Federal Direct	3199	
Total Federal Direct	3100	882,930.86
<i>Federal Through State and Local:</i>		
Medicaid	3202	1,723,748.22
National Forest Funds	3255	
Federal Through Local	3280	
Miscellaneous Federal Through State	3299	47.99
Total Federal Through State and Local	3200	1,723,796.21
<i>State:</i>		
Florida Education Finance Program (FEFP)	3310	122,719,169.00
Workforce Development	3315	2,150,901.00
Workforce Development Capitalization Incentive Grant	3316	
Workforce Education Performance Incentive	3317	45,371.00
Adults with Disabilities	3318	
CO&DS Withheld for Administrative Expenditure	3323	15,919.26
Diagnostic and Learning Resources Centers	3335	
Sales Tax Distribution (s. 212.20(6)(d)6 a., F.S.)	3341	
State Forest Funds	3342	
State License Tax	3343	32,219.29
District Discretionary Lottery Funds	3344	94,224.00
<i>Categorical Programs:</i>		
Class Size Reduction Operating Funds	3355	29,888,638.00
Florida School Recognition Funds	3361	882,682.00
Voluntary Prekindergarten Program	3371	460,628.07
Preschool Projects	3372	
<i>Other State:</i>		
Reading Programs	3373	
Full-Service Schools Program	3378	
State Through Local	3380	
Other Miscellaneous State Revenues	3399	4,519,326.97
Total State	3300	160,809,078.59
<i>Local:</i>		
District School Taxes	3411	50,388,335.18
Tax Redemptions	3421	
Payment in Lieu of Taxes	3422	
Excess Fees	3423	
Tuition	3424	
Rent	3425	40,625.00
Interest on Investments	3431	1,015,067.75
Gain on Sale of Investments	3432	
Net Increase (Decrease) in Fair Value of Investments	3433	
Gifts, Grants and Bequests	3440	2,000.00
<i>Student Fees:</i>		
Adult General Education Course Fees	3461	16,533.50
Postsec Career Cert-Appl Tech Diploma Course Fees	3462	334,287.67
Continuing Workforce Education Course Fees	3463	
Capital Improvement Fees	3464	20,892.98
Postsecondary Lab Fees	3465	
Lifelong Learning Fees	3466	
GED® Testing Fees	3467	
Financial Aid Fees	3468	41,785.94
Other Student Fees	3469	388,525.15
<i>Other Fees:</i>		
Preschool Program Fees	3471	59,625.00
Prekindergarten Early Intervention Fees	3472	
School-Age Child Care Fees	3473	1,986,493.80
Other Schools, Courses and Classes Fees	3479	699.00
<i>Miscellaneous Local:</i>		
Bus Fees	3491	
Transportation Services Rendered for School Activities	3492	199,507.56
Sale of Junk	3493	54,849.31
Receipt of Federal Indirect Cost Rate	3494	583,053.56
Other Miscellaneous Local Sources	3495	555,078.40
Impact Fees	3496	
Refunds of Prior Year's Expenditures	3497	3,250.72
Collections for Lost, Damaged and Sold Textbooks	3498	6,680.89
Receipt of Food Service Indirect Costs	3499	150,000.00
Total Local	3400	55,847,291.41
<b>Total Revenues</b>	<b>3000</b>	<b>219,263,097.07</b>

DISTRICT SCHOOL BOARD OF SANTA ROSA COUNTY  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GENERAL FUND (Continued)  
For the Fiscal Year Ended June 30, 2019

Exhibit K-1  
FD06 Page 2  
Fund 100

EXPENDITURES	Account Number	100	200	300	400	500	600	700	Totals
		Salaries	Employee Benefits	Purchased Services	Energy Services	Materials and Supplies	Capital Outlay	Other	
<i>Current:</i>									
Instruction	5000	102,575,794.70	28,833,278.12	8,706,166.81		3,927,489.16	769,046.25	73,361.82	144,885,136.86
Student Support Services	6100	5,172,368.71	1,468,215.55	4,007,842.95		61,219.61	29,792.07	4,651.00	10,744,089.89
Instructional Media Services	6200	1,616,980.56	431,097.90	77,201.46		35,332.75	235,743.57	2,577.50	2,398,933.74
Instruction and Curriculum Development Services	6300	3,462,873.73	912,216.83	316,776.42		58,937.54	67,337.48	3,732.80	4,821,874.80
Instructional Staff Training Services	6400	921,755.08	264,546.86	1,318,959.63	1,929.75	41,989.10	6,959.92	7,577.32	2,563,717.66
Instruction-Related Technology	6500	1,945,525.22	613,839.88	196,192.47	11,806.25	45,588.29	2,190,159.82	286.67	5,003,398.60
Board	7100	161,535.80	89,297.64	320,911.98				53,721.00	625,466.42
General Administration	7200	594,171.67	148,868.94	45,758.32		8,142.03	10,262.68	96,443.56	903,647.20
School Administration	7300	11,779,083.70	3,343,031.47	130,155.46		74,298.05	42,662.19	8,253.42	15,377,484.29
Facilities Acquisition and Construction	7410			4,083.78			12,388.70		16,472.48
Fiscal Services	7500	882,641.28	228,081.25	133,125.87		12,014.31	8,826.01	1,993.97	1,266,682.69
Food Services	7600								0.00
Central Services	7700	1,628,567.25	468,033.53	467,482.37	8,943.19	15,557.05	41,926.30	7,507.42	2,638,017.11
Student Transportation Services	7800	1,258,863.10	485,645.17	11,021,861.87	1,340,974.93	3,575.16	48,982.74	3,832.23	14,163,735.20
Operation of Plant	7900	116,011.14	22,509.68	7,386,208.56	5,203,041.01	12,459.37	28,463.06	3,010.40	12,771,703.22
Maintenance of Plant	8100	2,008,362.10	754,414.02	685,142.71	81,016.02	451,276.67	93,301.13	4,636.84	4,078,149.49
Administrative Technology Services	8200	1,309,451.56	356,057.47	654,196.53		16,657.78	0.00	2,189.14	2,338,552.48
Community Services	9100	1,472,137.50	184,338.05	124,649.96		97,483.94	16,141.22	72,696.68	1,967,447.35
<i>Capital Outlay:</i>									
Facilities Acquisition and Construction	7420						37,963.00		37,963.00
Other Capital Outlay	9300						1,238,469.04		1,238,469.04
<i>Debt Service: (Function 9200):</i>									
Redemption of Principal	710								0.00
Interest	720								0.00
<b>Total Expenditures</b>		136,906,123.10	38,603,472.36	35,596,717.15	6,647,711.15	4,862,020.81	4,878,425.18	346,471.77	227,840,941.52
<b>Excess (Deficiency) of Revenues Over Expenditures</b>									(8,577,844.45)

**DISTRICT SCHOOL BOARD OF SANTA ROSA COUNTY**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - GENERAL FUND (Continued)**  
For the Fiscal Year Ended June 30, 2019

Exhibit K-1  
FDOE Page 3  
**Fund 100**

<b>OTHER FINANCING SOURCES (USES) and CHANGES IN FUND BALANCES</b>	<b>Account Number</b>	
Loans	3720	
Sale of Capital Assets	3730	
Loss Recoveries	3740	9,340.64
<i>Transfers In:</i>		
From Debt Service Funds	3620	
From Capital Projects Funds	3630	5,101,607.76
From Special Revenue Funds	3640	
From Permanent Funds	3660	
From Internal Service Funds	3670	2,173,260.83
From Enterprise Funds	3690	
Total Transfers In	3600	7,274,868.59
<i>Transfers Out: (Function 9700)</i>		
To Debt Service Funds	920	
To Capital Projects Funds	930	
To Special Revenue Funds	940	(254,306.54)
To Permanent Funds	960	
To Internal Service Funds	970	
To Enterprise Funds	990	
Total Transfers Out	9700	(254,306.54)
<b>Total Other Financing Sources (Uses)</b>		7,029,902.69
<b>Net Change In Fund Balance</b>		(1,547,941.76)
Fund Balance, July 1, 2018	2800	30,276,858.08
Adjustments to Fund Balance	2891	
<i>Ending Fund Balance:</i>		
Nonspendable Fund Balance	2710	98,612.75
Restricted Fund Balance	2720	5,116,065.24
Committed Fund Balance	2730	4,962,964.15
Assigned Fund Balance	2740	1,347,668.02
Unassigned Fund Balance	2750	17,203,606.16
Total Fund Balances, June 30, 2019	2700	28,728,916.32

**DISTRICT SCHOOL BOARD OF SANTA ROSA COUNTY**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - SPECIAL REVENUE**  
**FUNDS - FOOD SERVICES**

For the Fiscal Year Ended June 30, 2019

Exhibit K-2  
FDOE Page 4  
**Fund 410**

<b>REVENUES</b>	<b>Account Number</b>	
<i>Federal :</i>		
Miscellaneous Federal Direct	3199	
<i>Federal Through State and Local:</i>		
School Lunch Reimbursement	3261	5,358,323.48
School Breakfast Reimbursement	3262	1,628,419.12
Afterschool Snack Reimbursement	3263	61,628.84
Child Care Food Program	3264	1,864.67
USDA-Donated Commodities	3265	630,558.35
Cash in Lieu of Donated Foods	3266	
Summer Food Service Program	3267	198,567.31
Fresh Fruit and Vegetable Program	3268	
Other Food Services	3269	
Federal Through Local	3280	
Miscellaneous Federal Through State	3299	
Total Federal Through State and Local	3200	7,879,361.77
<i>State:</i>		
School Breakfast Supplement	3337	45,514.00
School Lunch Supplement	3338	61,129.00
State Through Local	3380	
Other Miscellaneous State Revenues	3399	7,200.00
Total State	3300	113,843.00
<i>Local:</i>		
Interest on Investments	3431	144,302.99
Gain on Sale of Investments	3432	
Net Increase (Decrease) in Fair Value of Investments	3433	
Gifts, Grants and Bequests	3440	
Student Lunches	3451	1,675,826.44
Student Breakfasts	3452	684,492.49
Adult Breakfasts/Lunches	3453	161,907.00
Student and Adult á la Carte Fees	3454	2,148,187.08
Student Snacks	3455	
Other Food Sales	3456	
Other Miscellaneous Local Sources	3495	148,119.44
Refunds of Prior Year's Expenditures	3497	
Total Local	3400	4,962,835.44
<b>Total Revenues</b>	<b>3000</b>	<b>12,956,040.21</b>

**DISTRICT SCHOOL BOARD OF SANTA ROSA COUNTY**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - SPECIAL REVENUE**  
**FUNDS - FOOD SERVICES (Continued)**  
For the Fiscal Year Ended June 30, 2019

Exhibit K-2  
FDOE Page 5  
**Fund 410**

<b>EXPENDITURES (Function 7600/9300)</b>	<b>Account Number</b>	
Salaries	100	899.89
Employee Benefits	200	166.26
Purchased Services	300	11,448,081.45
Energy Services	400	605.09
Materials and Supplies	500	32,823.73
Capital Outlay	600	426,186.94
Other	700	151,421.23
Other Capital Outlay (Function 9300)	600	379,564.08
<b>Total Expenditures</b>		<b>12,439,748.67</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		<b>516,291.54</b>
<b>OTHER FINANCING SOURCES (USES)</b> <b>and CHANGES IN FUND BALANCES</b>		
Loans	3720	
Sale of Capital Assets	3730	
Loss Recoveries	3740	
<i>Transfers In:</i>		
From General Fund	3610	2,974.45
From Debt Service Funds	3620	
From Capital Projects Funds	3630	
Interfund	3650	
From Permanent Funds	3660	
From Internal Service Funds	3670	
From Enterprise Funds	3690	
Total Transfers In	3600	2,974.45
<i>Transfers Out: (Function 9700)</i>		
To General Fund	910	
To Debt Service Funds	920	
To Capital Projects Funds	930	
Interfund	950	
To Permanent Funds	960	
To Internal Service Funds	970	
To Enterprise Funds	990	
Total Transfers Out	9700	0.00
<b>Total Other Financing Sources (Uses)</b>		<b>2,974.45</b>
<b>Net Change in Fund Balance</b>		<b>519,265.99</b>
Fund Balance, July 1, 2018	2800	5,340,763.41
Adjustments to Fund Balance	2891	
<i>Ending Fund Balance:</i>		
Nonspendable Fund Balance	2710	89,520.79
Restricted Fund Balance	2720	5,770,508.61
Committed Fund Balance	2730	
Assigned Fund Balance	2740	
Unassigned Fund Balance	2750	
<b>Total Fund Balances, June 30, 2019</b>	<b>2700</b>	<b>5,860,029.40</b>

**DISTRICT SCHOOL BOARD OF SANTA ROSA COUNTY**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - SPECIAL REVENUE**  
**FUNDS - OTHER FEDERAL PROGRAMS**  
For the Fiscal Year Ended June 30, 2019

Exhibit K-3  
FDOE Page 6  
**Fund 420**

REVENUES	Account Number	
<i>Federal Direct:</i>		
Head Start	3130	2,385,365.59
Workforce Innovation and Opportunity Act	3170	
Community Action Programs	3180	
Reserve Officers Training Corps (ROTC)	3191	177,384.09
Pell Grants	3192	561,242.74
Miscellaneous Federal Direct	3199	5,703.00
Total Federal Direct	3100	3,129,695.42
<i>Federal Through State and Local:</i>		
Career and Technical Education	3201	283,263.17
Medicaid	3202	
Individuals with Disabilities Education Act (IDEA)	3230	5,429,706.35
<i>Workforce Innovation and Opportunity Act:</i>		
Adult General Education	3221	199,657.60
English Literacy and Civics Education	3222	
Adult Migrant Education	3223	
Other WIOA Programs	3224	
<i>ESSA - Elementary and Secondary Education Act:</i>		
Elementary and Secondary Education Act - Title I	3240	4,320,552.17
Teacher and Principal Training and Recruiting - Title II, Part A	3225	415,753.32
Math and Science Partnerships - Title II, Part B	3226	
Language Instruction - Title III	3241	40,667.91
Twenty-First Century Schools - Title IV	3242	296,439.87
Federal Through Local	3280	321,182.58
Emergency Immigrant Education Program	3293	
Miscellaneous Federal Through State	3299	87,442.51
Total Federal Through State and Local	3200	11,394,665.48
<i>State:</i>		
State Through Local	3380	
Other Miscellaneous State Revenues	3399	
Total State	3300	0.00
<i>Local:</i>		
Interest on Investments	3431	
Gain on Sale of Investments	3432	
Net Increase (Decrease) in Fair Value of Investments	3433	
Gifts, Grants and Bequests	3440	
Adult General Education Course Fees	3461	
Sale of Junk	3493	
Other Miscellaneous Local Sources	3495	
Refunds of Prior Year's Expenditures	3497	
Total Local	3400	0.00
<b>Total Revenues</b>	<b>3000</b>	<b>14,524,360.90</b>

DISTRICT SCHOOL BOARD OF SANTA ROSA COUNTY  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - SPECIAL REVENUE FUNDS - OTHER FEDERAL PROGRAMS (Continued)**  
For the Fiscal Year Ended June 30, 2019

Exhibit K-3  
FDOE Page 7  
**Fund 420**

EXPENDITURES	Account Number	100	200	300	400	500	600	700	Totals
		Salaries	Employee Benefits	Purchased Services	Energy Services	Materials and Supplies	Capital Outlay	Other	
<i>Current:</i>									
Instruction	5000	3,342,672.18	1,021,082.00	2,378,550.63	88.10	334,072.08	530,719.92	28,653.05	7,635,837.96
Student Support Services	6100	649,435.49	180,309.19	422,855.66	40.00	78,341.90	8,683.15	7,096.09	1,346,761.48
Instructional Media Services	6200	13,006.53	4,343.32			1,207.45	13,050.18		31,607.48
Instruction and Curriculum Development Services	6300	1,650,730.46	459,336.49	103,953.50		19,360.25	25,603.38	489.00	2,259,471.08
Instructional Staff Training Services	6400	413,114.34	69,984.82	1,043,441.62		64,495.83	3,649.90	56,465.32	1,651,151.83
Instruction-Related Technology	6500	21,639.53	8,863.87	54,695.41		8,073.93	15,146.72		108,419.46
Board	7100								0.00
General Administration	7200							487,341.00	487,341.00
School Administration	7300	119,444.99	38,445.89	7,975.96		1,282.96	1,247.52	2,029.00	170,426.32
Facilities Acquisition and Construction	7410						68,677.00		68,677.00
Fiscal Services	7500					36.46			36.46
Food Services	7600								0.00
Central Services	7700	39,712.86	3,248.27	7,462.45				558.00	50,981.58
Student Transportation Services	7800			5,569.55				18,360.00	23,929.55
Operation of Plant	7900	35,155.21	14,850.89	7,792.00		103.83	62.50	230.47	58,194.90
Maintenance of Plant	8100			79.00					79.00
Administrative Technology Services	8200								0.00
Community Services	9100		1,573.38	913.75				676,984.99	679,472.12
<i>Capital Outlay:</i>									
Facilities Acquisition and Construction	7420						7,353.00		7,353.00
Other Capital Outlay	9300						195,952.77		195,952.77
<b>Total Expenditures</b>		6,284,911.59	1,802,038.12	4,033,289.53	128.10	506,974.69	870,144.04	1,278,206.92	14,775,692.99
<b>Excess (Deficiency) of Revenues over Expenditures</b>									(251,332.09)
<b>OTHER FINANCING SOURCES (USES) and CHANGES IN FUND BALANCES</b>	Account Number								
Loans	3720								
Sale of Capital Assets	3730								
Loss Recoveries	3740								
<i>Transfers In:</i>									
From General Fund	3610	251,332.09							
From Debt Service Funds	3620								
From Capital Projects Funds	3630								
Interfund	3650								
From Permanent Funds	3660								
From Internal Service Funds	3670								
From Enterprise Funds	3690								
Total Transfers In	3600	251,332.09							
<i>Transfers Out: (Function 9700)</i>									
To the General Fund	910								
To Debt Service Funds	920								
To Capital Projects Funds	930								
Interfund	950								
To Permanent Funds	960								
To Internal Service Funds	970								
To Enterprise Funds	990								
Total Transfers Out	9700	0.00							
<b>Total Other Financing Sources (Uses)</b>		251,332.09							
<b>Net Change in Fund Balance</b>		0.00							
Fund Balance, July 1, 2018	2800								
Adjustments to Fund Balance	2891								
<i>Ending Fund Balance:</i>									
Nonspendable Fund Balance	2710								
Restricted Fund Balance	2720								
Committed Fund Balance	2730								
Assigned Fund Balance	2740								
Unassigned Fund Balance	2750								
Total Fund Balances, June 30, 2019	2700	0.00							

OTHER FINANCING SOURCES (USES) and CHANGES IN FUND BALANCE	Account Number	SBE/COBI Bonds 210	Special Act Bonds 220	Sections 1011.14 and 1011.15, F.S., Loans 230	Motor Vehicle Revenue Bonds 240	District Bonds 250	Other Debt Service 290	ARRA Economic Stimulus Debt Service 299	Totals
Issuance of Bonds	3710								0.00
Premium on Sale of Bonds	3791								0.00
Discount on Sale of Bonds (Function 9299)	891								0.00
Proceeds of Lease-Purchase Agreements	3750								0.00
Premium on Lease-Purchase Agreements	3793								0.00
Discount on Lease-Purchase Agreements (Function 9299)	893								0.00
Loans	3720								0.00
Proceeds of Forward Supply Contract	3760								0.00
Face Value of Refunding Bonds	3715								0.00
Premium on Refunding Bonds	3792								0.00
Discount on Refunding Bonds (Function 9299)	892								0.00
Payments to Refunded Bonds Escrow Agent (Function 9299)	761								0.00
Refunding Lease-Purchase Agreements	3755								0.00
Premium on Refunding Lease-Purchase Agreements	3794								0.00
Discount on Refunding Lease-Purchase Agmts (Function 9299)	894								0.00
Payments to Refunded Lease-Purchase Escrow Agent (Function 9299)	762								0.00
Transfers In:									
From General Fund	3610								0.00
From Capital Projects Funds	3630						8,546,089.61		8,546,089.61
From Special Revenue Funds	3640								0.00
Interfund	3650								0.00
From Permanent Funds	3660								0.00
From Internal Service Funds	3670								0.00
From Enterprise Funds	3690								0.00
Total Transfers In	3600	0.00	0.00	0.00	0.00	0.00	8,546,089.61	0.00	8,546,089.61
Transfers Out: (Function 9700)									
To General Fund	910								0.00
To Capital Projects Funds	930								0.00
To Special Revenue Funds	940								0.00
Interfund	950								0.00
To Permanent Funds	960								0.00
To Internal Service Funds	970								0.00
To Enterprise Funds	990								0.00
Total Transfers Out	9700	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Other Financing Sources (Uses)</b>		0.00	0.00	0.00	0.00	0.00	8,546,089.61	0.00	8,546,089.61
<b>Net Change in Fund Balances</b>		(5,758.02)	255,256.07	0.00	0.00	0.00	(63,668.94)	0.00	185,829.11
Fund Balance, July 1, 2018	2800	35,396.30	1,163,467.06				924,089.08		2,122,952.44
Adjustments to Fund Balances	2891								0.00
Ending Fund Balance:									
Nonspendable Fund Balance	2710								0.00
Restricted Fund Balance	2720	29,638.28	1,418,723.13				860,420.14		2,308,781.55
Committed Fund Balance	2730								0.00
Assigned Fund Balance	2740								0.00
Unassigned Fund Balance	2750								0.00
Total Fund Balances, June 30, 2019	2700	29,638.28	1,418,723.13	0.00	0.00	0.00	860,420.14	0.00	2,308,781.55

DISTRICT SCHOOL BOARD OF SANTA ROSA COUNTY  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - DEBT SERVICE FUNDS  
 For the Fiscal Year Ended June 30, 2019

Exhibit K-5  
 FDOE Page 9  
 Funds 200

REVENUES	Account Number	SHE/COBI Bonds 210	Special Act Bonds 220	Sections 1011.14 and 1011.15, F.S., Loans 230	Motor Vehicle Revenue Bonds 240	District Bonds 250	Other Debt Service 290	ARRA Economic Stimulus Debt Service 299	Totals
<i>Federal:</i>									
Miscellaneous Federal Direct	3199								0.00
Miscellaneous Federal Through State	3299								0.00
<i>State:</i>									
CO&DS Withheld for SHE/COBI Bonds	3322	244,730.78							244,730.78
SHE/COBI Bond Interest	3326	527.32							527.32
Sales Tax Distribution (s. 212.20(6)(d)6 a., F.S.)	3341		223,250.00						223,250.00
Other Miscellaneous State Revenues	3399								0.00
Total State Sources	3300	245,258.10	223,250.00	0.00	0.00	0.00	0.00	0.00	468,508.10
<i>Local:</i>									
District Debt Service Taxes	3412								0.00
County Local Sales Tax	3418								0.00
School District Local Sales Tax	3419								0.00
Tax Redemptions	3421								0.00
Payment in Lieu of Taxes	3422								0.00
Excess Fees	3423								0.00
Interest on Investments	3431		32,006.07				12,265.91		44,271.98
Gain on Sale of Investments	3432								0.00
Net Increase (Decrease) in Fair Value of Investments	3433								0.00
Gifts, Grants and Bequests	3440								0.00
Other Miscellaneous Local Sources	3495								0.00
Impact Fees	3496								0.00
Refunds of Prior Year's Expenditures	3497								0.00
Total Local Sources	3400	0.00	32,006.07	0.00	0.00	0.00	12,265.91	0.00	44,271.98
<b>Total Revenues</b>	3000	245,258.10	255,256.07	0.00	0.00	0.00	12,265.91	0.00	512,780.08
<b>EXPENDITURES</b>									
<i>Debt Service (Function 9200)</i>									
Redemption of Principal	710	184,000.00					7,310,000.00		7,494,000.00
Interest	720	66,905.00					1,301,174.46		1,368,079.46
Dues and Fees	730	111.12					10,850.00		10,961.12
Miscellaneous	790								0.00
<b>Total Expenditures</b>		251,016.12	0.00	0.00	0.00	0.00	8,622,024.46	0.00	8,873,040.58
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		(5,758.02)	255,256.07	0.00	0.00	0.00	(8,609,758.55)	0.00	(8,360,260.50)

DISTRICT SCHOOL BOARD OF SANTA ROSA COUNTY  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - CAPITAL PROJECTS FUNDS  
 For the Fiscal Year Ended June 30, 2019

Exhibit K-6  
 FDSE Page 10  
 Funds 300

REVENUES	Account Number	Capital Outlay Bond Issues (COBI)	Special Act Bonds	Sections 1011.14 and 1011.15, F.S., Loans	Public Education Capital Outlay (PECO)	District Bonds	Capital Outlay and Debt Service Program (CO&DS)	Nonvoted Capital Improvement Section 1011.71(2), F.S.	Voted Capital Improvement Fund	Other Capital Projects	ABRA Economic Stimulus Capital Projects	Totals
		310	320	330	340	350	360	370	380	390	399	
<i>Federal:</i>												
Miscellaneous Federal Direct	3199											0.00
Miscellaneous Federal Through State	3299											0.00
<i>State</i>												
CO&DS Distributed	3321						800,633.96					800,633.96
Interest on Undistributed CO&DS	3325						19,669.30					19,669.30
Sales Tax Distribution (s. 212.20(4)(b), F.S.)	3341											0.00
State Through Local	3380											0.00
Public Education Capital Outlay (PECO)	3391				428,734.00							428,734.00
Classroom First Program	3392											0.00
SMART Schools Small County Assistance Program	3395											0.00
Class Size Reduction Capital Outlay	3396											0.00
Charter School Capital Outlay Funding	3397											0.00
Other Miscellaneous State Revenues	3399									106,179.00		106,179.00
Total State Sources	3500	0.00	0.00	0.00	428,734.00	0.00	820,303.26	0.00	0.00	1,044,910.61	0.00	1,044,910.61
<i>Local:</i>												
District Local Capital Improvement Tax	3413							14,397,297.99				14,397,297.99
County Local Sales Tax	3418											0.00
School District Local Sales Tax	3419									9,835,817.48		9,835,817.48
Tax Redemptions	3421											0.00
Payment in Lieu of Taxes	3422											0.00
Essen's Fee	3423											0.00
Interest on Investments	3431				1,350.82		18,873.76	37,284.18		185,035.27		442,984.03
Gain on Sale of Investments	3432											0.00
Net Increase (Decrease) in Fair Value of Investments	3433											0.00
Gifts, Grants and Bequests	3440											0.00
Other Miscellaneous Local Sources	3495									167,842.14		167,842.14
Impact Fees	3496											0.00
Refunds of Prior Year's Expenditures	3497							5,320.01				5,320.01
Total Local Sources	3400	0.00	0.00	0.00	1,350.82	0.00	18,873.76	14,439,902.18	0.00	10,388,734.89	0.00	24,848,861.65
<b>Total Revenues</b>	3000	0.00	0.00	0.00	430,084.82	0.00	839,177.02	14,439,902.18	0.00	11,539,824.50	0.00	27,248,988.52
<b>EXPENDITURES</b>												
<i>Capital Outlay (Function 3400)</i>												
Library Books	610											0.00
Audiovisual Materials	620											0.00
Buildings and Fixed Equipment	630							390.00		2,434,983.09		2,435,373.09
Furniture, Fixtures and Equipment	640							283,636.58		260,440.99		544,077.57
Motor Vehicles (Including Buses)	650							500,000.00				500,000.00
Land	660							6,170.00		91,267.43		97,437.43
Improvements Other Than Buildings	670				50,734.16		223,321.84	1,095,094.08		1,483,193.86		2,854,343.94
Remodeling and Renovations	680				457,855.02		194,294.29	3,561,837.84		5,295,141.13		9,509,128.28
Computer Software	690											0.00
Charter School Local Capital Improvement	793									10,334.87		10,334.87
<i>Debt Service (Function 3200)</i>												0.00
Redemption of Principal	710											0.00
Interest	720											0.00
Debt and Fees	730							1,018.12				1,018.12
Miscellaneous	790											0.00
<b>Total Expenditures</b>		0.00	0.00	0.00	508,589.18	0.00	418,634.25	5,447,128.50	0.00	9,577,562.27	0.00	15,951,914.20
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		0.00	0.00	0.00	(78,504.36)	0.00	420,542.77	8,992,773.68	0.00	1,962,262.23	0.00	11,297,074.32

OTHER FINANCING SOURCES (USES) and CHANGES IN FUND BALANCE	Account Number	Capital Outlay Bond Issues (COBI)	Special Act Bonds	Sections 1011.14 and 1011.15, F.S., Loans	Public Education Capital Outlay (PECO)	District Bonds	Capital Outlay and Debt Service Program (COARDS)	Nonvoted Capital Improvement Section 1011.71(2), F.S.	Voted Capital Improvement Fund	Other Capital Projects	ARRA Economic Stimulus Capital Projects	Totals
		310	320	330	340	350	360	370	380	390	399	
Issuance of Bonds	3710											0.00
Premium on Sale of Bonds	3791											0.00
Discount on Sale of Bonds (Function 9299)	891											0.00
Proceeds of Lease-Purchase Agreements	3750											0.00
Premium on Lease-Purchase Agreements	3793											0.00
Discount on Lease-Purchase Agreements (Function 9299)	893											0.00
Loans	3720											0.00
Sale of Capital Assets	3730											0.00
Loss Recoveries	3740									242,273.50		242,273.50
Proceeds of Forward Supply Contract	3760											0.00
Proceeds from Special Facility Construction Account	3770											0.00
Transfers In:												
From General Fund	3610											0.00
From Debt Service Funds	3620											0.00
From Special Revenue Funds	3640											0.00
Interfund	3650											0.00
From Permanent Funds	3660											0.00
From Internal Service Funds	3670											0.00
From Enterprise Funds	3690											0.00
Total Transfers In	3600	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transfers Out: (Function 9700)												
To General Fund	910							(1,180,632.50)		(1,920,973.46)		(3,101,607.76)
To Debt Service Funds	920							(8,133,705.43)		(412,384.18)		(8,546,089.61)
To Special Revenue Funds	940											0.00
Interfund	950											0.00
To Permanent Funds	960											0.00
To Internal Service Funds	970											0.00
To Enterprise Funds	990											0.00
Total Transfers Out	9700	0.00	0.00	0.00	0.00	0.00	0.00	(11,314,337.73)	0.00	(2,333,359.64)	0.00	(13,647,697.37)
Total Other Financing Sources (Uses)		0.00	0.00	0.00	0.00	0.00	0.00	(11,314,337.73)	0.00	(2,091,086.14)	0.00	(13,405,423.87)
Net Change in Fund Balances		0.00	0.00	0.00	(78,504.36)	0.00	420,542.77	(2,321,564.05)	0.00	(128,821.91)	0.00	(2,108,349.55)
Fund Balance, July 1, 2018	2800				79,866.05		993,114.37	6,602,644.73		(4,493,448.70)		22,168,473.85
Adjustments to Fund Balances	2891											0.00
Ending Fund Balance:												
Nonspendable Fund Balance	2710											0.00
Restricted Fund Balance	2720				1,361.69		1,413,657.14	4,280,480.68		14,364,624.79		20,060,124.30
Committed Fund Balance	2730											0.00
Assigned Fund Balance	2740											0.00
Unassigned Fund Balance	2750											0.00
Total Fund Balances, June 30, 2019	2700	0.00	0.00	0.00	1,361.69	0.00	1,413,657.14	4,280,480.68	0.00	14,364,624.79	0.00	20,060,124.30

DISTRICT SCHOOL BOARD OF SANTA ROSA COUNTY  
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION - INTERNAL SERVICE FUNDS  
 For the Fiscal Year Ended June 30, 2019

Exhibit K-9  
 FDOE Page 14  
 Funds 700

INCOME OR (LOSS)	Account Number	Self-Insurance 711	Self-Insurance 712	Self-Insurance 713	Self-Insurance 714	Self-Insurance 715	Consortium Programs 731	Other Internal Service 791	Totals
<b>OPERATING REVENUES</b>									
Charges for Services	3481								0.00
Charges for Sales	3482								0.00
Premium Revenue	3484		20,771,378.32						20,771,378.32
Other Operating Revenues	3489								0.00
<b>Total Operating Revenues</b>		0.00	20,771,378.32	0.00	0.00	0.00	0.00	0.00	20,771,378.32
<b>OPERATING EXPENSES (Function 9900)</b>									
Salaries	100								0.00
Employer Benefits	200								0.00
Purchased Services	300		1,730,925.30						1,730,925.30
Energy Services	400								0.00
Materials and Supplies	500		388.00						388.00
Capital Outlay	600		306.19						306.19
Other	700		16,938,516.42						16,938,516.42
Depreciation and Amortization Expense	780								0.00
<b>Total Operating Expenses</b>		0.00	18,670,135.91	0.00	0.00	0.00	0.00	0.00	18,670,135.91
<b>Operating Income (Loss)</b>		0.00	2,101,242.41	0.00	0.00	0.00	0.00	0.00	2,101,242.41
<b>NONOPERATING REVENUES (EXPENSES)</b>									
Interest on Investments	3431		71,376.73						71,376.73
Gain on Sale of Investments	3432								0.00
Net Increase (Decrease) in Fair Value of Investments	3433								0.00
Gifts, Grants and Bequests	3440								0.00
Other Miscellaneous Local Sources	3495		625,672.14						625,672.14
Loss Recoveries	3740								0.00
Gain on Disposition of Assets	3780								0.00
Interest (Function 9900)	720								0.00
Miscellaneous (Function 9900)	790								0.00
Loss on Disposition of Assets (Function 9900)	810								0.00
<b>Total Nonoperating Revenues (Expenses)</b>		0.00	697,048.87	0.00	0.00	0.00	0.00	0.00	697,048.87
<b>Income (Loss) Before Operating Transfers</b>		0.00	2,798,291.28	0.00	0.00	0.00	0.00	0.00	2,798,291.28
<b>TRANSFERS and CHANGES IN NET POSITION</b>									
<i>Transfers In:</i>									
From General Fund	3610								0.00
From Debt Service Funds	3620								0.00
From Capital Projects Funds	3630								0.00
From Special Revenue Funds	3640								0.00
Interfund	3650								0.00
From Permanent Funds	3660								0.00
From Enterprise Funds	3690								0.00
<b>Total Transfers In</b>	3600	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>Transfers Out: (Function 9700)</i>									
To General Fund	910		(2,173,260.83)						(2,173,260.83)
To Debt Service Funds	920								0.00
To Capital Projects Funds	930								0.00
To Special Revenue Funds	940								0.00
Interfund	950								0.00
To Permanent Funds	960								0.00
To Enterprise Funds	990								0.00
<b>Total Transfers Out</b>	9700	0.00	(2,173,260.83)	0.00	0.00	0.00	0.00	0.00	(2,173,260.83)
<b>Change in Net Position</b>		0.00	625,030.45	0.00	0.00	0.00	0.00	0.00	625,030.45
Net Position, July 1, 2018	2880		8,078,327.55						8,078,327.55
Adjustments to Net Position	2896								0.00
Net Position, June 30, 2019	2780		8,703,358.00						8,703,358.00

DISTRICT SCHOOL BOARD OF SANTA ROSA COUNTY  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 SCHOOL INTERNAL FUNDS  
 June 30, 2019

Exhibit K-10  
 FDOE Page 15  
**Fund 891**

ASSETS	Account Number	Beginning Balance July 1, 2018	Additions	Deductions	Ending Balance June 30, 2019
Cash	1110	4,168,362.27	10,374,154.96	10,141,028.81	4,401,488.42
Investments	1160				0.00
Accounts Receivable, Net	1131				0.00
Interest Receivable on Investments	1170				0.00
Due From Budgetary Funds	1141				0.00
Due From Other Agencies	1220				0.00
Inventory	1150				0.00
<b>Total Assets</b>		4,168,362.27	10,374,154.96	10,141,028.81	4,401,488.42
<b>LIABILITIES</b>					
Cash Overdraft	2125				0.00
Accrued Salaries and Benefits	2110				0.00
Payroll Deductions and Withholdings	2170	189,832.02	618,329.56	522,237.90	285,923.68
Accounts Payable	2120	289,619.66	221,744.61	209,880.99	301,483.28
Internal Accounts Payable	2290	3,684,410.59	9,534,080.79	9,408,909.92	3,809,581.46
Due to Budgetary Funds	2161	4,500.00			4,500.00
<b>Total Liabilities</b>		4,168,362.27	10,374,154.96	10,141,028.81	4,401,488.42

DISTRICT SCHOOL BOARD OF SANTA ROSA COUNTY  
SCHEDULE OF LONG-TERM LIABILITIES  
June 30, 2019

Exhibit K-11  
FDOE Page 16  
Fund 601

	Account Number	Governmental Activities Total Balance [1] June 30, 2019	Business-Type Activities Total Balance [1] June 30, 2019	Total	Governmental Activities - Debt Principal Payments 2018-19	Governmental Activities - Principal Due Within One Year 2019-20	Governmental Activities - Debt Interest Payments 2018-19	Governmental Activities - Interest Due Within One Year 2019-20
Notes Payable	2310			0.00				
Obligations Under Capital Leases	2315			0.00				
Bonds Payable								
SBE/COBI Bonds Payable	2321	1,511,689.72		1,511,689.72	184,000.00	149,000.00		
District Bonds Payable	2322			0.00				
Special Act Bonds Payable	2323			0.00				
Motor Vehicle License Revenue Bonds Payable	2324			0.00				
Sales Surtax Bonds Payable	2326			0.00				
Total Bonds Payable	2320	1,511,689.72	0.00	1,511,689.72	184,000.00	149,000.00	0.00	0.00
Liability for Compensated Absences	2330	20,174,918.06		20,174,918.06				
Lease-Purchase Agreements Payable								
Certificates of Participation (COPS) Payable	2341	22,902,654.04		22,902,654.04				
Qualified Zone Academy Bonds (QZAB) Payable	2342			0.00				
Qualified School Construction Bonds (QSCB) Payable	2343			0.00				
Build America Bonds (BAB) Payable	2344			0.00				
Other Lease-Purchase Agreements Payable	2349			0.00				
Total Lease-Purchase Agreements Payable	2340	22,902,654.04	0.00	22,902,654.04	0.00	0.00	0.00	0.00
Estimated Liability for Long-Term Claims	2350			0.00				
Net Other Postemployment Benefits Obligation	2360	20,110,535.00		20,110,535.00				
Net Pension Liability	2365	123,708,109.00		123,708,109.00				
Estimated PECO Advance Payable	2370			0.00				
Other Long-Term Liabilities	2380			0.00				
Derivative Instrument	2390			0.00				
<b>Total Long-term Liabilities</b>		<b>188,407,905.82</b>	<b>0.00</b>	<b>188,407,905.82</b>	<b>184,000.00</b>	<b>149,000.00</b>	<b>0.00</b>	<b>0.00</b>

[1] Report carrying amount of total liability due within one year and due after one year on June 30, 2019, including discounts and premiums.

**DISTRICT SCHOOL BOARD OF SANTA ROSA COUNTY**  
**SCHEDULE OF CATEGORICAL PROGRAMS**  
**REPORT OF EXPENDITURES AND AVAILABLE FUNDS**  
For the Fiscal Year Ended June 30, 2019

Exhibit K-12  
FDOE Page 17

CATEGORICAL PROGRAMS (Revenue Number) [Footnote]	Grant Number	Unexpended June 30, 2018	Returned To FDOE	Revenues [1] 2018-19	Expenditures 2018-19	Flexibility [2] 2018-19	Unexpended June 30, 2019
Class Size Reduction Operating Funds (3355)	94740			29,888,638.00	29,888,638.00		0.00
Excellent Teaching Program (3363)	90570						0.00
Florida Digital Classrooms (FEFP Earmark)	98250	265,084.11		851,272.00	934,157.32		182,198.79
Florida School Recognition Funds (3361)	92040	87,674.96		882,682.00	901,963.00		68,393.96
Instructional Materials (FEFP Earmark) [3]	90880	868,476.10		2,261,144.00	2,377,497.43		752,122.67
Library Media (FEFP Earmark) [3]	90881	49,052.79		128,309.00	126,499.82		50,861.97
Mental Health Assistance (FEFP Earmark)	90280			718,556.00	540,313.29		178,242.71
Preschool Projects (3372)	97950						0.00
Research-Based Reading Instruction (FEFP Earmark) [4]	90800	1,066,430.97		1,275,965.00	1,506,536.14		835,859.83
Safe Schools (FEFP Earmark) [5]	90803	81,303.24		1,420,743.00	1,497,982.71		4,063.53
Student Transportation (FEFP Earmark)	90830			6,767,541.00	6,767,541.00		0.00
Supplemental Academic Instruction (FEFP Earmark) [4]	91280	85,826.44		8,086,631.00	8,127,283.48		45,173.96
Teachers Classroom Supply Assistance (FEFP Earmark)	97580			537,397.00	537,397.00		0.00
Voluntary Prekindergarten - School Year Program (3371)	96440	64,689.46		447,744.60	425,178.81		87,255.25
Voluntary Prekindergarten - Summer Program (3371)	96441	24,503.70		12,883.47	31,415.81		5,971.36

[1] Include both state and local revenue sources.

[2] Report the amount of funds transferred from each program to maintain board-specified academic classroom instruction and school safety.

[3] Report the Library Media portion of the Instructional Materials allocation on the line "Library Media."

[4] Expenditures for designated low-performing elementary schools should be included in expenditures.

[5] Combine all programs funded from the Safe Schools allocation on one line, "Safe Schools."

DISTRICT SCHOOL BOARD OF SANTA ROSA COUNTY  
SCHEDULE OF SELECTED SUBOBJECT EXPENDITURES

For the Fiscal Year Ended June 30, 2019

Exhibit K-13

FDOE Page 18

	Subobject	General Fund 100	Special Revenue Food Services 410	Special Revenue Other Federal Programs 420	Total
<b>UTILITIES AND ENERGY SERVICES EXPENDITURES:</b>					
<b>Public Utility Services Other than Energy - All Functions</b>	<b>380</b>	767,533.95			767,533.95
Public Utility Services Other than Energy - <i>Functions 7900 &amp; 8100</i>	380	767,533.95			767,533.95
<b>Natural Gas - All Functions</b>	<b>411</b>	187,771.40			187,771.40
Natural Gas - <i>Functions 7900 &amp; 8100</i>	411	187,771.40			187,771.40
<b>Bottled Gas - All Functions</b>	<b>421</b>	7,816.06			7,816.06
Bottled Gas - <i>Functions 7900 &amp; 8100</i>	421	7,816.06			7,816.06
<b>Electricity - All Functions</b>	<b>430</b>	5,001,482.09			5,001,482.09
Electricity - <i>Functions 7900 &amp; 8100</i>	430	5,001,482.09			5,001,482.09
<b>Heating Oil - All Functions</b>	<b>440</b>				0.00
Heating Oil - <i>Functions 7900 &amp; 8100</i>	440				0.00
<b>Gasoline - All Functions</b>	<b>450</b>	129,076.94	605.09	128.10	129,810.13
Gasoline - <i>Functions 7900 &amp; 8100</i>	450	82,504.90			82,504.90
<b>Diesel Fuel - All Functions</b>	<b>460</b>	1,321,564.66	0.00		1,321,564.66
Diesel Fuel - <i>Functions 7900 &amp; 8100</i>	460	4,482.58			4,482.58
<b>Other Energy Services - All Functions</b>	<b>490</b>				0.00
Other Energy Services - <i>Functions 7900 &amp; 8100</i>	490				0.00
<b>Subtotal - Functions 7900 &amp; 8100</b>		6,051,590.98	0.00	0.00	6,051,590.98
<b>Total - All Functions</b>		7,415,245.10	605.09	128.10	7,415,978.29
<b>ENERGY EXPENDITURES FOR STUDENT TRANSPORTATION: (Function 7800 only)</b>					
Compressed Natural Gas	412				0.00
Liquefied Petroleum Gas	422				0.00
Gasoline	450	25,445.29			25,445.29
Diesel Fuel	460	1,315,529.64			1,315,529.64
Oil and Grease	540				0.00
<b>Total</b>		1,340,974.93		0.00	1,340,974.93

	Subobject	General Fund 100	Special Revenue Other Federal Programs 420	Capital Projects Funds 3XX	Total
<b>EXPENDITURES FOR SCHOOL BUSES AND SCHOOL BUS REPLACEMENTS:</b>					
Buses	651			500,000.00	500,000.00

**DISTRICT SCHOOL BOARD OF SANTA ROSA COUNTY**  
**SCHEDULE OF SELECTED SUBOBJECT EXPENDITURES**  
**For the Fiscal Year Ended June 30, 2019**

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<b>TECHNOLOGY-RELATED SUPPLIES AND PURCHASED SERVICES</b>	<b>Subobject</b>	<b>General Fund 100</b>	<b>Special Revenue Funds 4XX</b>	<b>Capital Projects Funds 3XX</b>	<b>Total</b>
<i>Noncapitalized Expenditures:</i>					
Technology-Related Professional and Technical Services	319				0.00
Technology-Related Repairs and Maintenance	359	18,480.60	2,268.00		20,748.60
Technology-Related Rentals	369	2,587,476.45	796,267.04		3,383,743.49
Telephone and Other Data Communication Services	379	474,340.32			474,340.32
Other Technology-Related Purchased Services	399	89,726.39	8,381.97		98,108.36
Technology-Related Materials and Supplies	5X9	385,694.80	97,555.41		483,250.21
Technology-Related Library Books	619				0.00
Noncapitalized Computer Hardware	644	2,412,175.91	26,914.18		2,439,090.09
Technology-Related Noncapitalized Fixtures and Equipment	649	112,111.78	8,856.92		120,968.70
Noncapitalized Software	692	3,521.42			3,521.42
Miscellaneous Technology-Related	799	1,866.60			1,866.60
<b>Total</b>		6,085,394.27	940,243.52	0.00	7,025,637.79

<b>TECHNOLOGY-RELATED EQUIPMENT, COMPUTER HARDWARE AND SOFTWARE*</b>	<b>Subobject</b>	<b>General Fund 100</b>	<b>Special Revenue Funds 4XX</b>	<b>Capital Projects Funds 3XX</b>	<b>Total</b>
<i>Capitalized Expenditures:</i>					
Capitalized Computer Hardware and Technology-Related Infrastructure	643	720,883.26	44,831.62	53,773.39	819,488.27
Technology-Related Capitalized Fixtures and Equipment	648	125,910.84	29,152.46	29,152.46	184,215.76
Capitalized Software	691	1,646.56		10,301.00	11,947.56
<b>Total</b>		848,440.66	73,984.08	93,226.85	1,015,651.59

\* Include (1) technology-related hardware: network equipment, servers, PCs, printers, and other peripherals and devices that exceed the district's capitalization threshold; and (2) technology software: purchased software used for educational or administrative purposes that exceed the district's capitalization threshold.

DISTRICT SCHOOL BOARD OF SANTA ROSA COUNTY  
SCHEDULE OF SELECTED SUBOBJECT EXPENDITURES  
For the Fiscal Year Ended June 30, 2019

Exhibit K-13  
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	Subobject	General Fund 100	Special Revenue Food Services 410	Special Revenue Other Federal Programs 420	Total
<b>SUBAWARDS FOR INDIRECT COST RATE:</b>					
<i>Professional and Technical Services:</i>					
Subawards Under Subagreements - First \$25,000	311	52,382.07		75,000.00	127,382.07
Subawards Under Subagreements - In Excess of \$25,000	312	256,400.00		179,187.75	435,587.75
<i>Other Purchased Services:</i>					
Subawards Under Subagreements - First \$25,000	391				0.00
Subawards Under Subagreements - In Excess of \$25,000	392				0.00

	Subobject	Special Revenue Food Services 410
<b>FOOD SERVICE SUPPLIES SUBOBJECT</b>		
Supplies	510	32,823.73
Food	570	
Donated Foods	580	

	Subobject	General Fund 100	Special Revenue Other Federal Programs 420	Total
<b>Teacher Salaries</b>				
Basic Programs 101, 102 and 103 (Function 5100)	120	67,171,018.00	1,463,732.00	68,634,750.00
Basic Programs 101, 102 and 103 (Function 5100)	140			0.00
Basic Programs 101, 102 and 103 (Function 5100)	750			0.00
<b>Total Basic Program Salaries</b>		67,171,018.00	1,463,732.00	68,634,750.00
Other Programs 130 (ESOL) (Function 5100)	120	1,267,957.00	5,728.00	1,273,685.00
Other Programs 130 (ESOL) (Function 5100)	140			0.00
Other Programs 130 (ESOL) (Function 5100)	750			0.00
<b>Total Other Program Salaries</b>		1,267,957.00	5,728.00	1,273,685.00
ESE Programs 111, 112, 113, 254 and 255 (Function 5200)	120	27,530,510.00	1,623,850.00	29,154,360.00
ESE Programs 111, 112, 113, 254 and 255 (Function 5200)	140			0.00
ESE Programs 111, 112, 113, 254 and 255 (Function 5200)	750			0.00
<b>Total ESE Program Salaries</b>		27,530,510.00	1,623,850.00	29,154,360.00
Career Program 300 (Function 5300)	120	1,092,189.00	25,595.00	1,117,784.00
Career Program 300 (Function 5300)	140			0.00
Career Program 300 (Function 5300)	750			0.00
<b>Total Career Program Salaries</b>		1,092,189.00	25,595.00	1,117,784.00
<b>TOTAL</b>		97,061,674.00	3,118,905.00	100,180,579.00

	Subobject	General Fund 100	Special Revenue Other Federal Programs 420	Total
<b>Textbooks (used for classroom instruction)</b>				
Textbooks (Function 5000)	520	2,848,690.49	69,566.38	2,918,256.87

DISTRICT SCHOOL BOARD OF SANTA ROSA COUNTY  
 SPECIFIC ACADEMIC CLASSROOM INSTRUCTION AND OTHER DATA COLLECTION  
 For the Fiscal Year Ended June 30, 2019

Exhibit K-13  
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CATEGORICAL FLEXIBLE SPENDING - GENERAL FUND EXPENDITURES	Account Number	Student Transportation	Research-Based Reading Instruction	Instructional Materials	Instructional Materials / Library Media	Totals
<i>I. Instruction:</i>						
Basic	5100					0.00
Exceptional	5200					0.00
Career Education	5300					0.00
Adult General	5400					0.00
Prekindergarten	5500					0.00
Other Instruction	5900					0.00
Subtotal - Flexible Spending Instructional Expenditures	5000	0.00	0.00	0.00	0.00	0.00
<i>II. School Safety:</i>						0.00
<b>Total Flexible Spending Expenditures</b>		0.00	0.00	0.00	0.00	0.00

DISTRIBUTIONS TO CHARTER SCHOOLS (Charter school information is used in federal reporting)	Fund Number	Direct Payment (FEFP) (Subject 393)	Direct Payment (Non-FEFP) (Subjects 394 & 794)	Direct Payment (Non-FEFP) (Subject 793)	Amount Withheld for Administration	Payments and Services on Behalf of Charter Schools	Total Amount
<i>Expenditures:</i>							
General Fund	100	1,474,197.23					1,474,197.23
Special Revenue Funds - Food Service	410						0.00
Special Revenue Funds - Other Federal Programs	420		61,507.07				61,507.07
Capital Projects Funds	3XX						0.00
<b>Total Charter School Distributions</b>		1,474,197.23	61,507.07	0.00	0.00	0.00	1,535,704.30

LIFELONG LEARNING (Lifelong Learning expenditures are used in federal reporting)	Account Number	Amount
<i>Expenditures:</i>		
General Fund	5900	3,444,282.99
Special Revenue Funds - Other Federal Programs	5900	202,988.10
<b>Total</b>	5900	3,647,271.09

MEDICAID EXPENDITURE REPORT (Medicaid expenditures are used in federal reporting)	Unexpended June 30, 2018	Earnings 2018-19	Expenditures 2018-19	Unexpended June 30, 2019
Earnings, Expenditures and Carryforward Amounts:	27,339.06	1,723,748.22	1,727,896.45	23,190.83
<i>Expenditure Program or Activity:</i>				
Exceptional Student Education			1,571,755.03	
School Nurses and Health Care Services				
Occupational Therapy, Physical Therapy and Other Therapy Services				
ESE Professional and Technical Services				
Gifted Student Education				
Staff Training and Curriculum Development			9,480.12	
Medicaid Administration and Billing Services			123,324.41	
Student Services				
Consultants				
Other			23,336.89	
<b>Total Expenditures</b>			1,727,896.45	

General Fund Balance Sheet Information (This information is used in state reporting)	Fund Number	Amount
<i>Balance Sheet Amount, June 30, 2019</i>		
Total Assets and Deferred Outflows of Resources	100	31,768,534.06
Total Liabilities and Deferred Inflows of Resources	100	3,039,617.74

DISTRICT SCHOOL BOARD OF SANTA ROSA COUNTY  
VOLUNTARY PREKINDERGARTEN (VPK) PROGRAM  
For the Fiscal Year Ended June 30, 2019

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Supplemental Schedule - Fund 100

VOLUNTARY PREKINDERGARTEN PROGRAM [1] GENERAL FUND EXPENDITURES	Account Number	100	200	300	400	500	600	700	Totals
		Salaries	Employee Benefits	Purchased Services	Energy Services	Materials and Supplies	Capital Outlay	Other	
<i>Current:</i>									
Prekindergarten	5500	273,080.07	88,072.45	10,207.66		7,792.70	3,952.61		383,105.49
Student Support Services	6100	19,951.42	3,231.14						23,182.56
Instructional Media Services	6200								0.00
Instruction and Curriculum Development Services	6300	1,917.77	378.05						2,295.82
Instructional Staff Training Services	6400								0.00
Instruction-Related Technology	6500	256.13	40.74						296.87
Board	7100								0.00
General Administration	7200								0.00
School Administration	7300			1,060.49					1,060.49
Facilities Acquisition and Construction	7410								0.00
Fiscal Services	7500								0.00
Food Services	7600								0.00
Central Services	7700								0.00
Student Transportation Services	7800								0.00
Operation of Plant	7900						1,185.20		1,185.20
Maintenance of Plant	8100								0.00
Administrative Technology Services	8200								0.00
Community Services	9100	45,596.39	6,122.52	255.00		314.00			52,287.91
<i>Capital Outlay:</i>									
Facilities Acquisition and Construction	7420								0.00
Other Capital Outlay	9300								0.00
<i>Debt Service: (Function 9200):</i>									
Redemption of Principal	710								0.00
Interest	720								0.00
<b>Total Expenditures</b>		340,801.78	97,844.90	11,523.15	0.00	8,106.70	5,137.81	0.00	463,414.34

[1] Include expenditures for the summer program (section 1002.61, F.S.) and the school-year program (section 1002.63, F.S.).

**SCHEDULE 5**  
**SUPPLEMENTARY SCHEDULE OF FEDERAL FINANCIAL**  
**ASSISTANCE PROGRAM EXPENDITURES**  
**For the Fiscal Year Ended June 30, 2019**

Federal Grantor/Pass-Through Grantor/Program Title	Catalog of Federal Domestic Assistance Number	Pass - Through Grantor Number	Amount of Expenditures (1)	Amount Provided To Subrecipients
<b>United States Department of Agriculture:</b>				
Indirect:				
Child Nutrition Cluster:				
Florida Department of Education:				
School Breakfast Program	10.553	300	1,628,419.12	-
National School Lunch Program	10.555	321	5,419,952.32	-
Summer Food Service Program for Children	10.559	323	101,975.59	-
Florida Department of Agriculture and Consumer Services:				
National School Lunch Program	10.555 (2)	300	798,715.00	-
<b>Total Child Nutrition Cluster</b>			<b>7,949,062.03</b>	<b>-</b>
Florida Department of Financial Services:				
Schools and Roads - Grants to States	10.665	none	47.99	-
<b>Total United States Department of Agriculture</b>			<b>7,949,110.02</b>	<b>-</b>
<b>United States Department of Defense:</b>				
Direct:				
Air Force Junior Reserve Officers Training Corps	12	N/A	42,639.46	-
Navy Junior Reserve Officers Training Corps	12	N/A	190,588.32	-
<b>Total United States Department of Defense</b>			<b>233,227.78</b>	<b>-</b>
<b>United States Department of Labor:</b>				
Indirect:				
Workforce Escarosa, Inc.:				
WIA Youth Activities	17.259	none	321,182.58	-
<b>Total United States Department of Labor</b>			<b>321,182.58</b>	<b>-</b>
<b>United States Department of Education:</b>				
Direct:				
Student Financial Assistance Cluster:				
Federal Supplemental Educational Opportunity Grants	84.007	N/A	5,703.00	-
Federal Pell Grant Program	84.063	N/A	561,242.74	-
<b>Total Student Financial Assistance Cluster</b>			<b>566,945.74</b>	<b>-</b>
Impact Aid	84.041	N/A	882,930.86	-
<b>Total Direct</b>			<b>1,449,876.60</b>	<b>-</b>
Indirect:				
Special Education Cluster:				
Florida Department of Education:				
Special Education - Grants to States	84.027	263	5,255,257.93	482.92
Special Education - Preschool Grants	84.173	267	174,448.42	-
<b>Total Special Education Cluster</b>			<b>5,429,706.35</b>	<b>482.92</b>
Florida Department of Education:				
Adult Education - Basic Grants to States	84.002	191, 193	199,657.60	-
Title I Grants to Local Educational Agencies	84.010	212, 226	4,320,552.17	63,809.98
Career and Technical Education - Basic Grants to States	84.048	161	283,263.17	-
Education for Homeless Children and Youth	84.196	127	87,442.51	-
English Language Acquisition Grants	84.365	102	40,667.91	-
Improving Teacher Quality State Grants	84.367	224	415,753.32	-
Student Support & Academic Enrichment Grants	84.424	241	296,439.87	-
			<b>5,643,776.55</b>	<b>63,809.98</b>
<b>Total Indirect</b>			<b>11,073,482.90</b>	<b>64,292.90</b>
<b>Total United States Department of Education</b>			<b>12,523,359.50</b>	<b>64,292.90</b>
<b>United States Department of Health and Human Services:</b>				
Direct:				
Head Start Cluster:				
Head Start	93.600 (3)	none	2,316,688.59	-
<b>Total United States Department of Health and Human Services</b>			<b>2,316,688.59</b>	<b>-</b>
<b>Total Expenditures of Federal Awards</b>			<b>\$ 23,343,568.47</b>	<b>64,292.90</b>

Notes: (1) Basis of Presentation - The Schedule of Expenditures of Federal Awards represents amounts expended from Federal Programs during the 2018-19 fiscal year as determined based on the modified accrual basis of accounting. The amounts reported on the Schedule have been reconciled to and are in material agreement with amounts recorded in the District's accounting records from which the general purpose financial statements have been reported.

(2) Noncash Assistance:

Food Donation - Represents the amount of donated Food received during the fiscal year. Commodities are valued at fair value as determined at time of donation.

(3) Head Start - Expenditures include \$ 1,306,749.93 for grant number/program year 04CH4795/04 and \$ 1,009,938.66 for grant number/program year 04CH4795/05.

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

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The Management of the Santa Rosa County District School Board has prepared the following discussion and analysis to provide an overview of the District's financial activities for the fiscal year ended June 30, 2019. The information contained in the Management's Discussion and Analysis (MD&A) is intended to highlight significant transactions, events, and conditions and should be considered in conjunction with the District's financial statements and notes to the financial statements found immediately following the MD&A.

### FINANCIAL HIGHLIGHTS

Key financial highlights for the 2018-19 fiscal year are as follows:

- As of June 30, 2019, assets and deferred outflows of resources exceed liabilities and deferred inflows of resources by \$190,667,618.
- The District's net position increased by \$1,764,301, which represents a 0.9 percent increase from the prior fiscal year.
- General revenues total \$260,306,610, or 93.8 percent of all revenues. Program specific revenues in the form of charges for services, operating grants and contributions, and capital grants and contributions total \$17,214,983, or 6.2 percent of all revenues.
- Expenses total \$275,757,292. Only \$17,214,983 of these expenses was offset by program specific charges, with the remaining paid from general revenues.
- At the end of the current fiscal year, the fund balance of the General Fund totals \$28,728,916, which is \$1,547,942 less than the prior fiscal year balance. The combined assigned and unassigned fund balance for the General Fund was \$18,551,274, or approximately 8.5 percent of total General Fund revenues.

### OVERVIEW OF FINANCIAL STATEMENTS

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

#### Government-wide Financial Statements

The government-wide financial statements provide both short-term and long-term information about the District's overall financial condition in a manner similar to those of a private-sector business. The statements include a statement of net position and a statement of activities that are designed to provide consolidated financial information about the governmental activities of the District presented on the accrual basis of accounting. The statement of net position provides information about the District's financial position, and its assets and liabilities using an economic resources measurement focus. The difference between the assets and liabilities, the net position, is a measure of the financial health of the District. The statement of activities presents information about the change in the District's net position, the results of operations, during the fiscal year. An increase or decrease in net position is an indication of whether the District's financial health is improving or deteriorating. This information should be evaluated in conjunction with other non-financial factors, such as changes in the District's property tax

base, student enrollment, and the condition of the District's capital assets, including its school buildings and administrative facilities.

The government-wide statements present the District's activities in the following categories:

- **Governmental activities** – This represents most of the District's services, including its educational programs: basic, vocational, adult, and exceptional education. Support functions such as transportation and administration are also included. Local property taxes and the State's education finance program provide most of the resources that support these activities.
- **Component units** – The District presents three separate legal entities in this report. The Learning Academy, Inc., and Capstone Academy, LLC, charter schools, are legally separate organizations and component units that are included in this report because they meet the criteria for inclusion provided by generally accepted accounting principles. Financial information for these component units is reported separately from the financial information presented for the primary government.
- The Santa Rosa School Board Leasing Corporation (Leasing Corporation), although also a legally separate entity, was formed to facilitate financing for the acquisition of facilities and equipment for the District. Due to the substantive economic relationship between the District and the Leasing Corporation, the Leasing Corporation has been included as an integral part of the primary government.

#### **Fund Financial Statements**

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

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

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

The governmental funds balance sheet and statement of revenues, expenditures, and changes in fund balances provide detailed information about the District's most significant funds. The District's major funds are the General Fund, the Capital Projects – Local Capital Improvement Tax Fund, the Capital Projects – Other Capital Projects Fund, and Special Revenue – Food Service Fund. Data from the other governmental funds are combined into a single, aggregated presentation.

The District adopts an annual appropriated budget for its governmental funds. A budgetary comparison schedule has been provided for the General Fund to demonstrate compliance with the budget.

**Proprietary Funds:** Proprietary funds may be established to account for activities in which a fee is charged for services. Internal service funds are used to report activities that provide goods and services to support the District's other programs and functions through user charges. The District uses an internal service fund to account for the District's self-insurance program. Since these services predominantly benefit governmental rather than business-type functions, the internal service fund has been included within governmental activities in the government-wide financial statements.

**Fiduciary Funds:** Fiduciary funds are used to report assets held in a trustee or fiduciary capacity for the benefit of external parties, such as student activity funds. Fiduciary funds are not reflected in the government-wide statements because the resources are not available to support the District's own programs. In its fiduciary capacity, the District is responsible for ensuring that the assets reported in these funds are used only for their intended purposes. The District uses agency funds to account for resources of the District's pre-tax flexible benefits plan and the school internal funds which are used to account for moneys collected at the various schools in connection with school, student athletic, class, and club activities.

### **Notes to Financial Statements**

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

### **Other Information**

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

## **GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted earlier, net position over time may serve as a useful indication of a government's financial health. The following is a summary of the District's net position as of June 30, 2019, as compared to June 30, 2018:

	Governmental Activities		
	6-30-19	6-30-18	Increase (Decrease)
Current and Other Assets	\$ 73,445,455	\$ 76,963,705	\$ (3,518,250)
Capital Assets	275,527,266	272,009,018	3,518,248
<b>Total Assets</b>	<b>348,972,721</b>	<b>348,972,723</b>	<b>(2)</b>
<b>Deferred Outflows of Resources</b>	<b>55,108,589</b>	<b>52,352,640</b>	<b>2,755,949</b>
Long-Term Liabilities	188,407,906	190,427,564	(2,019,658)
Other Liabilities	10,933,501	8,976,329	1,957,172
<b>Total Liabilities</b>	<b>199,341,407</b>	<b>199,403,893</b>	<b>(62,486)</b>
<b>Deferred Inflows of Resources</b>	<b>17,221,542</b>	<b>13,018,153</b>	<b>4,203,389</b>
<b>Net Position:</b>			
Net Investment in Capital Assets	251,972,733	240,672,776	11,299,957
Restricted	33,345,000	36,207,956	(2,862,956)
Unrestricted Deficit	(94,650,116)	(87,977,415)	(6,672,701)
<b>Total Net Position</b>	<b>\$ 190,667,618</b>	<b>\$ 188,903,317</b>	<b>\$ 1,764,301</b>

The largest portion of the District's net position reflects its investment in capital assets (e.g., land; buildings; furniture, fixtures, and equipment), less any related debt still outstanding. The District uses these capital assets to provide services to students; consequently, these assets are not available for future spending. Although the investment in capital assets is reported net of related debt, the resources used to repay the debt must be provided from other sources, since the capital assets cannot be used to liquidate these liabilities.

The restricted portion of the District's net position represents resources that are subject to external restrictions on how they may be used. The deficit unrestricted net position is the result, in part, of accruing long-term liabilities (e.g., debt, compensated absences payable, net pension liability, and other postemployment benefits liability). The unrestricted net position deficit increased by \$764,720 from the prior year primarily as a result of the following:

- Cash and cash equivalents decreased \$1,082,224.
- Deferred outflows of resources related to pensions increased \$2,756,512.
- Deferred inflows of resources related to pensions increased \$3,901,892, which were offset by an increase of \$4,831,681 in the net pension liability.

The key elements of the changes in the District's net position for the fiscal years ended June 30, 2019, as compared to June 30, 2018, are as follows:

Grants and contributions not restricted to specific programs represent 64.6 percent of total governmental revenues in the 2018-19 fiscal year and increased by \$8,439,083 or 4.9 percent from the 2017-2018 fiscal year, primarily due to an increase in Florida Education Finance Program (FEFP) funding and Class Size Reduction. This funding increase is primarily due to additional student FTE. The FEFP formula utilizes

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

Instruction expenses represent 57.3 percent of total governmental expenditures for the 2018-19 fiscal year. Instruction expenses increased by \$7,352,146, or 4.9 percent, from the 2017-18 fiscal year, primarily due to an increase in purchased services, an increase in salary and benefit expense and adjustments from other postemployment benefits and net pension expense.

The chart on the following page is a summary of the changes in the District's net position as of June 30, 2019 and June 30, 2018:

**Operating Results for the Fiscal Year Ended**

	Governmental Activities		
	6-30-19	6-30-18	Increase (Decrease)
<b>Program Revenues:</b>			
Charges for Services	\$ 7,718,764	\$ 7,315,569	\$ 403,195
Operating Grants and Contributions	7,986,005	7,873,707	112,298
Capital Grants and Contributions	1,510,215	1,547,972	(37,757)
<b>General Revenues:</b>			
Property Taxes, Levied for Operational Purposes	50,388,335	49,339,302	1,049,033
Property Taxes, Levied for Capital Projects	14,397,298	13,325,620	1,071,678
Local Sales Taxes	9,835,817	9,060,745	775,072
Grants and Contributions Not Restricted to Specific Programs	179,305,787	170,866,704	8,439,083
Unrestricted Investment Earnings	1,646,227	923,792	722,435
Miscellaneous	4,733,146	5,216,419	(483,273)
<b>Total Revenues</b>	<b>277,521,593</b>	<b>265,469,830</b>	<b>12,051,763</b>
<b>Functions/Program Expenses:</b>			
Instruction	\$ 158,128,665	\$ 150,776,519	\$ 7,352,146
Pupil Personnel Services	12,385,952	9,514,268	2,871,684
Instructional Media Services	2,512,780	2,111,904	400,876
Instruction and Curriculum Development Services	7,336,681	6,806,437	530,244
Instructional Staff Training Services	4,293,909	3,312,849	981,060
Instruction Related Technology Board	5,710,952	6,479,401	(768,449)
General Administration	654,600	593,264	61,336
School Administration	1,399,753	1,298,281	101,472
Facilities Acquisition and Construction	16,171,412	15,322,023	849,389
Fiscal Services	1,341,972	170,991	1,170,981
Food Services	1,313,287	1,305,261	8,026
Central Services	12,129,619	11,518,457	611,162
Student Transportation Services	2,798,671	2,731,890	66,781
Operation of Plant	14,259,716	12,396,293	1,863,423
Maintenance of Plant	12,851,311	13,501,421	(650,110)
Administrative Technology Services	6,641,704	7,038,002	(396,298)
Community Services	2,495,517	2,517,165	(21,648)
Unallocated Interest on Long-Term Debt	2,737,574	2,559,269	178,305
Unallocated Depreciation Expense	1,096,919	1,233,436	(136,517)
<b>Total Functions/Program Expenses</b>	<b>9,496,297</b>	<b>9,080,682</b>	<b>415,615</b>
<b>Change in Net Position</b>	<b>1,764,301</b>	<b>5,202,017</b>	<b>(3,437,716)</b>
<b>Net Position - Beginning</b>	<b>188,903,317</b>	<b>183,701,300</b>	<b>5,202,017</b>
<b>Net Position - Beginning, restated</b>	<b>188,903,317</b>	<b>183,701,300</b>	<b>5,202,017</b>
<b>Net Position - Ending</b>	<b>\$ 190,667,618</b>	<b>\$ 188,903,317</b>	<b>\$ 1,764,300</b>

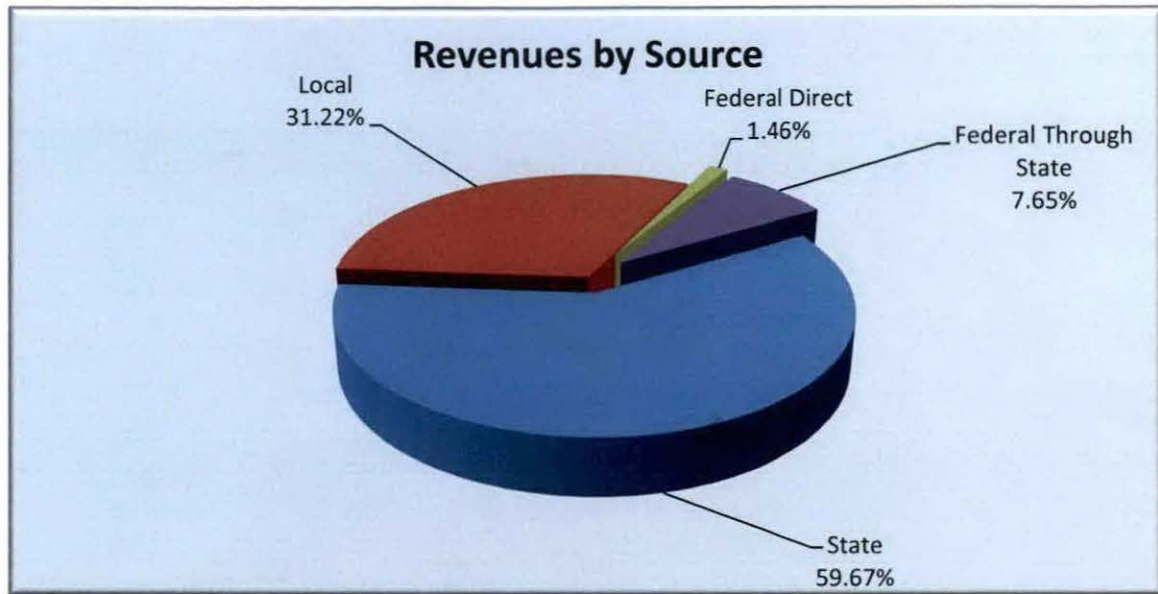
## FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

### Governmental Funds

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

The total fund balances of governmental funds decreased by \$2,951,196 during the fiscal year to \$56,957,852 at June 30, 2019. Approximately 30 percent of this amount is unassigned fund balance, \$17,203,606, which is available for spending at the District's discretion. The remainder of the fund balance is nonspendable, restricted, committed, or assigned to indicate that it is 1) not in spendable form, \$188,134, 2) restricted for particular purposes, \$33,255,480, 3) committed for particular purposes, \$4,962,964, or 4) assigned for particular purposes, \$1,347,668.

In the governmental funds, revenues by source for the 2018-19 fiscal year were as follows:



The largest revenue source is the State of Florida. Revenues from State sources for current operations are primarily received through the FEFP funding formula, Class Size Reduction, Workforce Development, and Discretionary Lottery funds. State revenues increased by \$7,841,650, or 5.0 percent, primarily due to increases in FEFP funding and the Best and Brightest allocation.

#### **Major Governmental Funds**

The General Fund is the District's chief operating fund. At the end of the current fiscal year, unassigned fund balance is \$17,203,606, while the total fund balance is \$28,728,916. As a measure of the General Fund's liquidity, it may be useful to compare the assigned and unassigned fund balance to General Fund total revenues. The total assigned and unassigned fund balance is 8.46 percent of total General Fund revenues, while total fund balance represents approximately 13.1 percent of total General Fund revenues.

Total General Fund balance decreased by \$1,547,942. The key factor impacting the change in fund balance was decreases in Restricted and State Categorical projects of \$1,714,314.

The Capital Projects – Local Capital Improvement Fund has a total fund balance of \$4,280,481, which is restricted for the acquisition, construction, and maintenance of capital assets. The fund balance decreased by \$2,321,564, or 35.2 percent, during the 2018-19 fiscal year, primarily due to energy upgrades, adding additional security cameras, adding classrooms, paying additional debt service, and ongoing security upgrade expenditures. Of the total fund balance, \$196,296 has been encumbered for specific projects.

The Capital Projects – Other Capital Projects Fund has a total fund balance of \$14,364,625, of which \$14,364,625 is restricted for allowable purposes of various capital funding sources. The fund balance decreased by \$128,824, or 1.0 percent, primarily due to paying additional debt service. Of the total fund balance, \$4,411,794 of fund balance has been encumbered for specific projects.

The Special Revenue – Food Service Fund has a total fund balance of \$5,860,029, of which substantially all is restricted for allowable purposes of food service. The fund balance increased by \$519,266, or 9.7 percent.

## **Proprietary Fund**

The unrestricted net position of the Internal Service Fund totaled \$6,703,358 at June 30, 2019. The net position increased by \$625,030, or 10.3 percent, during the 2018-2019 fiscal year primarily due to a decrease in claims expense.

### **GENERAL FUND BUDGETARY HIGHLIGHTS**

During the 2018-19 fiscal year, the District amended its General Fund budget several times, which resulted in an increase in total budgeted revenues of \$6,540,960, or 3.1 percent. At the same time, final budgeted expenditures are more than the original budgeted amounts by \$15,535,926, or 7.0 percent. Significant budget revisions occurred primarily from changes in estimated State funding, changes made to State Categorical/Restricted projects, salary and benefit increases, and occupational/behavioral/speech therapy expense increases.

Actual revenues are in line with the final budgeted amounts, while actual expenditures are \$9,337,577, or 3.9 percent, less than final budget amounts. Actual expenditures are less in 2018-2019 primarily due to Restricted/Categorical projects and School Based budgets having balances left in appropriations at year-end. Restricted/Categorical projects had a balance of \$5,116,065, and School Based budgets had a balance of \$1,962,964 at year-end. Community School, transfers in/out, encumbrances, year-end adjustments, and projects that cross fiscal years make up the majority of the remaining balance. The actual ending fund balance exceeded the estimated fund balance contained in the final amended budget by \$9,734,810, primarily due to the encumbrances and the unspent appropriations from the Restricted/Categorical projects and School Based budget balances folding back into fund balance at year-end.

### **CAPITAL ASSETS AND LONG-TERM DEBT**

#### **Capital Assets**

The District's investment in capital assets for its governmental activities as of June 30, 2019, amounts to \$275,527,266 (net of accumulated depreciation). This investment in capital assets includes land; land improvements; construction in progress; improvements other than buildings; buildings and fixed equipment; furniture, fixtures, and equipment; motor vehicles; and audio visual materials and computer software.

Major capital asset events included the following:

- During the current fiscal year, the District completed multiple projects, including building replacements and renovations, heating, ventilating, and air conditioning renovations, building energy upgrades, and track replacement.
- At June 30, 2019, construction in progress includes multiple projects including classroom additions and parking lot renovations, heating, ventilating, and air conditioning renovations, fieldhouse construction, and the construction of a new school.

Additional information on the District's capital assets can be found in Notes I.F., II.C., and II.F. to the financial statements.

**Long-Term Debt**

At June 30, 2019, the District has total long-term debt outstanding of \$24,414,344, composed of \$1,511,690 of bonds payable and \$22,902,654 of certificates of participation payable. During the current fiscal year, retirement of debt was \$7,845,982.

Additional information on the District's long-term debt can be found in Notes I.F. and II.H. to the financial statements.

**OTHER MATTERS OF SIGNIFICANCE**

The District is building a new K-8 school in the South-end of Santa Rosa County. A Series 2019 Certificate of Participation in the amount of \$30,275,000 will be secured in the upcoming fiscal year to finance the building of this school.

In May 2019, the District entered into an agreement with Focus School Software to provide Enterprise Resource Planning (ERP) with a go live date of January 01, 2020.

**REQUESTS FOR INFORMATION**

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the District's finances. Questions concerning information provided in the MD&A or other required supplementary information, and financial statements and notes thereto, or requests for additional information should be addressed to the Assistant Superintendent for Finance, Santa Rosa County District School Board, 5086 Canal Street, Milton, Florida 32570.

**FLORIDA DEPARTMENT OF EDUCATION  
SUPERINTENDENT'S ANNUAL FINANCIAL REPORT (ESE 145)  
DISTRICT SCHOOL BOARD OF SANTA ROSA COUNTY  
For the Fiscal Year Ended June 30, 2019**

Return completed form to: Florida Department of Education Office of Funding and Financial Reporting 325 West Gaines Street, Room 814 Tallahassee, Florida 32399-0400
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The Superintendent's Annual Financial Report (ESE 145) for the fiscal year ended June 30, 2019, was submitted in accordance with rule 6A-1.0071, Florida Administrative Code (section 1001.51(12)(b), Florida Statutes). This report was approved by the school board on September 10, 2019.

\_\_\_\_\_  
Signature of District School Superintendent

\_\_\_\_\_  
Signature Date

DISTRICT SCHOOL BOARD OF SANTA ROSA COUNTY  
STATEMENT OF NET POSITION  
June 30, 2019

	Account Number	Primary Government		Component Units
		Governmental Activities	Total	Total Nonmajor Component Units
<b>ASSETS</b>				
Cash and Cash Equivalents	1110	72,572,100.29	72,572,100.29	140,809.00
Investments	1160	29,638.28	29,638.28	0.00
Taxes Receivable, Net	1120		0.00	0.00
Accounts Receivable, Net	1131	4,500.00	4,500.00	19,765.00
Interest Receivable on Investments	1170		0.00	0.00
Due From Other Agencies	1220	3,800,338.38	3,800,338.38	41,659.00
Due From Insurer	1180		0.00	0.00
Deposits Receivable	1210		0.00	0.00
Internal Balances			0.00	0.00
Cash with Fiscal/Service Agents	1114		0.00	0.00
Section 1011.13, F.S. Loan Proceeds	1420		0.00	0.00
Inventory	1150	188,133.54	188,133.54	0.00
Prepaid Items	1230		0.00	9,244.00
Long-Term Investments	1460		0.00	0.00
Prepaid Insurance Costs	1430		0.00	0.00
Other Postemployment Benefits Asset	1410		0.00	0.00
Pension Asset	1415		0.00	0.00
<i>Capital Assets</i>				
Land	1310	8,209,839.35	8,209,839.35	185,000.00
Land Improvements - Nondepreciable	1315	6,286,184.58	6,286,184.58	0.00
Construction in Progress	1360	2,640,597.26	2,640,597.26	0.00
Nondepreciable Capital Assets		17,136,621.19	17,136,621.19	185,000.00
Improvements Other Than Buildings	1320	30,052,489.47	30,052,489.47	329,886.00
Less Accumulated Depreciation	1329	(18,747,424.92)	(18,747,424.92)	(239,362.00)
Buildings and Fixed Equipment	1330	391,451,969.94	391,451,969.94	1,263,234.00
Less Accumulated Depreciation	1339	(151,600,536.35)	(151,600,536.35)	(124,654.00)
Furniture, Fixtures and Equipment	1340	17,251,538.00	17,251,538.00	355,338.00
Less Accumulated Depreciation	1349	(11,581,480.80)	(11,581,480.80)	(279,927.00)
Motor Vehicles	1350	3,713,613.00	3,713,613.00	21,800.00
Less Accumulated Depreciation	1359	(2,300,750.36)	(2,300,750.36)	(7,165.00)
Property Under Capital Leases	1370		0.00	0.00
Less Accumulated Depreciation	1379		0.00	0.00
Audiovisual Materials	1381		0.00	0.00
Less Accumulated Depreciation	1388		0.00	0.00
Computer Software	1382	3,551,299.00	3,551,299.00	23,500.00
Less Accumulated Amortization	1389	(3,400,071.69)	(3,400,071.69)	(7,181.00)
Depreciable Capital Assets, Net		258,390,645.29	258,390,645.29	1,335,469.00
Total Capital Assets		275,527,266.48	275,527,266.48	1,520,469.00
<b>Total Assets</b>		352,121,976.97	352,121,976.97	1,731,946.00
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Accumulated Decrease in Fair Value of Hedging Derivatives	1910		0.00	0.00
Net Carrying Amount of Debt Refunding	1920	826,105.47	826,105.47	0.00
Pension	1940	53,452,109.00	53,452,109.00	0.00
Other Postemployment Benefits	1950	830,375.00	830,375.00	0.00
Asset Retirement Obligation	1960		0.00	0.00
<b>Total Deferred Outflows of Resources</b>		55,108,589.47	55,108,589.47	0.00
<b>LIABILITIES</b>				
Cash Overdraft	2125		0.00	0.00
Accrued Salaries and Benefits	2110	373,590.59	373,590.59	12,614.00
Payroll Deductions and Withholdings	2170	540,285.44	540,285.44	0.00
Accounts Payable	2120	2,876,272.15	2,876,272.15	4,205.00
Sales Tax Payable	2260		0.00	0.00
Current Notes Payable	2250		0.00	0.00
Accrued Interest Payable	2210		0.00	0.00
Deposits Payable	2220	197,886.69	197,886.69	0.00
Due to Other Agencies	2230	137,857.34	137,857.34	64,705.00
Due to Fiscal Agent	2240		0.00	0.00
Pension Liability	2115		0.00	0.00
Other Postemployment Benefits Liability	2116		0.00	0.00
Judgments Payable	2130		0.00	0.00
Construction Contracts Payable	2140		0.00	0.00
Construction Contracts Payable - Retained Percentage	2150	221,174.88	221,174.88	0.00
Estimated Unpaid Claims - Self-Insurance Program	2271	2,458,318.16	2,458,318.16	0.00
Estimated Liability for Claims Adjustment	2272		0.00	0.00
Estimated Liability for Arbitrage Rebate	2280		0.00	0.00
Unearned Revenues	2410	4,128,115.67	4,128,115.67	0.00
<i>Long-Term Liabilities</i>				
<i>Portion Due Within One Year:</i>				
Notes Payable	2310		0.00	96,742.00
Obligations Under Capital Leases	2315		0.00	0.00
Bonds Payable	2320	149,000.00	149,000.00	0.00
Liability for Compensated Absences	2330	5,804,502.06	5,804,502.06	6,952.00
Lease-Purchase Agreements Payable	2340	2,205,000.00	2,205,000.00	0.00
Estimated Liability for Long-Term Claims	2350		0.00	0.00
Net Other Postemployment Benefits Obligation	2360		0.00	0.00
Net Pension Liability	2365		0.00	0.00
Estimated PECO Advance Payable	2370		0.00	0.00
Other Long-Term Liabilities	2380		0.00	0.00
Derivative Instrument	2390		0.00	0.00
Estimated Liability for Arbitrage Rebate	2280		0.00	0.00
Due Within One Year		8,158,502.06	8,158,502.06	103,694.00
<i>Portion Due After One Year:</i>				
Notes Payable	2310		0.00	892,611.00
Obligations Under Capital Leases	2315		0.00	0.00
Bonds Payable	2320	1,362,689.72	1,362,689.72	0.00
Liability for Compensated Absences	2330	14,370,416.00	14,370,416.00	0.00
Lease-Purchase Agreements Payable	2340	20,697,654.04	20,697,654.04	0.00
Estimated Liability for Long-Term Claims	2350		0.00	0.00
Net Other Postemployment Benefits Obligation	2360	20,110,535.00	20,110,535.00	0.00
Net Pension Liability	2365	123,708,109.00	123,708,109.00	0.00
Estimated PECO Advance Payable	2370		0.00	0.00
Other Long-Term Liabilities	2380		0.00	0.00
Derivative Instrument	2390		0.00	0.00
Estimated Liability for Arbitrage Rebate	2280		0.00	0.00
Due in More than One Year		180,249,403.76	180,249,403.76	892,611.00
Total Long-Term Liabilities		188,407,905.82	188,407,905.82	996,305.00
<b>Total Liabilities</b>		199,341,406.74	199,341,406.74	1,077,829.00
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Accumulated Increase in Fair Value of Hedging Derivatives	2610		0.00	0.00
Deficit Net Carrying Amount of Debt Refunding	2620		0.00	0.00
Deferred Revenue	2630		0.00	0.00
Pension	2640	15,821,337.00	15,821,337.00	0.00
Other Postemployment Benefits	2650	1,400,205.00	1,400,205.00	0.00
<b>Total Deferred Inflows of Resources</b>		17,221,542.00	17,221,542.00	0.00
<b>NET POSITION</b>				
Net Investment in Capital Assets	2770	251,972,732.82	251,972,732.82	1,469,893.00
<i>Restricted For:</i>				
Categorical Carryover Programs	2780	5,116,065.24	5,116,065.24	0.00
Food Service	2780	5,860,029.40	5,860,029.40	0.00
Debt Service	2780	2,308,781.55	2,308,781.55	0.00
Capital Projects	2780	20,060,124.30	20,060,124.30	0.00
Other Purposes	2780		0.00	0.00
Unrestricted	2790	(94,650,115.61)	(94,650,115.61)	(815,776.00)
<b>Total Net Position</b>		190,667,617.70	190,667,617.70	654,117.00

The notes to financial statements are an integral part of this statement.  
ESE 145

DISTRICT SCHOOL BOARD OF SANTA ROSA COUNTY  
STATEMENT OF ACTIVITIES  
For the Fiscal Year Ended June 30, 2019

FUNCTIONS	Account Number	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position			
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government			Component Units
						Governmental Activities	Business-Type Activities	Total	
<i>Governmental Activities:</i>									
Instruction	5000	158,128,664.76	841,456.26			(157,287,208.50)		(157,287,208.50)	
Student Support Services	6100	12,385,952.01				(12,385,952.01)		(12,385,952.01)	
Instructional Media Services	6200	2,512,780.16				(2,512,780.16)		(2,512,780.16)	
Instruction and Curriculum Development Services	6300	7,336,680.65				(7,336,680.65)		(7,336,680.65)	
Instructional Staff Training Services	6400	4,293,908.51				(4,293,908.51)		(4,293,908.51)	
Instruction-Related Technology	6500	5,710,951.70				(5,710,951.70)		(5,710,951.70)	
Board	7100	654,600.12				(654,600.12)		(654,600.12)	
General Administration	7200	1,399,753.32				(1,399,753.32)		(1,399,753.32)	
School Administration	7300	16,171,412.10				(16,171,412.10)		(16,171,412.10)	
Facilities Acquisition and Construction	7400	1,341,972.40	20,892.98		1,510,214.62	189,135.20		189,135.20	
Fiscal Services	7500	1,313,286.98				(1,313,286.98)		(1,313,286.98)	
Food Services	7600	12,129,619.19	4,670,413.01	7,986,004.77		526,798.59		526,798.59	
Central Services	7700	2,798,671.29				(2,798,671.29)		(2,798,671.29)	
Student Transportation Services	7800	14,259,715.95	199,507.56			(14,060,208.39)		(14,060,208.39)	
Operation of Plant	7900	12,851,311.11				(12,851,311.11)		(12,851,311.11)	
Maintenance of Plant	8100	6,641,703.95				(6,641,703.95)		(6,641,703.95)	
Administrative Technology Services	8200	2,495,517.38				(2,495,517.38)		(2,495,517.38)	
Community Services	9100	2,737,574.10	1,986,493.80			(751,080.30)		(751,080.30)	
Interest on Long-Term Debt	9200	1,096,919.04				(1,096,919.04)		(1,096,919.04)	
Unallocated Depreciation/Amortization Expense		9,496,297.41				(9,496,297.41)		(9,496,297.41)	
<b>Total Governmental Activities</b>		275,757,292.13	7,718,763.61	7,986,004.77	1,510,214.62	(258,542,309.13)		(258,542,309.13)	
<i>Business-type Activities:</i>									
Self-Insurance Consortium							0.00	0.00	
Daycare Operations							0.00	0.00	
Other Business-Type Activity							0.00	0.00	
<b>Total Business-Type Activities</b>		0.00	0.00	0.00	0.00		0.00	0.00	
<b>Total Primary Government</b>		275,757,292.13	7,718,763.61	7,986,004.77	1,510,214.62	(258,542,309.13)	0.00	(258,542,309.13)	
<i>Component Units:</i>									
Major Component Unit Name		0.00	0.00	0.00	0.00				0.00
Major Component Unit Name		0.00	0.00	0.00	0.00				0.00
Total Nonmajor Component Units		1,835,851.00	0.00	38,007.00	126,141.00				(1,671,703.00)
<b>Total Component Units</b>		1,835,851.00	0.00	38,007.00	126,141.00				(1,671,703.00)

**General Revenues:**

*Taxes:*

Property Taxes, Levied for Operational Purposes  
Property Taxes, Levied for Debt Service  
Property Taxes, Levied for Capital Projects  
Local Sales Taxes  
Grants and Contributions Not Restricted to Specific Programs  
Investment Earnings  
Miscellaneous  
Special Items  
Extraordinary Items  
Transfers  
**Total General Revenues, Special Items, Extraordinary Items and Transfers**  
**Change in Net Position**  
Net Position, July 1, 2018  
Adjustments to Net Position  
Net Position, June 30, 2019

50,388,335.18		50,388,335.18	0.00
		0.00	0.00
14,397,297.99		14,397,297.99	0.00
9,835,817.48		9,835,817.48	0.00
179,305,786.91		179,305,786.91	1,664,159.00
1,646,226.75		1,646,226.75	0.00
4,733,145.52		4,733,145.52	13,743.00
		0.00	0.00
		0.00	0.00
		0.00	0.00
260,306,609.83	0.00	260,306,609.83	1,677,902.00
1,764,300.70	0.00	1,764,300.70	6,199.00
188,903,317.00		188,903,317.00	647,918.00
		0.00	0.00
190,667,617.70	0.00	190,667,617.70	654,117.00

The notes to financial statements are an integral part of this statement.  
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**DISTRICT SCHOOL BOARD OF SANTA ROSA COUNTY**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**June 30, 2019**

	Account Number	General 100	Food Services 410	Nonvoted Capital Improvement Fund 370	Other Capital Projects 390	Other Governmental Funds
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>						
<b>ASSETS</b>						
Cash and Cash Equivalents	1110	31,106,502.46	6,186,812.36	4,297,837.23	14,173,039.18	1,929,988.47
Investments	1160	0.00	0.00	0.00	0.00	29,638.28
Taxes Receivable, Net	1120	0.00	0.00	0.00	0.00	0.00
Accounts Receivable, Net	1131	4,500.00	0.00	0.00	0.00	0.00
Interest Receivable on Investments	1170	0.00	0.00	0.00	0.00	0.00
Due From Other Agencies	1220	558,918.85	98,764.79	5,632.37	847,616.40	2,051,394.30
Due From Budgetary Funds	1141	0.00	0.00	0.00	0.00	0.00
Due From Insurer	1180	0.00	0.00	0.00	0.00	0.00
Deposits Receivable	1210	0.00	0.00	0.00	0.00	0.00
Due From Internal Funds	1142	0.00	0.00	0.00	0.00	0.00
Cash with Fiscal/Service Agents	1114	0.00	0.00	0.00	0.00	0.00
Inventory	1150	98,612.75	89,520.79	0.00	0.00	0.00
Prepaid Items	1230	0.00	0.00	0.00	0.00	0.00
Long-Term Investments	1460	0.00	0.00	0.00	0.00	0.00
<b>Total Assets</b>		<b>31,768,534.06</b>	<b>6,375,097.94</b>	<b>4,303,469.60</b>	<b>15,020,655.58</b>	<b>4,011,021.05</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Accumulated Decrease in Fair Value of Hedging Derivatives	1910	0.00	0.00	0.00	0.00	0.00
<b>Total Deferred Outflows of Resources</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Assets and Deferred Outflows of Resources</b>		<b>31,768,534.06</b>	<b>6,375,097.94</b>	<b>4,303,469.60</b>	<b>15,020,655.58</b>	<b>4,011,021.05</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Cash Overdraft	2125	0.00	0.00	0.00	0.00	0.00
Accrued Salaries and Benefits	2110	363,126.64	448.72	0.00	0.00	10,015.23
Payroll Deductions and Withholdings	2170	507,058.96	2,140.82	0.00	0.00	31,085.66
Accounts Payable	2120	1,994,312.57	314,592.31	0.00	457,844.83	109,522.44
Sales Tax Payable	2260	0.00	0.00	0.00	0.00	0.00
Current Notes Payable	2250	0.00	0.00	0.00	0.00	0.00
Accrued Interest Payable	2210	0.00	0.00	0.00	0.00	0.00
Deposits Payable	2220	173,859.57	197,886.69	0.00	0.00	0.00
Due to Other Agencies	2230	1,260.00	0.00	0.00	0.00	136,597.34
Due to Budgetary Funds	2161	0.00	0.00	0.00	0.00	0.00
Due to Internal Funds	2162	0.00	0.00	0.00	0.00	0.00
Due to Fiscal Agent	2240	0.00	0.00	0.00	0.00	0.00
Pension Liability	2115	0.00	0.00	0.00	0.00	0.00
Other Postemployment Benefits Liability	2116	0.00	0.00	0.00	0.00	0.00
Judgments Payable	2130	0.00	0.00	0.00	0.00	0.00
Construction Contracts Payable	2140	0.00	0.00	0.00	0.00	0.00
Construction Contracts Payable - Retained Percentage	2150	0.00	0.00	22,988.92	198,185.96	0.00
Matured Bonds Payable	2180	0.00	0.00	0.00	0.00	0.00
Matured Interest Payable	2190	0.00	0.00	0.00	0.00	0.00
Unearned Revenue	2410	0.00	0.00	0.00	0.00	0.00
Unavailable Revenue	2410	0.00	0.00	0.00	0.00	0.00
<b>Total Liabilities</b>		<b>3,039,617.74</b>	<b>515,068.54</b>	<b>22,988.92</b>	<b>656,030.79</b>	<b>287,220.67</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Accumulated Increase in Fair Value of Hedging Derivatives	2610	0.00	0.00	0.00	0.00	0.00
Deferred Revenues	2630	0.00	0.00	0.00	0.00	0.00
<b>Total Deferred Inflows of Resources</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>FUND BALANCES</b>						
<i>Nonspendable:</i>						
Inventory	2711	98,612.75	89,520.79	0.00	0.00	0.00
Prepaid Amounts	2712	0.00	0.00	0.00	0.00	0.00
Permanent Fund Principal	2713	0.00	0.00	0.00	0.00	0.00
Other Not in Spendable Form	2719	0.00	0.00	0.00	0.00	0.00
<b>Total Nonspendable Fund Balances</b>	<b>2710</b>	<b>98,612.75</b>	<b>89,520.79</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<i>Restricted for:</i>						
Economic Stabilization	2721	0.00	0.00	0.00	0.00	0.00
Federal Required Carryover Programs	2722	0.00	0.00	0.00	0.00	0.00
State Required Carryover Programs	2723	5,116,065.24	0.00	4,280,480.68	14,364,624.79	3,723,800.38
Local Sales Tax and Other Tax Levy	2724	0.00	0.00	0.00	0.00	0.00
Debt Service	2725	0.00	0.00	0.00	0.00	0.00
Capital Projects	2726	0.00	0.00	0.00	0.00	0.00
Restricted for Food Service	2729	0.00	5,770,508.61	0.00	0.00	0.00
Restricted for	2729	0.00	0.00	0.00	0.00	0.00
<b>Total Restricted Fund Balances</b>	<b>2720</b>	<b>5,116,065.24</b>	<b>5,770,508.61</b>	<b>4,280,480.68</b>	<b>14,364,624.79</b>	<b>3,723,800.38</b>
<i>Committed to:</i>						
Economic Stabilization	2731	0.00	0.00	0.00	0.00	0.00
Contractual Agreements	2732	0.00	0.00	0.00	0.00	0.00
Committed for Board Approved Carryover	2739	4,962,964.15	0.00	0.00	0.00	0.00
Committed for	2739	0.00	0.00	0.00	0.00	0.00
<b>Total Committed Fund Balances</b>	<b>2730</b>	<b>4,962,964.15</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<i>Assigned to:</i>						
Special Revenue	2741	0.00	0.00	0.00	0.00	0.00
Debt Service	2742	0.00	0.00	0.00	0.00	0.00
Capital Projects	2743	0.00	0.00	0.00	0.00	0.00
Permanent Fund	2744	0.00	0.00	0.00	0.00	0.00
Assigned for Office and Fee Based Budgets	2749	1,347,668.02	0.00	0.00	0.00	0.00
Assigned for	2749	0.00	0.00	0.00	0.00	0.00
<b>Total Assigned Fund Balances</b>	<b>2740</b>	<b>1,347,668.02</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Unassigned Fund Balances</b>	<b>2750</b>	<b>17,203,606.16</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Fund Balances</b>	<b>2700</b>	<b>28,728,916.32</b>	<b>5,860,029.40</b>	<b>4,280,480.68</b>	<b>14,364,624.79</b>	<b>3,723,800.38</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>		<b>31,768,534.06</b>	<b>6,375,097.94</b>	<b>4,303,469.60</b>	<b>15,020,655.58</b>	<b>4,011,021.05</b>

DISTRICT SCHOOL BOARD OF SANTA ROSA COUNTY  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2019

	Account Number	Total Governmental Funds
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>		
<b>ASSETS</b>		
Cash and Cash Equivalents	1110	\$7,694,179.70
Investments	1160	29,638.28
Taxes Receivable, Net	1120	0.00
Accounts Receivable, Net	1131	4,500.00
Interest Receivable on Investments	1170	0.00
Due From Other Agencies	1220	3,562,326.71
Due From Budgetary Funds	1141	0.00
Due From Insurer	1180	0.00
Deposits Receivable	1210	0.00
Due From Internal Funds	1142	0.00
Cash with Fiscal/Service Agents	1114	0.00
Inventory	1150	188,133.54
Prepaid Items	1230	0.00
Long-Term Investments	1460	0.00
<b>Total Assets</b>		<b>61,478,778.23</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Accumulated Decrease in Fair Value of Hedging Derivatives	1910	0.00
<b>Total Deferred Outflows of Resources</b>		<b>0.00</b>
<b>Total Assets and Deferred Outflows of Resources</b>		<b>61,478,778.23</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>		
<b>LIABILITIES</b>		
Cash Overdraft	2125	0.00
Accrued Salaries and Benefits	2110	373,590.59
Payroll Deductions and Withholdings	2170	540,285.44
Accounts Payable	2120	2,876,272.15
Sales Tax Payable	2260	0.00
Current Notes Payable	2250	0.00
Accrued Interest Payable	2210	0.00
Deposits Payable	2220	371,746.26
Due to Other Agencies	2230	137,857.34
Due to Budgetary Funds	2161	0.00
Due to Internal Funds	2162	0.00
Due to Fiscal Agent	2240	0.00
Pension Liability	2115	0.00
Other Postemployment Benefits Liability	2116	0.00
Judgments Payable	2130	0.00
Construction Contracts Payable	2140	0.00
Construction Contracts Payable - Retained Percentage	2150	221,174.88
Matured Bonds Payable	2180	0.00
Matured Interest Payable	2190	0.00
Unearned Revenue	2410	0.00
Unavailable Revenue	2410	0.00
<b>Total Liabilities</b>		<b>4,520,926.66</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Accumulated Increase in Fair Value of Hedging Derivatives	2610	0.00
Deferred Revenues	2630	0.00
<b>Total Deferred Inflows of Resources</b>		<b>0.00</b>
<b>FUND BALANCES</b>		
<i>Nonspendable:</i>		
Inventory	2711	188,133.54
Prepaid Amounts	2712	0.00
Permanent Fund Principal	2713	0.00
Other Not in Spendable Form	2719	0.00
<b>Total Nonspendable Fund Balances</b>	<b>2710</b>	<b>188,133.54</b>
<i>Restricted for:</i>		
Economic Stabilization	2721	0.00
Federal Required Carryover Programs	2722	0.00
State Required Carryover Programs	2723	27,484,971.09
Local Sales Tax and Other Tax Levy	2724	0.00
Debt Service	2725	0.00
Capital Projects	2726	0.00
Restricted for Food Service	2729	5,770,508.61
Restricted for	2729	0.00
<b>Total Restricted Fund Balances</b>	<b>2720</b>	<b>33,255,479.70</b>
<i>Committed to:</i>		
Economic Stabilization	2731	0.00
Contractual Agreements	2732	0.00
Committed for Board Approved Carryover	2739	4,962,964.15
Committed for	2739	0.00
<b>Total Committed Fund Balances</b>	<b>2730</b>	<b>4,962,964.15</b>
<i>Assigned to:</i>		
Special Revenue	2741	0.00
Debt Service	2742	0.00
Capital Projects	2743	0.00
Permanent Fund	2744	0.00
Assigned for Office and Fee Based Budgets	2749	1,347,668.02
Assigned for	2749	0.00
<b>Total Assigned Fund Balances</b>	<b>2740</b>	<b>1,347,668.02</b>
<b>Total Unassigned Fund Balances</b>	<b>2750</b>	<b>17,203,606.16</b>
<b>Total Fund Balances</b>	<b>2700</b>	<b>56,957,851.57</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>		<b>61,478,778.23</b>

The notes to financial statements are an integral part of this statement.  
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**DISTRICT SCHOOL BOARD OF SANTA ROSA COUNTY  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION  
For the Fiscal Year Ended June 30, 2019**

**Total Fund Balances - Governmental Funds** **\$ 56,957,851.57**

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

Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and, therefore, are not reported as assets in the governmental funds. 275,527,266.48

Deferred charges on debt refundings are not expensed in the government-wide statements but are reported as deferred outflows of resources and amortized over the life of the debt. 826,105.47

Internal service funds are used by management to charge the costs of risk management services to the individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. 8,703,358.00

Deferred outflows and inflows are resources related to pensions and debt refundings are applicable to future periods and, therefore, are not reported in the funds.

Deferred outflows of resources related to pensions	53,452,109.00	
Deferred inflows of resources related to pensions	(15,821,337.00)	
Deferred outflows of resources related to postemployment benefits	830,375.00	
Deferred inflows of resources related to postemployment benefits	<u>(1,400,205.00)</u>	37,060,942.00

Long-term liabilities are not due and payable in the current period and, therefore, are not reported as liabilities in the governmental funds.

Certificates of participation payable	(22,902,654.04)	
Bonds payable	(1,511,689.72)	
Compensated absences payable	(20,174,918.06)	
Net pension liability	(123,708,109.00)	
Other postemployment benefits payable	<u>(20,110,535.00)</u>	<u>(188,407,905.82)</u>

**Total Net Position - Governmental Activities** **\$ 190,667,617.70**

The notes to financial statements are an integral part of this statement.  
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**DISTRICT SCHOOL BOARD OF SANTA ROSA COUNTY**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
**For the Fiscal Year Ended June 30, 2019**

	Account Number	General 100	Food Services 410	Nonvoted Capital Improvement Fund 370	Other Capital Projects 390	Other Governmental Funds
<b>REVENUES</b>						
Federal Direct	3100	882,930.86	0.00	0.00	0.00	3,129,695.42
Federal Through State and Local	3200	1,723,796.21	7,879,361.77	0.00	0.00	11,394,665.48
State Sources	3300	160,809,078.59	113,843.00	0.00	1,151,089.61	1,717,545.36
<i>Local Sources:</i>						
Property Taxes Levied, Tax Redemptions and Excess Fees for Operational Purposes	3411, 3421, 3423	50,388,335.18	0.00	0.00	0.00	0.00
Property Taxes Levied, Tax Redemptions and Excess Fees for Debt Service	3412, 3421, 3423	0.00	0.00	0.00	0.00	0.00
Property Taxes Levied, Tax Redemptions and Excess Fees for Capital Projects	3413, 3421, 3423	0.00	0.00	14,397,297.99	0.00	0.00
Local Sales Taxes	3418, 3419	0.00	0.00	0.00	9,835,817.48	0.00
Charges for Service - Food Service	345X	0.00	4,670,413.01	0.00	0.00	0.00
Impact Fees	3496	0.00	0.00	0.00	0.00	0.00
Other Local Revenue		5,458,956.23	292,422.43	42,604.19	552,917.41	64,496.56
Total Local Sources	3400	55,847,291.41	4,962,835.44	14,439,902.18	10,388,734.89	64,496.56
<b>Total Revenues</b>		219,263,097.07	12,956,040.21	14,439,902.18	11,539,824.50	16,306,402.82
<b>EXPENDITURES</b>						
<i>Current:</i>						
Instruction	5000	144,885,136.86	0.00	0.00	0.00	7,635,837.96
Student Support Services	6100	10,744,089.89	0.00	0.00	0.00	1,346,761.48
Instructional Media Services	6200	2,398,933.74	0.00	0.00	0.00	31,607.48
Instruction and Curriculum Development Services	6300	4,821,874.80	0.00	0.00	0.00	2,259,471.08
Instructional Staff Training Services	6400	2,563,717.66	0.00	0.00	0.00	1,651,151.83
Instruction-Related Technology	6500	5,003,398.60	0.00	0.00	0.00	108,419.46
Board	7100	625,466.42	0.00	0.00	0.00	0.00
General Administration	7200	903,647.20	0.00	0.00	0.00	487,341.00
School Administration	7300	15,377,484.29	0.00	0.00	0.00	170,426.32
Facilities Acquisition and Construction	7410	16,472.48	0.00	488,611.14	763,099.45	72,022.44
Fiscal Services	7500	1,266,682.69	0.00	0.00	0.00	36.46
Food Services	7600	0.00	12,060,184.59	0.00	0.00	0.00
Central Services	7700	2,638,017.11	0.00	0.00	0.00	50,981.58
Student Transportation Services	7800	14,163,735.20	0.00	0.00	0.00	23,929.55
Operation of Plant	7900	12,771,703.22	0.00	0.00	0.00	58,194.90
Maintenance of Plant	8100	4,078,149.49	0.00	205,218.19	1,240,254.51	120,733.81
Administrative Technology Services	8200	2,338,552.48	0.00	0.00	0.00	0.00
Community Services	9100	1,967,447.35	0.00	0.00	0.00	679,472.12
<i>Debt Service: (Function 9200)</i>						
Redemption of Principal	710	0.00	0.00	0.00	0.00	7,494,000.00
Interest	720	0.00	0.00	0.00	0.00	1,368,079.46
Dues and Fees	730	0.00	0.00	0.00	0.00	11,979.24
Miscellaneous	790	0.00	0.00	0.00	0.00	0.00
<i>Capital Outlay:</i>						
Facilities Acquisition and Construction	7420	37,963.00	0.00	4,667,296.41	7,383,998.12	554,305.25
Charter School Local Capital Improvement	7430	0.00	0.00	0.00	0.00	0.00
Other Capital Outlay	9300	1,238,469.04	379,564.08	86,002.76	190,210.19	451,205.58
<b>Total Expenditures</b>		227,840,941.52	12,439,748.67	5,447,128.50	9,577,562.27	24,575,957.00
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>		(8,577,844.45)	516,291.54	8,992,773.68	1,962,262.23	(8,269,554.18)
<b>OTHER FINANCING SOURCES (USES)</b>						
Issuance of Bonds	3710	0.00	0.00	0.00	0.00	0.00
Premium on Sale of Bonds	3791	0.00	0.00	0.00	0.00	0.00
Discount on Sale of Bonds	891	0.00	0.00	0.00	0.00	0.00
Proceeds of Lease-Purchase Agreements	3750	0.00	0.00	0.00	0.00	0.00
Premium on Lease-Purchase Agreements	3793	0.00	0.00	0.00	0.00	0.00
Discount on Lease-Purchase Agreements	893	0.00	0.00	0.00	0.00	0.00
Loans	3720	0.00	0.00	0.00	0.00	0.00
Sale of Capital Assets	3730	0.00	0.00	0.00	0.00	0.00
Loss Recoveries	3740	9,340.64	0.00	0.00	242,273.50	0.00
Proceeds of Forward Supply Contract	3760	0.00	0.00	0.00	0.00	0.00
Proceeds from Special Facility Construction Account	3770	0.00	0.00	0.00	0.00	0.00
Face Value of Refunding Bonds	3715	0.00	0.00	0.00	0.00	0.00
Premium on Refunding Bonds	3792	0.00	0.00	0.00	0.00	0.00
Discount on Refunding Bonds	892	0.00	0.00	0.00	0.00	0.00
Refunding Lease-Purchase Agreements	3755	0.00	0.00	0.00	0.00	0.00
Premium on Refunding Lease-Purchase Agreements	3794	0.00	0.00	0.00	0.00	0.00
Discount on Refunding Lease-Purchase Agreements	894	0.00	0.00	0.00	0.00	0.00
Payments to Refunding Escrow Agent (Function 9299)	760	0.00	0.00	0.00	0.00	0.00
Transfers In	3600	7,274,868.59	2,974.45	0.00	0.00	8,797,421.70
Transfers Out	9700	(254,306.54)	0.00	(11,314,337.73)	(2,333,359.64)	0.00
<b>Total Other Financing Sources (Uses)</b>		7,020,562.05	2,974.45	(11,314,337.73)	(2,091,086.14)	8,797,421.70
<b>SPECIAL ITEMS</b>						
		0.00	0.00	0.00	0.00	0.00
<b>EXTRAORDINARY ITEMS</b>						
		0.00	0.00	0.00	0.00	0.00
<b>Net Change in Fund Balances</b>		(1,547,941.76)	519,265.99	(2,321,564.05)	(128,823.91)	527,867.52
Fund Balances, July 1, 2018	2800	30,276,858.08	5,340,763.41	6,602,044.73	14,493,448.70	3,195,932.86
Adjustments to Fund Balances	2891	0.00	0.00	0.00	0.00	0.00
Fund Balances, June 30, 2019	2700	28,728,916.32	5,860,029.40	4,280,480.68	14,364,624.79	3,723,800.38

The notes to financial statements are an integral part of this statement.  
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**DISTRICT SCHOOL BOARD OF SANTA ROSA COUNTY**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
For the Fiscal Year Ended June 30, 2019

	Account Number	Total Governmental Funds
<b>REVENUES</b>		
Federal Direct	3100	4,012,626.28
Federal Through State and Local	3200	20,997,823.46
State Sources	3300	163,791,556.56
<i>Local Sources:</i>		
Property Taxes Levied, Tax Redemptions and Excess Fees for Operational Purposes	3411, 3421, 3423	50,388,335.18
Property Taxes Levied, Tax Redemptions and Excess Fees for Debt Service	3412, 3421, 3423	0.00
Property Taxes Levied, Tax Redemptions and Excess Fees for Capital Projects	3413, 3421, 3423	14,397,297.99
Local Sales Taxes	3418, 3419	9,835,817.48
Charges for Service - Food Service	345X	4,670,413.01
Impact Fees	3496	0.00
Other Local Revenue		6,411,396.82
Total Local Sources	3400	85,703,260.48
<b>Total Revenues</b>		<b>274,505,266.78</b>
<b>EXPENDITURES</b>		
<i>Current:</i>		
Instruction	5000	152,520,974.82
Student Support Services	6100	12,090,851.37
Instructional Media Services	6200	2,430,541.22
Instruction and Curriculum Development Services	6300	7,081,345.88
Instructional Staff Training Services	6400	4,214,869.49
Instruction-Related Technology	6500	5,111,818.06
Board	7100	625,466.42
General Administration	7200	1,390,988.20
School Administration	7300	15,547,910.61
Facilities Acquisition and Construction	7410	1,340,205.51
Fiscal Services	7500	1,266,719.15
Food Services	7600	12,060,184.59
Central Services	7700	2,688,998.69
Student Transportation Services	7800	14,187,664.75
Operation of Plant	7900	12,829,898.12
Maintenance of Plant	8100	5,644,356.00
Administrative Technology Services	8200	2,338,552.48
Community Services	9100	2,646,919.47
<i>Debt Service: (Function 9200)</i>		
Redemption of Principal	710	7,494,000.00
Interest	720	1,368,079.46
Dues and Fees	730	11,979.24
Miscellaneous	790	0.00
<i>Capital Outlay:</i>		
Facilities Acquisition and Construction	7420	12,643,562.78
Charter School Local Capital Improvement	7430	0.00
Other Capital Outlay	9300	2,345,451.65
<b>Total Expenditures</b>		<b>279,881,337.96</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>		<b>(5,376,071.18)</b>
<b>OTHER FINANCING SOURCES (USES)</b>		
Issuance of Bonds	3710	0.00
Premium on Sale of Bonds	3791	0.00
Discount on Sale of Bonds	891	0.00
Proceeds of Lease-Purchase Agreements	3750	0.00
Premium on Lease-Purchase Agreements	3793	0.00
Discount on Lease-Purchase Agreements	893	0.00
Loans	3720	0.00
Sale of Capital Assets	3730	0.00
Loss Recoveries	3740	251,614.14
Proceeds of Forward Supply Contract	3760	0.00
Proceeds from Special Facility Construction Account	3770	0.00
Face Value of Refunding Bonds	3715	0.00
Premium on Refunding Bonds	3792	0.00
Discount on Refunding Bonds	892	0.00
Refunding Lease-Purchase Agreements	3755	0.00
Premium on Refunding Lease-Purchase Agreements	3794	0.00
Discount on Refunding Lease-Purchase Agreements	894	0.00
Payments to Refunding Escrow Agent (Function 9299)	760	0.00
Transfers In	3600	16,075,264.74
Transfers Out	9700	(13,902,003.91)
<b>Total Other Financing Sources (Uses)</b>		<b>2,424,874.97</b>
<b>SPECIAL ITEMS</b>		<b>0.00</b>
<b>EXTRAORDINARY ITEMS</b>		<b>0.00</b>
<b>Net Change in Fund Balances</b>		<b>(2,951,196.21)</b>
Fund Balances, July 1, 2018	2800	59,909,047.78
Adjustments to Fund Balances	2891	0.00
<b>Fund Balances, June 30, 2019</b>	<b>2700</b>	<b>56,957,851.57</b>

The notes to financial statements are an integral part of this statement.  
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**DISTRICT SCHOOL BOARD OF SANTA ROSA COUNTY**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE**  
**GOVERNMENT-WIDE STATEMENT OF ACTIVITIES**  
**For the Fiscal Year Ended June 30, 2019**

Net Change in Fund Balances - Governmental Funds	\$	(2,951,196.21)
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Amounts reported for *governmental activities* in the statement of activities are different because:

Governmental funds report capital outlays as expenditures; however, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as a depreciation expense. This is the amount of capital outlay in excess of depreciation expense in the current period.	3,775,541.88
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The statement of activities reflects only the gain/loss on the sale of assets, whereas the governmental funds include proceeds from sales. Thus, the change in net position differs from the change in fund balances by the cost of assets sold.	(257,291.49)
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Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but repayment reduces long-term liabilities in the statement of net position. This is the amount by which repayments exceeded proceeds in the current period.	7,494,000.00
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Premiums on debt are reported in the governmental funds in the fiscal year debt is issued, but are amortized over the life of the debt in the government-wide statements.	283,139.66
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In the statement of activities, the cost of compensated absences is measured by the amounts earned during they year, while in the governmental funds expenditures are recognized based on the amounts actually paid for compensated absences. This is the net amount of compensated absences earned in excess of the amount paid in the current period.	(214,585.00)
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In the statement of activities, the cost of other post employment benefit (OPEB) obligation is measured by actuarial estimations, while in the governmental funds expenditures are recognized based on amounts actually paid for OPEB. This is the net increase of the OPEB obligation for the current period.	(1,013,276.00)
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Governmental funds report district pension contributions as expenditures; however, in the statement of activities, the cost of pension benefits earned net of employee contributions is reported as a pension expense.	(5,977,062.00)
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Internal service funds are used by management to charge the cost of certain activities, such as insurance, to individual funds. The net income of internal service funds is reported with governmental activities.	625,030.45
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Rounding differences.	(0.59)
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<b>Change in Net Position of Governmental Activities</b>	<u><u>1,764,300.70</u></u>
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**DISTRICT SCHOOL BOARD OF SANTA ROSA COUNTY**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**June 30, 2019**

	Account Number	Governmental Activities - Internal Service Funds
<b>ASSETS</b>		
Current assets:		
Cash and Cash Equivalents	1110	14,877,920.59
Investments	1160	0.00
Accounts Receivable, Net	1131	0.00
Interest Receivable on Investments	1170	0.00
Due From Other Agencies	1220	238,011.67
Due From Insurer	1180	0.00
Due From Budgetary Funds	1141	0.00
Deposits Receivable	1210	0.00
Cash with Fiscal/Service Agents	1114	0.00
Inventory	1150	0.00
Prepaid Items	1230	0.00
Total current assets		15,115,932.26
Noncurrent assets:		
Section 1011.13, F.S., Loan Proceeds	1420	0.00
Long-Term Investments	1460	0.00
Prepaid Insurance Costs	1430	0.00
Other Postemployment Benefits Asset	1410	0.00
Pension Asset	1415	0.00
Capital Assets:		
Land	1310	0.00
Land Improvements - Nondepreciable	1315	0.00
Construction in Progress	1360	0.00
Nondepreciable Capital Assets		0.00
Improvements Other Than Buildings	1320	0.00
Accumulated Depreciation	1329	0.00
Buildings and Fixed Equipment	1330	0.00
Accumulated Depreciation	1339	0.00
Furniture, Fixtures and Equipment	1340	0.00
Accumulated Depreciation	1349	0.00
Motor Vehicles	1350	0.00
Accumulated Depreciation	1359	0.00
Property Under Capital Leases	1370	0.00
Accumulated Depreciation	1379	0.00
Computer Software	1382	0.00
Accumulated Amortization	1389	0.00
Depreciable Capital Assets, Net		0.00
Total Capital Assets		0.00
Total noncurrent assets		0.00
<b>Total Assets</b>		<b>15,115,932.26</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Accumulated Decrease in Fair Value of Hedging Derivatives	1910	0.00
Net Carrying Amount of Debt Refunding	1920	0.00
Pension	1940	0.00
Other Postemployment Benefits	1950	0.00
Asset Retirement Obligation	1960	0.00
<b>Total Deferred Outflows of Resources</b>		<b>0.00</b>
<b>LIABILITIES</b>		
Current liabilities:		
Cash Overdraft	2125	0.00
Accrued Salaries and Benefits	2110	0.00
Payroll Deductions and Withholdings	2170	0.00
Accounts Payable	2120	0.00
Sales Tax Payable	2260	0.00
Accrued Interest Payable	2210	0.00
Deposits Payable	2220	0.00
Due to Other Agencies	2230	0.00
Due to Budgetary Funds	2161	0.00
Pension Liability	2115	0.00
Other Postemployment Benefits Liability	2116	0.00
Judgments Payable	2130	0.00
Estimated Unpaid Claims - Self-Insurance Program	2271	2,284,458.59
Estimated Liability for Claims Adjustment	2272	0.00
Total current liabilities		2,284,458.59
Long-term liabilities:		
Unearned Revenues	2410	4,128,115.67
Obligations Under Capital Leases	2315	0.00
Liability for Compensated Absences	2330	0.00
Estimated Liability for Long-Term Claims	2350	0.00
Net Other Postemployment Benefits Obligation	2360	0.00
Net Pension Liability	2365	0.00
Other Long-Term Liabilities	2380	0.00
Total long-term liabilities		4,128,115.67
<b>Total Liabilities</b>		<b>6,412,574.26</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Accumulated Increase in Fair Value of Hedging Derivatives	2610	0.00
Deficit Net Carrying Amount of Debt Refunding	2620	0.00
Deferred Revenues	2630	0.00
Pension	2640	0.00
Other Postemployment Benefits	2650	0.00
<b>Total Deferred Inflows of Resources</b>		<b>0.00</b>
<b>NET POSITION</b>		
Net Investment in Capital Assets	2770	0.00
Restricted for State required safe harbor reserve	2780	2,000,000.00
Unrestricted	2790	6,703,358.00
<b>Total Net Position</b>		<b>8,703,358.00</b>

The notes to financial statements are an integral part of this statement.  
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**DISTRICT SCHOOL BOARD OF SANTA ROSA COUNTY**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**For the Fiscal Year Ended June 30, 2019**

	Account Number	Governmental Activities - Internal Service Funds
<b>OPERATING REVENUES</b>		
Charges for Services	3481	0.00
Charges for Sales	3482	0.00
Premium Revenue	3484	20,771,378.32
Other Operating Revenues	3489	0.00
<b>Total Operating Revenues</b>		20,771,378.32
<b>OPERATING EXPENSES</b>		
Salaries	100	0.00
Employee Benefits	200	0.00
Purchased Services	300	1,730,925.30
Energy Services	400	0.00
Materials and Supplies	500	388.00
Capital Outlay	600	306.19
Other	700	16,938,516.42
Depreciation and Amortization Expense	780	0.00
<b>Total Operating Expenses</b>		18,670,135.91
<b>Operating Income (Loss)</b>		2,101,242.41
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Investment Income	3430	71,376.73
Gifts, Grants and Bequests	3440	0.00
Other Miscellaneous Local Sources	3495	625,672.14
Loss Recoveries	3740	0.00
Gain on Disposition of Assets	3780	0.00
Interest	720	0.00
Miscellaneous	790	0.00
Loss on Disposition of Assets	810	0.00
<b>Total Nonoperating Revenues (Expenses)</b>		697,048.87
<b>Income (Loss) Before Operating Transfers</b>		2,798,291.28
Transfers In	3600	0.00
Transfers Out	9700	(2,173,260.83)
<b>SPECIAL ITEMS</b>		0.00
<b>EXTRAORDINARY ITEMS</b>		0.00
<b>Change In Net Position</b>		625,030.45
Net Position, July 1, 2018	2880	8,078,327.55
Adjustments to Net Position	2896	0.00
Net Position, June 30, 2019	2780	8,703,358.00

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

DISTRICT SCHOOL BOARD OF SANTA ROSA COUNTY  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For the Fiscal Year Ended June 30, 2019

	Governmental Activities - Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from customers and users	20,771,378.32
Receipts from interfund services provided	0.00
Payments to suppliers	(1,836,619.49)
Payments to employees	0.00
Payments for interfund services used	0.00
Other receipts (payments)	(16,392,440.93)
<b>Net cash provided (used) by operating activities</b>	<b>2,542,317.90</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Subsidies from operating grants	625,672.14
Transfers from other funds	0.00
Transfers to other funds	(2,173,260.83)
<b>Net cash provided (used) by noncapital financing activities</b>	<b>(1,547,588.69)</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Proceeds from capital debt	0.00
Capital contributions	0.00
Proceeds from disposition of capital assets	0.00
Acquisition and construction of capital assets	0.00
Principal paid on capital debt	0.00
Interest paid on capital debt	0.00
<b>Net cash provided (used) by capital and related financing activities</b>	<b>0.00</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Proceeds from sales and maturities of investments	0.00
Interest and dividends received	71,376.73
Purchase of investments	0.00
<b>Net cash provided (used) by investing activities</b>	<b>71,376.73</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>1,066,105.94</b>
Cash and cash equivalents - July 1, 2018	13,811,814.65
Cash and cash equivalents - June 30, 2019	14,877,920.59
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>	
Operating income (loss)	2,101,242.41
<i>Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:</i>	
Depreciation/Amortization expense	0.00
Commodities used from USDA program	0.00
<i>Change in assets and liabilities:</i>	
(Increase) decrease in accounts receivable	0.00
(Increase) decrease in interest receivable	0.00
(Increase) decrease in due from insurer	0.00
(Increase) decrease in deposits receivable	0.00
(Increase) decrease in due from other funds	0.00
(Increase) decrease in due from other agencies	(36,198.10)
(Increase) decrease in inventory	0.00
(Increase) decrease in prepaid items	0.00
(Increase) decrease in pension	0.00
Increase (decrease) in salaries and benefits payable	0.00
Increase (decrease) in payroll tax liabilities	0.00
Increase (decrease) in accounts payable	0.00
Increase (decrease) in cash overdraft	0.00
Increase (decrease) in judgments payable	0.00
Increase (decrease) in sales tax payable	0.00
Increase (decrease) in accrued interest payable	0.00
Increase (decrease) in deposits payable	0.00
Increase (decrease) in due to other funds	0.00
Increase (decrease) in due to other agencies	0.00
Increase (decrease) in unearned revenues	168,302.49
Increase (decrease) in pension	0.00
Increase (decrease) in other postemployment benefits	0.00
Increase (decrease) in estimated unpaid claims - Self-Insurance Prog.	308,971.10
Increase (decrease) in estimated liability for claims adjustment	0.00
<b>Total adjustments</b>	<b>441,075.49</b>
<b>Net cash provided (used) by operating activities</b>	<b>2,542,317.90</b>
<b>Noncash investing, capital and financing activities:</b>	
Borrowing under capital lease	0.00
Contributions of capital assets	0.00
Purchase of equipment on account	0.00
Capital asset trade-ins	0.00
Net Increase/(Decrease) in the fair value of investments	0.00
Commodities received through USDA program	0.00

**DISTRICT SCHOOL BOARD OF SANTA ROSA COUNTY**  
**STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES**  
**FIDUCIARY FUNDS**  
**June 30, 2019**

	Account Number	Total Agency Funds 89X
<b>ASSETS</b>		
Cash and Cash Equivalents	1110	4,401,488.42
Investments	1160	0.00
Accounts Receivable, Net	1131	0.00
Pension Contributions Receivable	1132	
Interest Receivable on Investments	1170	0.00
Due From Budgetary Funds	1141	0.00
Due From Other Agencies	1220	0.00
Inventory	1150	0.00
<b>Total Assets</b>		4,401,488.42
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Accumulated Decrease in Fair Value of Hedging Derivatives	1910	
Pension	1940	
Other Postemployment Benefits	1950	
<b>Total Deferred Outflows of Resources</b>		
<b>LIABILITIES</b>		
Cash Overdraft	2125	0.00
Accrued Salaries and Benefits	2110	0.00
Payroll Deductions and Withholdings	2170	285,923.68
Accounts Payable	2120	301,483.28
Internal Accounts Payable	2290	3,809,581.46
Due to Other Agencies	2230	
Due to Budgetary Funds	2161	4,500.00
<b>Total Liabilities</b>		4,401,488.42
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Accumulated Increase in Fair Value of Hedging Derivatives	2610	
Pension	2640	
Other Postemployment Benefits	2650	
<b>Total Deferred Inflows of Resources</b>		
<b>NET POSITION</b>		
Held in Trust for Pension Benefits	2785	
Held in Trust for Other Purposes	2785	
<b>Total Net Position</b>		

The notes to financial statements are an integral part of this statement.  
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DISTRICT SCHOOL BOARD OF SANTA ROSA COUNTY  
COMBINING STATEMENT OF NET POSITION  
MAJOR AND NONMAJOR COMPONENT UNITS  
June 30, 2019

	Account Number	Total Nonmajor Component Units	Total Component Units
<b>ASSETS</b>			
Cash and Cash Equivalents	1110	140,809.00	140,809.00
Investments	1160	0.00	0.00
Taxes Receivable, Net	1120	0.00	0.00
Accounts Receivable, Net	1131	19,765.00	19,765.00
Interest Receivable on Investments	1170	0.00	0.00
Due From Other Agencies	1220	41,659.00	41,659.00
Due From Insurer	1180	0.00	0.00
Deposits Receivable	1210	0.00	0.00
Internal Balances		0.00	0.00
Cash with Fiscal/Service Agents	1114	0.00	0.00
Section 1011.13, F.S. Loan Proceeds	1420	0.00	0.00
Inventory	1150	0.00	0.00
Prepaid Items	1230	9,244.00	9,244.00
Long-Term Investments	1460	0.00	0.00
Prepaid Insurance Costs	1430	0.00	0.00
Other Postemployment Benefits Asset	1410	0.00	0.00
Pension Asset	1415	0.00	0.00
<i>Capital Assets:</i>			
Land	1310	185,000.00	185,000.00
Land Improvements - Nondepreciable	1315	0.00	0.00
Construction in Progress	1360	0.00	0.00
Nondepreciable Capital Assets		185,000.00	185,000.00
Improvements Other Than Buildings	1320	329,886.00	329,886.00
Less Accumulated Depreciation	1329	(239,362.00)	(239,362.00)
Buildings and Fixed Equipment	1330	1,263,234.00	1,263,234.00
Less Accumulated Depreciation	1339	(124,654.00)	(124,654.00)
Furniture, Fixtures and Equipment	1340	355,338.00	355,338.00
Less Accumulated Depreciation	1349	(279,927.00)	(279,927.00)
Motor Vehicles	1350	21,800.00	21,800.00
Less Accumulated Depreciation	1359	(7,165.00)	(7,165.00)
Property Under Capital Leases	1370	0.00	0.00
Less Accumulated Depreciation	1379	0.00	0.00
Audiovisual Materials	1381	0.00	0.00
Less Accumulated Depreciation	1388	0.00	0.00
Computer Software	1382	23,500.00	23,500.00
Less Accumulated Amortization	1389	(7,181.00)	(7,181.00)
Depreciable Capital Assets, Net		1,335,469.00	1,335,469.00
Total Capital Assets		1,520,469.00	1,520,469.00
<b>Total Assets</b>		<b>1,731,946.00</b>	<b>1,731,946.00</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Accumulated Decrease in Fair Value of Hedging Derivatives	1910	0.00	0.00
Net Carrying Amount of Debt Refunding	1920	0.00	0.00
Pension	1940	0.00	0.00
Other Postemployment Benefits	1950	0.00	0.00
Asset Retirement Obligation	1960	0.00	0.00
<b>Total Deferred Outflows of Resources</b>		<b>0.00</b>	<b>0.00</b>
<b>LIABILITIES</b>			
Cash Overdraft	2125	0.00	0.00
Accrued Salaries and Benefits	2110	12,614.00	12,614.00
Payroll Deductions and Withholdings	2170	0.00	0.00
Accounts Payable	2120	4,205.00	4,205.00
Sales Tax Payable	2260	0.00	0.00
Current Notes Payable	2250	0.00	0.00
Accrued Interest Payable	2210	0.00	0.00
Deposits Payable	2220	0.00	0.00
Due to Other Agencies	2230	64,705.00	64,705.00
Due to Fiscal Agent	2240	0.00	0.00
Pension Liability	2115	0.00	0.00
Other Postemployment Benefits Liability	2116	0.00	0.00
Judgments Payable	2130	0.00	0.00
Construction Contracts Payable	2140	0.00	0.00
Construction Contracts Payable - Retained Percentage	2150	0.00	0.00
Estimated Unpaid Claims - Self-Insurance Program	2271	0.00	0.00
Estimated Liability for Claims Adjustment	2272	0.00	0.00
Estimated Liability for Arbitrage Rebate	2280	0.00	0.00
Unearned Revenues	2410	0.00	0.00
<i>Long-Term Liabilities:</i>			
<i>Portion Due Within One Year:</i>			
Notes Payable	2310	96,742.00	96,742.00
Obligations Under Capital Leases	2315	0.00	0.00
Bonds Payable	2320	0.00	0.00
Liability for Compensated Absences	2330	6,952.00	6,952.00
Lease-Purchase Agreements Payable	2340	0.00	0.00
Estimated Liability for Long-Term Claims	2350	0.00	0.00
Net Other Postemployment Benefits Obligation	2360	0.00	0.00
Net Pension Liability	2365	0.00	0.00
Estimated PECO Advance Payable	2370	0.00	0.00
Other Long-Term Liabilities	2380	0.00	0.00
Derivative Instrument	2390	0.00	0.00
Estimated Liability for Arbitrage Rebate	2280	0.00	0.00
Due Within One Year		103,694.00	103,694.00
<i>Portion Due After One Year:</i>			
Notes Payable	2310	892,611.00	892,611.00
Obligations Under Capital Leases	2315	0.00	0.00
Bonds Payable	2320	0.00	0.00
Liability for Compensated Absences	2330	0.00	0.00
Lease-Purchase Agreements Payable	2340	0.00	0.00
Estimated Liability for Long-Term Claims	2350	0.00	0.00
Net Other Postemployment Benefits Obligation	2360	0.00	0.00
Net Pension Liability	2365	0.00	0.00
Estimated PECO Advance Payable	2370	0.00	0.00
Other Long-Term Liabilities	2380	0.00	0.00
Derivative Instrument	2390	0.00	0.00
Estimated Liability for Arbitrage Rebate	2280	0.00	0.00
Due in More than One Year		892,611.00	892,611.00
Total Long-Term Liabilities		996,305.00	996,305.00
<b>Total Liabilities</b>		<b>1,077,829.00</b>	<b>1,077,829.00</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Accumulated Increase in Fair Value of Hedging Derivatives	2610	0.00	0.00
Deficit Net Carrying Amount of Debt Refunding	2620	0.00	0.00
Deferred Revenues	2630	0.00	0.00
Pension	2640	0.00	0.00
Other Postemployment Benefits	2650	0.00	0.00
<b>Total Deferred Inflows of Resources</b>		<b>0.00</b>	<b>0.00</b>
<b>NET POSITION</b>			
Net Investment in Capital Assets	2770	1,469,893.00	1,469,893.00
<i>Restricted For:</i>			
Categorical Carryover Programs	2780	0.00	0.00
Food Service	2780	0.00	0.00
Debt Service	2780	0.00	0.00
Capital Projects	2780	0.00	0.00
Other Purposes	2780	0.00	0.00
Unrestricted	2790	(815,776.00)	(815,776.00)
<b>Total Net Position</b>		<b>654,117.00</b>	<b>654,117.00</b>

The notes to financial statements are an integral part of this statement.  
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**DISTRICT SCHOOL BOARD OF SANTA ROSA COUNTY**  
**COMBINING STATEMENT OF ACTIVITIES (CONTINUED)**  
**MAJOR AND NONMAJOR COMPONENT UNITS**  
**TOTAL NONMAJOR COMPONENT UNITS**  
**For the Fiscal Year Ended June 30, 2019**

FUNCTIONS	Account Number	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position Component Unit
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<i>Component Unit Activities:</i>						
Instruction	5000	816,303.00	0.00	38,007.00	23,500.00	(754,796.00)
Student Support Services	6100	0.00	0.00	0.00	0.00	0.00
Instructional Media Services	6200	0.00	0.00	0.00	0.00	0.00
Instruction and Curriculum Development Services	6300	0.00	0.00	0.00	0.00	0.00
Instructional Staff Training Services	6400	0.00	0.00	0.00	0.00	0.00
Instruction-Related Technology	6500	0.00	0.00	0.00	0.00	0.00
Board	7100	13,245.00	0.00	0.00	0.00	(13,245.00)
General Administration	7200	8,957.00	0.00	0.00	0.00	(8,957.00)
School Administration	7300	284,803.00	0.00	0.00	0.00	(284,803.00)
Facilities Acquisition and Construction	7400	22,952.00	0.00	0.00	0.00	(22,952.00)
Fiscal Services	7500	118,730.00	0.00	0.00	0.00	(118,730.00)
Food Services	7600	5,467.00	0.00	0.00	0.00	(5,467.00)
Central Services	7700	108,367.00	0.00	0.00	0.00	(108,367.00)
Student Transportation Services	7800	87,336.00	0.00	0.00	0.00	(87,336.00)
Operation of Plant	7900	274,783.00	0.00	0.00	0.00	(274,783.00)
Maintenance of Plant	8100	13,564.00	0.00	0.00	0.00	(13,564.00)
Administrative Technology Services	8200	15,988.00	0.00	0.00	0.00	(15,988.00)
Community Services	9100	0.00	0.00	0.00	0.00	0.00
Interest on Long-Term Debt	9200	46,945.00	0.00	0.00	102,641.00	55,696.00
Unallocated Depreciation/Amortization Expense		18,411.00				(18,411.00)
<b>Total Component Unit Activities</b>		<b>1,835,851.00</b>	<b>0.00</b>	<b>38,007.00</b>	<b>126,141.00</b>	<b>(1,671,703.00)</b>

**General Revenues:**

*Taxes:*

Property Taxes, Levied for Operational Purposes  
Property Taxes, Levied for Debt Service  
Property Taxes, Levied for Capital Projects  
Local Sales Taxes  
Grants and Contributions Not Restricted to Specific Programs  
Investment Earnings  
Miscellaneous  
Special Items  
Extraordinary Items  
Transfers

**Total General Revenues, Special Items, Extraordinary Items and Transfers**

**Change in Net Position**

Net Position, July 1, 2018  
Adjustments to Net Position  
Net Position, June 30, 2019

0.00
0.00
0.00
0.00
1,664,159.00
0.00
13,743.00
0.00
0.00
0.00
1,677,902.00
6,199.00
647,918.00
0.00
654,117.00

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

**DISTRICT SCHOOL BOARD OF SANTA ROSA COUNTY**  
**COMBINING STATEMENT OF ACTIVITIES**  
**MAJOR AND NONMAJOR COMPONENT UNITS**  
**TOTAL COMPONENT UNITS**  
**For the Fiscal Year Ended June 30, 2019**

FUNCTIONS	Account Number	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position Component Unit
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<i>Component Unit Activities:</i>						
Instruction	5000	816,303.00	0.00	38,007.00	23,500.00	(754,796.00)
Student Support Services	6100	0.00	0.00	0.00	0.00	0.00
Instructional Media Services	6200	0.00	0.00	0.00	0.00	0.00
Instruction and Curriculum Development Services	6300	0.00	0.00	0.00	0.00	0.00
Instructional Staff Training Services	6400	0.00	0.00	0.00	0.00	0.00
Instruction-Related Technology	6500	0.00	0.00	0.00	0.00	0.00
Board	7100	13,245.00	0.00	0.00	0.00	(13,245.00)
General Administration	7200	8,957.00	0.00	0.00	0.00	(8,957.00)
School Administration	7300	284,803.00	0.00	0.00	0.00	(284,803.00)
Facilities Acquisition and Construction	7400	22,952.00	0.00	0.00	0.00	(22,952.00)
Fiscal Services	7500	118,730.00	0.00	0.00	0.00	(118,730.00)
Food Services	7600	5,467.00	0.00	0.00	0.00	(5,467.00)
Central Services	7700	108,367.00	0.00	0.00	0.00	(108,367.00)
Student Transportation Services	7800	87,336.00	0.00	0.00	0.00	(87,336.00)
Operation of Plant	7900	274,783.00	0.00	0.00	0.00	(274,783.00)
Maintenance of Plant	8100	13,564.00	0.00	0.00	0.00	(13,564.00)
Administrative Technology Services	8200	15,988.00	0.00	0.00	0.00	(15,988.00)
Community Services	9100	0.00	0.00	0.00	0.00	0.00
Interest on Long-Term Debt	9200	46,945.00	0.00	0.00	102,641.00	55,696.00
Unallocated Depreciation/Amortization Expense		18,411.00				(18,411.00)
<b>Total Component Unit Activities</b>		<b>1,835,851.00</b>	<b>0.00</b>	<b>38,007.00</b>	<b>126,141.00</b>	<b>(1,671,703.00)</b>

**General Revenues:***Taxes:*

Property Taxes, Levied for Operational Purposes  
Property Taxes, Levied for Debt Service  
Property Taxes, Levied for Capital Projects  
Local Sales Taxes  
Grants and Contributions Not Restricted to Specific Programs  
Investment Earnings  
Miscellaneous  
Special Items  
Extraordinary Items  
Transfers

**Total General Revenues, Special Items, Extraordinary Items and Transfers****Change in Net Position**

Net Position, July 1, 2018  
Adjustments to Net Position  
Net Position, June 30, 2019

0.00
0.00
0.00
0.00
1,664,159.00
0.00
13,743.00
0.00
0.00
0.00
1,677,902.00
6,199.00
647,918.00
0.00
654,117.00

SANTA ROSA COUNTY DISTRICT SCHOOL BOARD  
NOTES TO FINANCIAL STATEMENTS – PAGE 18  
JUNE 30, 2019

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of Government-Wide Financial Statements**

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

The statement of activities presents a comparison between direct expenses and program revenues for each function or program of the Santa Rosa County School District's (District) governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are thereby clearly identifiable to a particular function. Depreciation expense that is clearly identifiable to a function is allocated to the function, and the remaining depreciation expense is reported as unallocated.

**B. Reporting Entity**

The Santa Rosa County District School Board (Board) has direct responsibility for operation, control, and supervision of District schools and is considered a primary government for financial reporting. The District is considered part of the Florida system of public education, operates under the general direction of the Florida Department of Education (FDOE), and is governed by State law and State Board of Education (SBE) rules. The governing body of the District is the Board, which is composed of five elected members. The elected Superintendent of Schools is the executive officer of the Board. Geographic boundaries of the District correspond with those of Santa Rosa County.

Criteria for determining if other entities are potential component units which should be reported within the District's basic financial statements are identified and described in the Governmental Accounting Standards Board's (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*, Sections 2100 and 2600. The application of these criteria provides for identification of any legally separate entities for which the Board is financially accountable and other organizations for which the nature and significance of their relationship with the Board are such that exclusion would cause the District's basic financial statements to be misleading. Based on the application of these criteria, the following component units are included within the District's reporting entity:

**Blended Component Unit** – A blended component unit is, in substance, part of the District's operations even though it is a legally separate entity. Thus, a blended component unit is appropriately presented as funds of the District. The Santa Rosa School Board Leasing Corporation (Leasing Corporation) was formed to facilitate financing for the acquisition of facilities and equipment as further discussed in a subsequent note. Due to the substantive economic relationship between the District and the Leasing Corporation, the financial activities of the Leasing

SANTA ROSA COUNTY DISTRICT SCHOOL BOARD  
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JUNE 30, 2019

Corporation are included in the accompanying basic financial statements. Separate financial statements for the Leasing Corporation are not published.

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

The District's charter schools, the Learning Academy, Inc. and Capstone Academy, LLC, are not-for-profit corporations organized pursuant to Chapter 617, Florida Statutes, the Florida Not for Profit Corporation Act, and Section 1002.33, Florida Statutes. The charter schools operate under a charter approved by their sponsor, the Santa Rosa County District School Board. The charter schools are considered to be component units of the District because the District is financially accountable for the charter schools as the District established the charter schools by approval of the charter, which is tantamount to the initial appointment of the charter schools, and there is the potential for the charter schools to provide specific financial burdens on the District. In addition, pursuant to the Florida Constitution, the charter schools are public schools, and the District is responsible for the operation, control, and supervision of public schools within the District.

The financial data reported on the accompanying statements was derived from the charter schools' audited financial statements for the fiscal year ended June 30, 2019. The audit reports are filed in the District's finance office at 5086 Canal Street, Milton, Florida 32570.

**C. Basis of Presentation: Government-Wide Financial Statements**

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

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

**D. Basis of Presentation: Fund Financial Statements**

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

The District reports the following major governmental funds:

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

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NOTES TO FINANCIAL STATEMENTS – PAGE 18  
JUNE 30, 2019

- Capital Projects – Local Capital Improvement Tax Fund – to account for the financial resources generated by local capital improvement tax levy to be used for educational capital outlay needs including new construction, renovation and remodeling projects, new and replacement equipment, and debt service payments on certificates of participation.
- Capital Projects – Other – to account for the various financial resources (e.g., certificates of participation, capital outlay sales tax, hurricane-related loss recoveries) to be used for educational capital outlay needs including new construction, renovation and remodeling projects.
- Special Revenue – Food Service – to account for the financial resources, including federal grants and local sources, and expenditure payments associated with the District's food service programs.

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

- Internal Service Funds – to account for the District's individual self-insurance programs.
- Agency Funds – to account for financial resources of the District's flexible benefits plan and the school internal funds, which are used to administer moneys collected at schools in connection with school, student athletic, class, and club activities.

During the course of operations, the District has activity between funds for various purposes. Any residual balances outstanding at fiscal year-end are reported as due from/to other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in and out. While reported in fund financial statements, transfers between the funds included in governmental activities are eliminated in the preparation of the government-wide financial statements.

**E. Measurement Focus and Basis of Accounting**

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recognized when earned, and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized in the year for which they are levied. Revenues from grants, entitlements, and donations are recognized as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues, except for certain grant revenues, are recognized when they become measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough

SANTA ROSA COUNTY DISTRICT SCHOOL BOARD  
NOTES TO FINANCIAL STATEMENTS – PAGE 18  
JUNE 30, 2019

thereafter to pay liabilities of the current period. The District considers revenues to be available if they are collected within 30 days of the end of the fiscal year. When grant terms provide that the expenditure of resources is the prime factor for determining eligibility for Federal, State, and other grant resources, revenue is recognized at the time the expenditure is made. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within the availability period for this revenue source (within 30 days of year-end). Expenditures are generally recognized when the related fund liability is incurred, as under accrual accounting. However, debt service expenditures, claims and judgments, other postemployment benefits, and compensated absences, are only recorded when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital leases are reported as other financing sources. Allocations of cost, such as depreciation, are not recognized in governmental funds.

The proprietary fund distinguishes operating revenues and expenses from non-operating items and is reported using the economic resources measurement focus and the accrual basis of accounting.

The agency fund has no measurement focus but utilizes the accrual basis of accounting for reporting assets and liabilities.

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

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

**1. Cash and Cash Equivalents**

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term liquid investments with original maturities of three months or less from the date of acquisition. Investments classified as cash equivalents include amounts placed with the State Board of Administration (SBA) in Florida PRIME.

Cash deposits are held by banks qualified as public depositories under Florida law. All deposits are insured by Federal depository insurance, up to specified limits, or collateralized with securities held in Florida's multiple financial institution collateral pool as required by Chapter 280, Florida Statutes.

**2. Investments**

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

SANTA ROSA COUNTY DISTRICT SCHOOL BOARD  
NOTES TO FINANCIAL STATEMENTS – PAGE 18  
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The District's investments in Florida PRIME, which the SBA indicates is a Securities and Exchange Commission Rule 2a7-like external investment pool, are similar to money market funds in which shares are owned in the fund rather than the underlying investments. These investments are reported at fair value and meet the requirements of GASB Statement No. 31 as amended by GASB Statement No. 79, which establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes.

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

**3. Inventories**

Inventories consist of expendable supplies held for consumption in the course of District operations. Inventories are stated at cost on a moving-average basis, except that transportation fuel is stated at the last invoice price, which approximates the first-in, first-out basis. United States Department of Agriculture donated foods are stated at their fair value as determined at the time of donation to the District's food service program by the Florida Department of Agriculture and Consumer Services, Bureau of Food Distribution. The costs of inventories are recorded as expenditures when used rather than when purchased.

**4. Capital Assets**

Expenditures for capital assets acquired or constructed for general District purposes are reported in the governmental fund that financed the acquisition or construction. The capital assets so acquired are reported at cost in the government-wide statement of net position but are not reported in the governmental fund financial statements. Capital assets are defined by the District as those costing more than \$1,000, except for buildings and improvements other than buildings which are defined as assets costing more than \$5,000. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated assets are recorded at fair value at the date of donation.

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

<u>Description</u>	<u>Estimated Lives</u>
Improvements Other than Buildings	10 - 40 years
Buildings and Fixed Equipment	10 - 50 years
Furniture, Fixtures, and Equipment	3 - 20 years
Motor Vehicles	15 years
Audio Visual Materials and Computer Software	5 - 7 years

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

SANTA ROSA COUNTY DISTRICT SCHOOL BOARD  
NOTES TO FINANCIAL STATEMENTS – PAGE 18  
JUNE 30, 2019

**5. Pensions**

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

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

**6. Long-Term Liabilities**

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

In the governmental fund financial statements, bonds and other long-term obligations are not recognized as liabilities until due. Governmental fund types recognize debt premiums and discounts during the current period. The face amount of debt issued and the related debt premiums are reported as other financing sources.

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

**7. Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position will sometimes include a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The District has three items that qualify for reporting in this category. The first is a deferred charge on debt refunding that results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The other deferred amounts are related to pensions and other postemployment benefits which are discussed in subsequent notes.

In addition to liabilities, the statement of net position will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. The District has two

SANTA ROSA COUNTY DISTRICT SCHOOL BOARD  
NOTES TO FINANCIAL STATEMENTS – PAGE 18  
JUNE 30, 2019

items that qualifies for reporting in this category. The deferred inflows of resources related to pensions and other postemployment benefits are discussed in subsequent notes.

**8. Net Position Flow Assumption**

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

**9. Fund Balance Flow Assumption**

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

**10. Fund Balance Policies**

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

The committed fund balance classification includes amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision-making authority. The Board is the highest level of decision-making authority for the District that can approve a commitment of fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken to remove or revise the limitation. In July 2018, the Board gave its approval to commit certain project balances during the budget process.

Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as committed. The Board has by vote authorized the Assistant Superintendent for Finance and the Accounting Supervisor to assign fund balance. The Board may also assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an

SANTA ROSA COUNTY DISTRICT SCHOOL BOARD  
NOTES TO FINANCIAL STATEMENTS – PAGE 18  
JUNE 30, 2019

assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

**G. Revenues and Expenditures/Expenses**

**1. Program Revenues**

Amounts reported as program revenues include charges paid by the recipient of the goods or services offered by the program, and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than program revenues. Revenues that are not classified as program revenues are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

**2. State Revenue Sources**

Significant revenues from State sources for current operations include the Florida Education Finance Program administered by the Florida Department of Education (FDOE) under the provisions of Section 1011.62, Florida Statutes. In accordance with this law, the District determines and reports the number of full-time equivalent (FTE) students and related data to the FDOE. The FDOE performs certain edit checks on the reported number of FTE and related data and calculates the allocation of funds to the District. The District is permitted to amend its original reporting for a period of five months following the date of the original reporting. Such amendments may impact funding allocations for subsequent years. The FDOE may also adjust subsequent fiscal period allocations based upon an audit of the District's compliance in determining and reporting FTE and related data. Normally, such adjustments are treated as reductions or additions of revenue in the year when the adjustments are made.

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

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

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

SANTA ROSA COUNTY DISTRICT SCHOOL BOARD  
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JUNE 30, 2019

**3. District Property Taxes**

The Board is authorized by State law to levy property taxes for District school operations, capital improvements, and debt service. Property taxes consist of ad valorem taxes on real and personal property within the District. Property values are determined by the Santa Rosa County Property Appraiser, and property taxes are collected by the Santa Rosa County Tax Collector.

The Board adopted the 2018 tax levy on September 10, 2018. Tax bills are mailed in October and taxes are payable between November 1 of the year assessed and March 31 of the following year at discounts of up to four percent for early payment.

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

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

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

**4. Capital Outlay Surtax**

In March 2007, the voters of Santa Rosa County approved a one-half cent school capital outlay surtax on sales in the County for 10 years, effective October 1, 2008, to pay construction costs of certain school facilities and related costs in accordance with Section 212.055(6), Florida Statutes. In March 2017, Santa Rosa County voters opted to continue the one-half cent school capital outlay surtax on sales through December 31, 2028.

**5. Federal Revenue Sources**

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

**6. Compensated Absences**

In the government-wide financial statements, compensated absences (i.e., paid absences for employee vacation leave and sick leave) are accrued as liabilities to the extent that it is probable that the benefits will result in termination payments. A liability for these amounts is reported

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in the governmental fund financial statements only if it has matured, such as for occurrences of employee resignations and retirements. The liability for compensated absences includes salary-related benefits, where applicable.

**7. Proprietary Fund Operating and Nonoperating Revenue and Expenses**

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

**8. Use of Estimates**

The preparation of the financial statements in accordance with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**II. DETAILED NOTES ON ALL ACTIVITIES AND FUNDS**

**A. Cash Deposits with Financial Institutions**

Custodial Credit Risk - Deposits. In the case of deposits, this is the risk that in the event of a bank failure, the District's deposits may not be returned to it. The District does not have a policy for custodial credit risk. All bank balances of the District are fully insured or collateralized as required by Chapter 280, Florida Statutes.

Cash balances from all funds are combined and invested to the extent available. Earnings are allocated monthly to each fund balance on average daily balances.

**B. Investments**

As of June 30, 2019, the District had the following investments and maturities:

Investment	Maturities	Fair Value
SBA:		
Florida PRIME (1)	28 Day Average	\$ 38,119,128
Debt Service Accounts	6 Months	29,638
Total Investments, Primary Government		\$ 38,148,767

Notes: (1) These investments are reported as cash and cash equivalents for financial statement reporting purposes.

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- Fair Value Measurement

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs. The investments in the SBA Debt Service Accounts, totaling \$29,638 have a Level 1 fair value measurement.

- Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District's investment policy states that the highest priority shall be given to the safety and liquidity of funds. The policy limits the types of authorized investments as a means of managing the exposure to fair value losses from increasing interest rates.

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

For Florida PRIME, Section 218.409(8)(a), Florida Statutes, states that "the principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the executive director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board [State Board of Administration] can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the trustee, the Joint Legislative Auditing Committee, the Investment Advisory Council, and the Participant Local Government Advisory Council. The trustees shall convene an emergency meeting as soon as practicable from the time the executive director has instituted such measures and review the necessity of those measures. If the trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the executive director until the trustees are able to meet to review the necessity for the moratorium. If the trustees agree with such measures, the trustees shall vote to continue the measures for up to an additional 15 days. The trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the trustees exceed 15 days." As of June 30, 2019, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.

- Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. Section 218.415(17), Florida Statutes, limits investments to the SBA Florida

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PRIME, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act as provided in Section 163.01, Florida Statutes; Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency; investments in interest-bearing time deposits in qualified public depositories, as defined in Section 280.02, Florida Statutes; and direct obligations of the United States Treasury. The District's investment policy limits investments to funds placed in qualified public depositories, financial deposit instruments insured by the Federal Deposit Insurance Corporation, time deposits, securities of the United States Government (including obligations of the United States Treasury), and investment pools managed and directed by an approved agency of the State.

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

As of June 30, 2019, the District's investment in Florida PRIME is rated AAAM by Standard & Poor's.

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**C. Changes in Capital Assets**

Changes in capital assets for the year ended June 30, 2019 are shown below:

	Balance 7/1/2018	Additions	Deletions/ Transfers	Balance 6/30/2019
GOVERNMENTAL ACTIVITIES				
Capital Assets Not Being Depreciated:				
Land	\$ 8,120,462	\$ 89,377	\$ -	\$ 8,209,840
Land Improvements	6,076,281	219,875	9,971	6,286,185
Construction in Progress	886,992	2,195,717	442,112	2,640,598
Total Capital Assets Not Being Depreciated	15,083,736	2,504,970	452,083	17,136,623
Capital Assets Being Depreciated:				
Improvements Other than Buildings	27,963,433	2,511,817	422,761	30,052,489
Buildings and Fixed Equipment	384,663,670	8,209,368	1,421,069	391,451,969
Furniture, Fixtures, and Equipment	16,238,829	1,732,951	720,242	17,251,538
Motor Vehicles	3,763,852	682,018	732,257	3,713,613
Audio Visual Materials and Computer Software	3,970,864	11,948	431,513	3,551,299
Total Capital Assets Being Depreciated	436,600,649	13,148,102	3,727,843	446,020,908
Less Accumulated Depreciation for:				
Improvements Other than Buildings	18,099,106	1,013,014	364,695	18,747,425
Buildings and Fixed Equipment	143,912,079	8,975,473	1,287,014	151,600,537
Furniture, Fixtures, and Equipment	11,027,749	1,247,899	694,168	11,581,480
Motor Vehicles	2,845,562	158,320	703,132	2,300,750
Audio Visual Materials and Computer Software	3,790,873	40,712	431,513	3,400,072
Total Accumulated Depreciation	179,675,368	11,435,418	3,480,522	187,630,265
Total Capital Assets Being Depreciated, Net	256,925,280	1,712,684	247,320	258,390,644
Governmental Activities Capital Assets, Net	\$ 272,009,016	\$ 4,217,653	\$ 699,403	\$ 275,527,266

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Depreciation expense was charged to functions as follows:

<u>Function</u>	<u>Amount</u>
Instruction	\$ 289,861
Pupil Personnel Services	11,692
Instructional Media Services	4,289
Instruction and Curriculum Development	6,283
Instructional Staff Training	12,095
Instruction Related Technology	501,099
General Administration	409
School Administration	5,040
Fiscal Services	2,052
Food Services	71,707
Central Services	26,425
Pupil Transportation Services	9,499
Operation of Plant	8,313
Maintenance of Plant	893,366
Administrative Technology Services	79,380
Community Services	17,610
Unallocated	<u>9,496,297</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 11,435,418</u>

**D. Retirement Plans**

**Florida Retirement System (FRS) – Defined Benefit Pension Plans**

**General Information about the FRS**

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

Essentially all regular employees of the District are eligible to enroll as members of the State-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapter 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action from the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of two cost-sharing

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multiple-employer defined benefit plans and other nonintegrated programs. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information, is available from the Florida Department of Management Services' web site ([www.dms.myflorida.com](http://www.dms.myflorida.com)).

The District's FRS and HIS pension expense totaled \$16,731,833 for the fiscal year ended June 30, 2019.

**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.

Employees enrolled in the Plan prior to July 1, 2011, vest at 6 years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at 8 years of creditable service. All vested members enrolled prior to July 1, 2011 are eligible for normal retirement benefits at age 62 or at any age after 30 years of service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service. Employees enrolled in the Plan may include up to 4 years of credit for military service toward creditable service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

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 5 highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the 8

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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 table shows the percentage value for each year of service credit earned:

**Class, Initial Enrollment, and Retirement Age/Years of Service      Percent Value**

**Regular Class members initially enrolled before July 1, 2011**

Retirement up to age 62 or up to 30 years of service	1.60
Retirement at age 63 or with 31 years of service	1.63
Retirement at age 64 or with 32 years of service	1.65
Retirement at age 65 or with 33 or more years of service	1.68

**Regular Class members initially enrolled on or after July 1, 2011**

Retirement up to age 65 or up to 33 years of service	1.60
Retirement at age 66 or with 34 years of service	1.63
Retirement at age 67 or with 35 years of service	1.65
Retirement at age 68 or with 36 or more years of service	1.68

<b>Elected County Officers</b>	<b>3.00</b>
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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.

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

<u>Class or Plan</u>	<u>Percent of Gross Salary</u>	
	<u>Employee</u>	<u>Employer (1)</u>
FRS, Regular	3.00	8.26
FRS, Elected County Officers	3.00	48.70
DROP - Applicable to Members from All of the Above Classes	0.00	14.03
FRS, Reemployed Retiree	▼ (2)	▼ (2)

Notes: ▼ (1) Employer rates include 1.66 percent for the postemployment health insurance subsidy. Also, employer rates, other than for DROP participants, include 0.06 percent for administrative costs of the Investment Plan.

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

The District's contributions including employee contributions to the Plan totaled \$8,542,600 for the fiscal year ended June 30, 2019.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2019, the District reported a liability of \$82,114,081 for its proportionate share of the Plan's net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. The District's proportionate share of the net pension liability was based on the District's 2017-2018 fiscal year contributions relative to the 2017-2018 fiscal year contributions of all participating members. At June 30, 2018, the District's proportionate share was 0.27262 percent, which was an increase of 0.00760 from its proportionate share measured as of June 30, 2017.

For the fiscal year ended June 30, 2019, the District recognized Plan pension expense of \$13,509,776 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:

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Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 6,956,297	\$ 252,481
Change of assumptions	26,830,888	-
Net difference between projected and actual earnings on FRS pension plan investments	-	6,344,314
Changes in proportion and differences between District FRS contributions and proportionate share of contributions	1,249,301	3,166,919
District FRS contributions subsequent to the measurement date	8,542,600	-
<b>Total</b>	<b>\$ 43,579,086</b>	<b>\$ 9,763,714</b>

The deferred outflows of resources related to pensions resulting from District contributions to the Plan subsequent to the measurement date, totaling \$8,542,600, will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30	Amount
2020	\$ 9,791,735
2021	6,682,452
2022	931,730
2023	4,449,638
2024	2,975,291
Thereafter	441,926
<b>Total</b>	<b>\$ 25,272,772</b>

Actuarial Assumptions. The total pension liability in the July 1, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60 percent
Salary Increases	3.25 percent, average, including inflation
Investment rate of return	7.00 percent, net of pension plan investment expense, including inflation

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

The actuarial assumptions used in the July 1, 2018, valuation were based on the results of an actuarial experience study for the period July 1, 2008, through June 30, 2013.

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

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	2.9%	2.9%	1.8%
Fixed Income	18.0%	4.4%	4.3%	4.0%
Global Equity	54.0%	7.6%	6.3%	17.0%
Real Estate (Property)	11.0%	6.6%	6.0%	11.3%
Private Equity	10.0%	10.7%	7.8%	26.5%
Strategic Investments	6.0%	6.0%	5.7%	8.6%
<b>Total</b>	<b>100.00%</b>			
Assumed inflation - Mean			2.6%	1.9%

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

**Discount Rate.** The discount rate used to measure the total pension liability was 7.00 percent. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. The discount rate used in the 2018 valuation was updated from 7.10 percent to 7.00 percent.

**Sensitivity of the District's Proportionate Share of the Net Position Liability to Changes in the Discount Rate.** The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.00 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (6.00 percent) or 1 percentage-point higher (8.00 percent) than the current rate:

	1% Decrease (6.00%)	Current Discount Rate (7.00%)	1% Increase (8.00%)
District's proportionate share of the net pension liability	\$149,861,641	\$82,114,081	\$25,845,726

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*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 Florida Department of Management Services, Division of Retirement.

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

*Contributions.* The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended June 30, 2019, the contribution rate was 1.66 percent of payroll pursuant to section 112.363, Florida Statutes. The District contributed 100 percent of its statutorily required contributions for the current and preceding 3 years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

The District's contributions to the HIS Plan totaled \$2,239,079 for the fiscal year June 30, 2019.

*Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.* At June 30, 2019, the District reported a net pension liability of \$41,594,028 for its proportionate share of the HIS Plan's net pension liability. The current portion of the new pension liability is the District's proportionate share of benefit payments expected to be paid within 1 year, net of the District's proportionate share of the pension plan's fiduciary net position available to pay that amount. The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. The District's proportionate share of the net pension liability was based on the District's 2017-18 fiscal year contributions relative to the total 2017-18 fiscal year contributions of all participating members. At June 30, 2018, the District's proportionate share was 0.39299 percent, which was an increase of 0.01434 from its proportionate share measured as of June 30, 2017.

For the fiscal year ended June 30, 2019, the District recognized the HIS pension expense of \$3,222,059.

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In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 636,786	\$ 70,667
Change of assumptions	4,625,770	4,397,668
Net difference between projected and actual earnings on HIS pension plan investments	25,107	-
Changes in proportion and differences between District HIS contributions and proportionate share of HIS contributions	2,346,281	1,589,288
District contributions subsequent to the measurement date	2,239,079	-
<b>Total</b>	<b>\$ 9,873,023</b>	<b>\$ 6,057,623</b>

The deferred outflows of resources related to pensions resulting from District contributions to the HIS Plan subsequent to the measurement date, totaling \$2,239,079, will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2020. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30	Amount
2020	\$ 1,100,932
2021	1,096,860
2022	768,425
2023	172,592
2024	(1,071,325)
Thereafter	(491,164)
<b>Total</b>	<b>\$ 1,576,321</b>

Actuarial Assumptions. The total pension liability in the July 1, 2018 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.60 percent
Salary increases	3.25 percent, average, including inflation
Municipal bond rate	3.87 percent

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

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

*Discount Rate.* The discount rate used to measure the total pension liability was 3.87 percent. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index. The discount rate changed from 3.58 percent to 3.87 percent.

*Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate.* The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 3.87 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1 percentage-point lower (2.87 percent) or 1 percentage-point higher (4.87) than the current rate:

	1% Decrease (2.87%)	Current Discount Rate (3.87%)	1% Increase (4.87%)
District's proportionate share of			
the net pension liability	\$47,373,161	\$41,594,028	\$36,776,786

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

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

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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. 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 plan members. Allocations to the Investment Plan members' accounts during the 2018-2019 fiscal year were as follows:

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

For all membership classes, employees are immediately vested in their own contributions and are vested after 1 year of service for employer contributions and investment earnings, regardless of membership class. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the 5-year period, the employee will regain control over their account. If the employee does not return within the 5-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2019, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the District.

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

The District's Investment Plan pension expense totaled \$3,057,542 for the fiscal year ended June 30, 2019.

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**E. Other Postemployment Benefit Obligations**

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

**Plan Description.** The Other Postemployment Benefits Plan (OPEB Plan) is a single-employer defined benefit plan administered by the District. Pursuant to the provisions of Section 112.0801, Florida Statutes, employees who retire from the District are eligible to participate in the District's health and hospitalization plan for medical, prescription drug, dental, and life insurance coverage. The District subsidizes the premium rates paid by retirees by allowing them to participate in the OPEB Plan at reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the OPEB Plan on average than those of active employees. The District does not offer any explicit subsidies for retiree coverage. Retirees are assumed to enroll in the Federal Medicare program for their primary coverage as soon as they are eligible. The OPEB Plan does not issue a stand-alone report, and it is not included in the report of a public employee retirement system or another entity. No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

**Benefits Provided.** All employees of the District who retiree qualifying and eligible for retirement under the Florida Retirement System are also eligible to continue their participation in the medical health insurance plans and dental plans offered by the District. Additionally, employees must be covered under the medical plan or dental plan as an active employee immediately prior to retirement. The post-employment benefits provided are the same health insurance plans and dental plans as those provided for active employees. Vision is not available to retirees. Spouses and dependents of eligible retirees are also eligible for medical coverage and dental coverage. Retirees may elect life insurance coverage of \$10,000 at a flat monthly fee of \$23.00.

Retirees participating in the group medical and dental insurance plans offered by the District are required to contribute 100% of the active premiums. An employer-provided implicit subsidy for the group medical plan may exist for these retirees and their covered dependents. The projected premiums for the dental and life insurance benefits are assumed to cover the entire cost of the program.

**Employees Covered by Benefit Terms.** As of June 30, 2017, the following employees were covered by the benefit terms:

Inactive members currently receiving benefits	323
Active members	<u>2,617</u>
Total	<u>2,940</u>

**Total OPEB Liability.** The District's total OPEB liability of \$19,330,478 was measured as of June 30, 2018. The measurement period for the OPEB expense was July 1, 2017 to June 30, 2018. The reporting period is July 1, 2018 through June 30, 2019. The District's total OPEB liability for the ledger adjustment was measured as of June 30, 2018.

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**Actuarial Assumptions and Other Inputs.** The total OPEB liability was determined by an actuarial valuation as of June 30, 2017, updated to June 30, 2018, using the following actuarial assumptions:

Inflation Rate	2.50%
Salary Increase Rate(s)	4.00%
Discount Rate	3.87%
Initial Trend Rate	8.50%
Ultimate Trend Rate	4.00%
Years to Ultimate	55

All mortality rates were based on the RP-2000 mortality tables.

For female lives, 100% of the annuitant white-collar table was used. For male (non-special risk) lives, a 50% annuitant white collar table, 50% annuitant blue collar table blend was used. For male special risk lives, a 10% annuitant white collar table, 90% annuitant blue collar table blend was used. All tables include fully generational adjustments for mortality improvements using improvement scale BB.

For disabled female (non-special risk) lives, 100% of the disabled female table was used, set forward two years. For disabled female special risk lives, a 60% disabled female table, 40% annuitant white collar table with no setback blend was used. For disabled male (non-special risk) lives, 100% of the disabled male table was used, set back four years. For disabled male special risk lives, a 60% disabled male table, 40% annuitant white collar table with no setback blend was used. Disabled mortality has not been adjusted for mortality improvements.

Given the District's decision not to fund the program, all future benefit payments were discounted using a high quality municipal bond rate of 3.87 percent. The high quality municipal bond rate was based on the week closest but not later than the measurement date of the Bond Buyer 20-Bond Index as published by the Federal Reserve. The 20-Bond Index consists of 20 general obligation bonds that mature in 20 years. The average rating of the 20 bonds is roughly equivalent to Moody's Investors Service's Aa2 rating and Standard & Poor's AA.

**Changes in Total OPEB Liability.** The following table illustrates the total OPEB liability under GASB 75:

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	Increase (Decrease)
	Net OPEB Liability
Reporting Period Ending June 30, 2018	\$19,330,478
Changes for the Year:	
Service cost	1,310,422
Interest	725,422
Changes of assumptions	(493,690)
Benefit payments	(762,097)
<b>Net Changes</b>	<b>780,057</b>
Reporting Period Ending June 30, 2019	\$20,110,535

Changes in assumptions reflect a change in the discount rate from 3.58% for the reporting period ended June 30, 2018, to 3.87% for the reporting period ended June 30, 2019.

**Interest Rate Sensitivity.** The following table illustrates the impact of interest rate sensitivity on the Total OPEB Liability for the fiscal year ended June 30, 2019:

	1% Decrease (2.87%)	Current Discount Rate (3.87%)	1% Increase (4.87%)
Total OPEB Liability (asset)	\$ 21,866,555	\$ 20,110,535	\$ 18,503,219

**Healthcare Cost Trend Sensitivity.** The following table illustrates the impact of healthcare cost trend sensitivity on the Total OPEB Liability for the fiscal year ended June 30, 2019:

	1% Decrease (3%-7.5%)	Current Trend (4%-8.5%)	1% Increase (5%-9.5%)
Total OPEB Liability (asset)	\$ 17,802,075	\$ 20,110,535	\$ 22,830,528

**OPEB Expense and Deferred Outflows/Inflows of Resources.** For the year ended June 30, 2019, the District recognized OPEB expense of \$1,843,651. At June 30, 2019, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change of assumptions	\$ -	\$ 1,400,205
Employer contributions subsequent to the measurement date	830,375	-
<b>Total</b>	<b>\$ 830,375</b>	<b>\$ 1,400,205</b>

The \$830,375 reported as deferred outflows of resources related to contributions subsequent to the measurement date will be recognized as a reduction of the net OPEB liability during the fiscal year ending June 30, 2021. Amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

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Year ended June 30:

2020	\$ (192,193)
2021	\$ (192,193)
2022	\$ (192,193)
2023	\$ (192,193)
2024	\$ (192,193)
Thereafter	\$ (439,240)

**F. Construction and Other Significant Commitments**

**Construction Contracts.** The following is a schedule of major construction contract commitments at June 30, 2019:

<u>Project</u>	<u>Contract Amount</u>	<u>Completed to Date</u>	<u>Balance Committed</u>
Jay Elementary - Classroom Additions & Parking Lot Renovation	\$ 2,460,398	\$ 1,371,050	\$ 1,089,348
King Middle - HVAC Renovation	1,904,088	1,189,451	714,637
Pace High - Softball Fieldhouse	786,768	260,474	526,294
New South End K-8 School	3,131,159	1,752,601	1,378,558
	<u>\$ 8,282,413</u>	<u>\$ 4,573,576</u>	<u>\$ 3,708,837</u>

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

The following is a schedule of encumbrances at June 30, 2019:

<u>Major Funds</u>					
<u>General</u>	<u>Capital Projects - Local Capital Improvement</u>	<u>Capital Projects - Other</u>	<u>Special Revenue - Food Service</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
<u>\$ 629,247</u>	<u>\$ 196,296</u>	<u>\$ 4,411,794</u>	<u>\$ 728,417</u>	<u>\$ 130,634</u>	<u>\$ 6,096,388</u>

**G. Risk Management Programs**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The District limits its exposure to these risks through its membership in the Florida School Board Insurance Trust (Trust). The Trust is a self-insurance fund of Florida school boards established under the authority set forth in Section 1001.42, Florida Statutes, and was established for the purpose of pooling certain exposures (e.g. property, casualty, and workers' compensation) of participating districts. If a participating district withdraws or terminates participation in the Trust, and its claims exceed loss fund contributions from premiums paid, the Trust may request additional funds or return the open claims to that district. Through its participation in the Trust, the District has acquired various types

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of insurance coverage including property, general and automotive liability, workers' compensation, errors and omissions, employee benefits liability, boiler and machinery, crime, special events, pollution, legal liability, school crisis risk, and cyber liability coverage. Catastrophic student accident, flood and storage tank liability insurance are provided through purchased commercial insurance.

The District provides self-insured employee health and hospitalization coverage. The District entered into an agreement with a stop loss insurance company to provide specific excess coverage of claim amounts above \$150,000 on an individual claim basis and aggregate excess coverage of approximately \$1.4 million. Aggregate excess coverage is paid out when total claims annually, minus specific excess coverage, exceed 100% of the overall variable claims cost. The District has contracted with an insurance administrator to administer these self-insurance programs, including the processing, investigating, and payment of claims. A liability in the amount of \$2,284,459 was actuarially determined to cover the estimated incurred but not reported insurance claims payable at June 30, 2019.

Dental, vision, long-term disability, and life insurance coverage are provided through commercial insurance.

Prior to July 1, 1997, the District was self-insured for worker's compensation exposures up to specified limits. At June 30, 2019, a liability in the amount of \$173,860 was recorded to cover future claims payments relating to this former self-insurance program.

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

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

<u>Fiscal Year</u>	<u>Beginning-of-Fiscal-Year Liability</u>	<u>Current-Year Claims and Changes in Estimates</u>	<u>Claims Payments</u>	<u>Balance at Fiscal Year-End</u>
Workers Compensation:				
2017-18	\$ 239,444	\$ (37,758)	\$ -	\$ 201,686
2018-19	201,686	(27,826)	-	173,860
Employee Health:				
2017-18	\$ 2,100,253	\$ (13,815,064)	\$ 13,690,298	\$ 1,975,487
2018-19	1,975,487	(12,692,630)	13,001,601	2,284,459

## H. Long-Term Liabilities

### 1. Certificates of Participation

The District has entered into financing arrangements with the Leasing Corporation, pursuant to which the District has authorized several certificates of participation debt issues,

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characterized as lease-purchase agreements. The following schedule describes the status of these issues at June 30, 2019:

Series	Original Amount	Principal Paid to Date	Principal Refunded	Refunded by Series	Balance
2006-2	\$18,870,000	\$2,720,000	\$16,150,000	2014	\$ -
2009	12,585,000	9,100,000			3,485,000
2014	20,520,000	2,760,000			17,760,000
Total					<u>\$21,245,000</u>

As a condition of the financing arrangement, the District has given ground leases on District property to the Leasing Corporation. The ground lease on the properties associated with the Series 2006 Certificates ends on the earlier of (a) the date on which the 2006 Certificates and any series of certificates refunding the Series 2006 Certificates have been paid in full or provision for their payment has been made, or (b) 10 years from the final maturity of the Series 2006 Certificates and any series of certificates refunding the Series 2006 Certificates. It is not expected that the ground lease term with respect to the properties associated with the Series 2006 Certificates will exceed April 13, 2046. The lease payments are payable by the District semiannually, on February 1 and August 1 at interest rates of 4.34 percent for the Series 2006-1 and 4.25 percent to 5.25 percent for the Series 2006-2 Certificates.

The ground lease on the properties associated with the Series 2009 Certificates ends on the earlier of (a) the date on which the Series 2009 Certificates have been paid in full or provision for their payment has been made, or (b) 10 years from the final maturity date of the Series 2009 Certificates and any series of certificates refunding the Series 2009 Certificates. The lease payments are payable by the District semiannually, on February 1 and August 1 at interest rates of 4.11 percent for the Series 2009 Certificates.

The ground lease on the properties associated with the Series 2014 Certificates ends on the earlier of (a) the date on which the Series 2014 Certificates have been paid in full or provision for their payment has been made, or (b) 10 years from the final maturity date of the Series 2014 Certificates and any series of certificates refunding the Series 2014 Certificates. It is not expected that the ground lease term with respect to the properties associated with the Series 2014 Certificates will exceed February 01, 2031. The lease payments are payable by the District semiannually, on February 1 and August 1 at interest rates ranging from 2 percent to 5 percent for the Series 2014 Certificates. The Series 2014 Certificates were issued to refund the Refunded Certificates and thereby refinance a portion of the cost of acquisition, construction and installation of the Consolidated 2006 Project as well as to pay costs associated with the issuance of the Series 2014 Certificates.

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The properties covered by the ground leases are, together with the improvements constructed thereon from the financing proceeds, leased back to the District. If the District fails to renew the leases and to provide for the rent payments through to term, the master lease-purchase agreement provides for several remedies that are available to the Leasing Corporation.

The District properties included in the ground leases under these arrangements include:

Series 2006 (as amended) and 2014:

- Navarre High School – Gymnasium, Classrooms and Maintenance Building
- Navarre High School – Cafeteria Expansion, Fieldhouse and North Wing Addition
- Thomas L. Sims Middle School – Classroom Spaces and Accoutrements
- Bennett C. Russell Elementary School
- Woodlawn Beach Middle School – Classroom Additions

Series 2009:

- Jay High School – Improvements
- Central High School – Improvements

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

<u>Fiscal Year Ending June 30</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2020	\$ 3,141,784	2,205,000	936,784
2021	3,142,924	2,310,000	832,924
2022	3,114,571	2,390,000	724,571
2023	1,334,204	685,000	649,204
2024	2,137,175	1,555,000	582,175
2025-2029	10,648,625	9,015,000	1,633,625
2030-2031	3,161,275	3,085,000	76,275
Total Minimum Lease Payments	\$ 26,680,557	\$ 21,245,000	\$ 5,435,557
Plus: Unamortized Premium	<u>1,657,654</u>	<u>1,657,654</u>	<u>-</u>
Total Certificates of Participation	<u>\$ 28,338,211</u>	<u>\$ 22,902,654</u>	<u>\$ 5,435,557</u>

## 2. Bonds Payable

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

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<u>Bond Type</u>	<u>Amount Outstanding</u>	<u>Interest Rates (Percent)</u>	<u>Annual Maturity To</u>
State School Bonds:			
Series 2010A	825,000	3.5 - 5	2030
Series 2011A, Refunding	185,000	3 - 5	2023
Series 2014A, Refunding	201,000	3 - 5	2025
Series 2014B, Refunding	13,000	2 - 5	2020
Series 2017A, Refunding	137,000	5	2026
 Bonds Payable	 1,361,000		
Plus: Unamortized Premium	<u>150,690</u>		
 <b>Total Bonds Payable</b>	 <u><b>\$ 1,511,690</b></u>		

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

➤ State School Bonds

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

➤ District Revenue Bonds

These bonds are authorized by Chapter 73-616, Laws of Florida, which provides that the bonds be secured from the pari-mutuel tax proceeds distributed annually to the District from the State's Pari-Mutuel Tax Collection Trust Fund pursuant to Chapter 550, Florida Statutes (effective July 1, 2000, tax proceeds are distributed pursuant to Section 212.20(6)(d)7.a., Florida Statutes (2001), now Section 212.20(6)(d)6.a., Florida Statutes). The annual distribution is remitted by the Florida Department of Financial Services to the District. As required by the bond resolution, the District established the sinking fund and reserve account and has accumulated and maintained adequate resources in the sinking fund and reserve account.

During the 2018-19 fiscal year, the District recognized pari-mutuel tax revenues totaling \$223,250. The debt of the pledged pari-mutuel tax revenues matured in a previous year.

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

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<u>Fiscal Year Ending June 30</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
State School Bonds:			
2020	\$ 207,155	149,000	58,155
2021	200,095	149,000	51,095
2022	206,645	163,000	43,645
2023	208,495	172,000	36,495
2024	160,545	131,000	29,545
2025-2029	677,095	597,000	80,095
<b>Total State School Bonds</b>	<b>\$ 1,660,030</b>	<b>\$ 1,361,000</b>	<b>\$ 299,030</b>

### 3. Changes in Long-Term Liabilities

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

<u>Description</u>	<u>Beginning Balance</u>	<u>Additions</u>	<u>Deductions</u>	<u>Ending Balance</u>	<u>Due In One Year</u>
<b>GOVERNMENTAL ACTIVITIES</b>					
Certificates of Participation Payable	\$ 28,555,000	\$ -	\$ 7,310,000	\$ 21,245,000	\$ 2,205,000
Unamortized Premium on Certificates	1,974,227	-	316,574	1,657,654	-
Total Certificates of Participation Payable	30,529,227	-	7,626,574	22,902,654	2,205,000
Bonds Payable	1,545,000	-	184,000	1,361,000	149,000
Unamortized Premium on Bonds	186,098	-	35,408	150,690	-
Total Bonds Payable	1,731,098	-	219,408	1,511,690	149,000
Estimated Insurance Claims Payable	-	1,656,000	1,656,000	-	-
Compensated Absences Payable	19,960,333	7,508,479	7,293,894	20,174,918	5,804,502
Net Pension Liability	118,876,428	69,805,764	64,974,082	123,708,109	-
Other Postemployment Benefits Payable	19,330,478	2,035,844	1,255,787	20,110,535	-
<b>Total Governmental Activities</b>	<b>\$ 190,427,563</b>	<b>\$ 79,350,086</b>	<b>\$ 81,369,743</b>	<b>\$ 188,407,906</b>	<b>\$ 8,158,501</b>

For the governmental activities, compensated absences and postemployment benefits are generally liquidated with resources of the General Fund. The estimated insurance claims are generally liquidated with the resources of the internal service funds.

### I. Fund Balance Reporting

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

- **Nonspendable Fund Balance.** Nonspendable fund balance is the net current financial resources that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Generally, not in spendable form means that an item is not expected to be converted to cash.

**Restricted Fund Balance.** Restricted fund balance is the portion of fund balance on which constraints have been placed by creditors, grantors, contributors, laws or

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regulations of other governments, constitutional provisions, or enabling legislation. Restricted fund balance places the most binding level of constraint on the use of fund balance.

- **Unassigned Fund Balance.** The unassigned fund balance is the portion of fund balance that is the residual classification for the General Fund. This balance represents amounts that have not been assigned to other funds and that have not been restricted, omitted, or assigned for specific purposes.

**J. Revenues**

**1. Schedule of State Revenue Sources**

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

<u>Sources</u>	<u>Amount</u>
Florida Education Finance Program	\$ 122,719,169
Categorical Educational Program - Class Size Reduction	29,888,638
Florida Best and Brightest Scholarship Program	4,312,783
Workforce Development Program	2,196,272
Motor Vehicle License Tax (Capital Outlay and Debt Service)	1,081,481
School Recognition	882,682
Voluntary Prekindergarten Program	460,628
Gross Receipts Tax (Public Education Capital Outlay)	428,734
Food Service Supplement	113,843
Charter School Capital Outlay	106,179
Discretionary Lottery Funds	94,224
Mobile Home License Tax	32,219
Miscellaneous	1,474,705
<b>Total</b>	<b>\$ 163,791,557</b>

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

**2. Property Taxes**

The following is a summary of millages and taxes levied on the 2018 tax roll for the 2018-19 fiscal year:

	<u>Millages</u>	<u>Taxes Levied</u>
<b><u>General Fund</u></b>		
Nonvoted School Tax:		
Required Local Effort	4.151	\$ 44,486,648
Basic Discretionary Local Effort	0.748	8,016,385
<b><u>Capital Projects Funds</u></b>		
Nonvoted Tax:		
Local Capital Improvements	1.400	15,003,929
<b>Total</b>	<b>6.299</b>	<b>\$ 67,506,962</b>

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**K. Interfund Transfers**

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

<u>Funds</u>	<u>Interfund</u>	
	<u>Transfers In</u>	<u>Transfers Out</u>
Major:		
General	\$ 7,274,869	\$ 254,307
Capital Projects:		
Local Capital Improvement	-	11,726,722
Other	-	1,920,975
Nonmajor Governmental	8,800,396	-
Internal Service	-	2,173,261
<b>Total</b>	<b>\$ 16,075,265</b>	<b>\$ 16,075,265</b>

The District made transfers to the General Fund to cover payments on the student transportation contract, pay for certain property and casualty insurance premiums, cover payments for computer upgrades, to facilitate the transfer of State funds to its charter schools, to pay for health insurance increases, and to pay for network infrastructure. The District made transfers to the nonmajor governmental funds to facilitate debt service payments on certificates of participation and to cover the District's portion of Reserve Officer Training Corps.

**III. SUBSEQUENT EVENTS**

The District is building a new K-8 school in the South-end of Santa Rosa County. A Series 2019 Certificate of Participation in the amount of \$30,275,000 will be secured in the upcoming fiscal year to finance the building of this new school.

In May 2019, the District entered into an agreement with Focus School Software to provide Enterprise Resources Planning (ERP) with a go live date of January 01, 2020.

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Schedule of Changes in the District's Total OPEB Liability and Related Ratios

Reporting period ending	6/30/2019	6/30/2018
Measurement date	6/30/2018	6/30/2017
<b>Total OPEB Liability</b>		
Service cost	\$ 1,310,422	\$ 1,424,253
Interest	725,422	579,681
Changes of assumptions or other inputs	(493,690)	(1,236,047)
Benefit payments	(762,097)	(700,779)
Net change in Total OPEB Liability	780,057	67,108
Total OPEB Liability - Beginning	19,330,478	19,263,370
Total OPEB Liability - Ending	<u>\$ 20,110,535</u>	<u>\$ 19,330,478</u>
 Covered Employee Payroll (Projected)	 \$ 117,750,176	 \$ 108,866,657
 Total OPEB Liability as a Percentage of Covered Employee Payroll	 17.08%	 17.76%

**Notes to Schedule:**

Covered employee payroll was projected two years forward from the valuation date for the reporting period ending June 30, 2019.

Changes of assumptions and other inputs reflect the effects of changes in the discount rate each period. The following are the discount rates used in each period:

Fiscal Year Ending June 30, 2019:	3.87%
Fiscal Year Ending June 30, 2018:	3.58%
Fiscal Year Ending June 30, 2017:	2.85%

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**Schedule of the District's Proportionate Share  
of the Net Pension Liability -  
Florida Retirement System Pension Plan (1)**

	2018	2017	2016	2015	2014	2013
District's proportion of the FRS net pension liability	0.272618418%	0.265014118%	0.283958872%	0.292741153%	0.301366557%	0.298403787%
District's proportion share of the FRS net pension liability	\$ 82,114,081	\$ 78,389,398	\$ 71,699,838	\$ 37,811,446	\$ 18,387,792	\$ 51,368,573
District's covered-employee payroll (2)	\$ 128,388,264	\$ 120,728,089	\$ 123,528,778	\$ 114,639,462	\$ 113,783,755	\$ 114,789,889
District's proportion share of the FRS net pension liability as a percentage of its covered employee payroll	63.96%	64.93%	58.04%	32.98%	16.16%	44.75%
FRS Plan fiduciary net position as a percentage of the total pension liability	84.26%	83.89%	84.88%	92.00%	96.09%	88.54%

Notes: (1) The amounts presented were determined as of June 30.

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

**Schedule of District Contributions -  
Florida Retirement System Pension Plan (1)**

	2019	2018	2017	2016	2015	2014
Contractually required FRS contribution	\$ 8,542,600	\$ 7,769,406	\$ 6,898,970	\$ 6,924,790	\$ 7,137,278	\$ 6,601,206
FRS contributions in relation to the contractually required contribution	\$ (8,542,600)	\$ (7,769,406)	\$ (6,898,970)	\$ (6,924,790)	\$ (7,137,278)	\$ (6,601,206)
FRS contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered employee payroll (2)	\$ 134,938,347	\$ 128,388,264	\$ 120,728,089	\$ 123,528,778	\$ 114,639,462	\$ 113,783,755
FRS contributions as a percentage of covered employee payroll	6.33%	6.05%	5.71%	5.61%	6.23%	5.80%

Notes: (1) The amounts presented were determined as of June 30.

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

**Schedule of the District's Proportionate Share  
of Net Pension Liability -  
Health Insurance Subsidy Pension Plan (1)**

	2018	2017	2016	2015	2014	2013
District's proportion of the HIS net pension liability	0.392985516%	0.378650229%	0.397840722%	0.377837200%	0.382950949%	0.383693682%
District's proportion share of the HIS net pension liability	\$ 41,594,028	\$ 40,487,029	\$ 46,366,688	\$ 38,533,451	\$ 35,806,848	\$ 33,405,580
District's covered employee payroll (2)	\$ 128,388,264	\$ 120,728,089	\$ 123,528,778	\$ 114,639,462	\$ 113,783,755	\$ 114,789,889
District's proportion share of the HIS net pension liability as a percentage of its covered employee payroll	32.40%	33.54%	37.54%	33.61%	31.47%	29.10%
HIS Plan fiduciary net position as a percentage of the total pension liability	2.15%	1.64%	0.97%	0.50%	0.99%	1.78%

Notes: (1) The amounts presented were determined as of June 30.

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

**Schedule of District Contributions -  
Health Insurance Subsidy Pension Plan (1)**

	2019	2018	2017	2016	2015	2014
Contractually required HIS contribution	\$ 2,239,079	\$ 2,131,170	\$ 2,003,926	\$ 2,039,187	\$ 1,444,329	\$ 1,311,861
HIS contributions in relation to the contractually required contribution	\$ (2,239,079)	\$ (2,131,170)	\$ (2,003,926)	\$ (2,039,187)	\$ (1,444,329)	\$ (1,311,861)
HIS contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
District's covered employee payroll (2)	\$ 134,938,347	\$ 128,388,264	\$ 120,728,089	\$ 123,528,778	\$ 114,639,462	\$ 113,783,755
HIS contributions as a percentage of covered employee payroll	1.66%	1.66%	1.66%	1.65%	1.26%	1.15%

Notes: (1) The amounts presented were determined as of June 30.

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

**DISTRICT SCHOOL BOARD OF SANTA ROSA COUNTY**  
**OTHER REQUIRED SUPPLEMENTARY INFORMATION**  
**For the Fiscal Year Ended June 30, 2019**

Schedule of Changes in the District's Total OPEB Liability and Related Ratios

Reporting period ending	6/30/2019	6/30/2018
Measurement date	6/30/2018	6/30/2017
<b>Total OPEB Liability</b>		
Service cost	\$ 1,310,422	\$ 1,424,253
Interest	725,422	579,681
Changes of assumptions or other inputs	(493,690)	(1,236,047)
Benefit payments	(762,097)	(700,779)
Net change in Total OPEB Liability	780,057	67,108
Total OPEB Liability - Beginning	19,330,478	19,263,370
Total OPEB Liability - Ending	<u>\$ 20,110,535</u>	<u>\$ 19,330,478</u>
 Covered Employee Payroll (Projected)	 \$ 117,750,176	 \$ 108,866,657
 Total OPEB Liability as a Percentage of Covered Employee Payroll	 17.08%	 17.76%

**DISTRICT SCHOOL BOARD OF SANTA ROSA COUNTY**  
**NOTES TO REQUIRED SUPPLEMENTARY INFORMATION**  
**For the Fiscal Year Ended June 30, 2019**

**BUDGETARY BASIS OF ACCOUNTING**

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

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

Appropriations are controlled at the object level (e.g., salaries, purchased services, and capital outlay) within each activity (e.g., instruction, pupil personnel services, and school administration) and may be amended by resolution at any Board meeting prior to the due date for the annual financial report.

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

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

**SCHEDULE OF FUNDING PROGRESS - OTHER POSTEMPLOYMENT BENEFITS**

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits. The June 30, 2019 total OPEB liability increased from the prior fiscal year as a result of changes to benefits and assumptions as discussed below:

The GASB 75 discount rate as of the measurement date is 3.87 percent. The current GASB 75 discount rate is based on the 20-year municipal bond rate as of June 28, 2018. The total OPEB liability was measured as of the prior measurement date using a discount rate of 3.58 percent.

All other assumptions and provisions are those used in the actuarial valuation conducted as of June 30, 2017.

**DISTRICT SCHOOL BOARD OF SANTA ROSA COUNTY**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**For the Fiscal Year Ended June 30, 2019**

	Account Number	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
		Original	Final		
<b>REVENUES</b>					
Federal Direct	3100	560,130.05	882,930.86	882,930.86	0.00
Federal Through State and Local	3200	1,052,504.32	1,438,352.38	1,723,796.21	285,443.83
State Sources	3300	157,259,301.88	160,810,508.88	160,809,078.59	(1,430.29)
<i>Local Sources:</i>					
Property Taxes Levied, Tax Redemptions and Excess Fees for Operational Purposes	3411, 3421, 3423	50,111,563.86	50,380,901.20	50,388,335.18	7,433.98
Property Taxes Levied, Tax Redemptions and Excess Fees for Debt Service	3412, 3421, 3423			0.00	0.00
Property Taxes Levied, Tax Redemptions and Excess Fees for Capital Projects	3413, 3421, 3423			0.00	0.00
Local Sales Taxes	3418, 3419			0.00	0.00
Charges for Service - Food Service	345X			0.00	0.00
Impact Fees	3496			0.00	0.00
Other Local Revenue		3,341,404.41	5,353,170.76	5,458,956.23	105,785.47
Total Local Sources	3400	53,452,968.27	55,734,071.96	55,847,291.41	113,219.45
<b>Total Revenues</b>		212,324,904.52	218,865,864.08	219,263,097.07	397,232.99
<b>EXPENDITURES</b>					
<i>Current:</i>					
Instruction	5000	138,778,326.02	150,833,894.05	144,885,136.86	5,948,757.19
Student Support Services	6100	12,833,127.68	11,072,564.89	10,744,089.89	328,475.00
Instructional Media Services	6200	2,220,702.53	2,611,583.63	2,398,933.74	212,649.89
Instruction and Curriculum Development Services	6300	4,460,516.50	4,881,936.66	4,821,874.80	60,061.86
Instructional Staff Training Services	6400	2,533,746.55	3,147,830.52	2,563,717.66	584,112.86
Instruction-Related Technology	6500	5,693,659.93	5,819,479.24	5,003,398.60	816,080.64
Board	7100	744,601.36	671,565.27	625,466.42	46,098.85
General Administration	7200	873,418.70	910,198.04	903,647.20	6,550.84
School Administration	7300	14,156,640.52	15,787,144.75	15,377,484.29	409,660.46
Facilities Acquisition and Construction	7410	13,287.82	79,726.80	16,472.48	63,254.32
Fiscal Services	7500	1,305,301.61	1,304,584.34	1,266,682.69	37,901.65
Food Services	7600	0.00	0.00	0.00	0.00
Central Services	7700	2,675,446.24	2,792,270.73	2,638,017.11	154,253.62
Student Transportation Services	7800	14,007,205.04	14,268,940.53	14,163,735.20	105,205.33
Operation of Plant	7900	13,721,689.64	12,979,887.59	12,771,703.22	208,184.37
Maintenance of Plant	8100	4,127,372.31	4,105,370.22	4,078,149.49	27,220.73
Administrative Technology Services	8200	2,465,987.35	2,627,995.97	2,338,552.48	289,443.49
Community Services	9100	1,031,563.26	2,007,113.60	1,967,447.35	39,666.25
<i>Debt Service: (Function 9200)</i>					
Redemption of Principal	710			0.00	0.00
Interest	720			0.00	0.00
Due and Fees	730			0.00	0.00
Miscellaneous	790			0.00	0.00
<i>Capital Outlay:</i>					
Facilities Acquisition and Construction	7420		37,963.00	37,963.00	0.00
Other Capital Outlay	9300		1,238,469.04	1,238,469.04	0.00
<b>Total Expenditures</b>		221,642,593.06	237,178,518.87	227,840,941.52	9,337,577.35
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>		(9,317,688.54)	(18,312,654.79)	(8,577,844.45)	9,734,810.34
<b>OTHER FINANCING SOURCES (USES)</b>					
Issuance of Bonds	3710			0.00	0.00
Premium on Sale of Bonds	3791			0.00	0.00
Discount on Sale of Bonds	891			0.00	0.00
Proceeds of Lease-Purchase Agreements	3750			0.00	0.00
Premium on Lease-Purchase Agreements	3793			0.00	0.00
Discount on Lease-Purchase Agreements	893			0.00	0.00
Loans	3720			0.00	0.00
Sale of Capital Assets	3730			0.00	0.00
Loss Recoveries	3740	20,000.00	9,340.64	9,340.64	0.00
Proceeds of Forward Supply Contract	3760			0.00	0.00
Face Value of Refunding Bonds	3715			0.00	0.00
Premium on Refunding Bonds	3792			0.00	0.00
Discount on Refunding Bonds	892			0.00	0.00
Refunding Lease-Purchase Agreements	3755			0.00	0.00
Premium on Refunding Lease-Purchase Agreements	3794			0.00	0.00
Discount on Refunding Lease-Purchase Agreements	894			0.00	0.00
Payments to Refunding Escrow Agent (Function 9299)	760			0.00	0.00
Transfers In	3600	5,778,623.00	7,274,868.59	7,274,868.59	0.00
Transfers Out	9700	(276,901.00)	(254,306.54)	(254,306.54)	0.00
<b>Total Other Financing Sources (Uses)</b>		5,521,722.00	7,029,902.69	7,029,902.69	0.00
<b>SPECIAL ITEMS</b>				0.00	0.00
<b>EXTRAORDINARY ITEMS</b>				0.00	0.00
<b>Net Change in Fund Balances</b>		(3,795,966.54)	(11,282,752.10)	(1,547,941.76)	9,734,810.34
Fund Balances, July 1, 2018	2800	30,276,858.08	30,276,858.08	30,276,858.08	0.00
Adjustments to Fund Balances	2891			0.00	0.00
Fund Balances, June 30, 2019	2700	26,480,891.54	18,994,105.98	28,728,916.32	9,734,810.34

**DISTRICT SCHOOL BOARD OF SANTA ROSA COUNTY**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**MAJOR SPECIAL REVENUE FUNDS - FOOD SERVICES**  
**For the Fiscal Year Ended June 30, 2019**

	Account Number	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
		Original	Final		
<b>REVENUES</b>					
Federal Direct	3100			0.00	0.00
Federal Through State and Local	3200	7,328,090.00	7,328,090.00	7,879,361.77	551,271.77
State Sources	3300	109,451.00	109,451.00	113,843.00	4,392.00
<i>Local Sources:</i>					
Property Taxes Levied, Tax Redemptions and Excess Fees for Operational Purposes	3411, 3421, 3423			0.00	0.00
Property Taxes Levied, Tax Redemptions and Excess Fees for Debt Service	3412, 3421, 3423			0.00	0.00
Property Taxes Levied, Tax Redemptions and Excess Fees for Capital Projects	3413, 3421, 3423			0.00	0.00
Local Sales Taxes	3418, 3419			0.00	0.00
Charges for Service - Food Service	345X	4,229,594.00	4,229,594.00	4,670,413.01	440,819.01
Impact Fees	3496			0.00	0.00
Other Local Revenue		0.00	0.00	292,422.43	292,422.43
Total Local Sources	3400	4,229,594.00	4,229,594.00	4,962,835.44	733,241.44
<b>Total Revenues</b>		11,667,135.00	11,667,135.00	12,956,040.21	1,288,905.21
<b>EXPENDITURES</b>					
<i>Current:</i>					
Instruction	5000			0.00	0.00
Student Support Services	6100			0.00	0.00
Instructional Media Services	6200			0.00	0.00
Instruction and Curriculum Development Services	6300			0.00	0.00
Instructional Staff Training Services	6400			0.00	0.00
Instruction-Related Technology	6500			0.00	0.00
Board	7100			0.00	0.00
General Administration	7200			0.00	0.00
School Administration	7300			0.00	0.00
Facilities Acquisition and Construction	7410			0.00	0.00
Fiscal Services	7500			0.00	0.00
Food Services	7600	13,413,948.08	15,654,271.12	12,060,184.59	3,594,086.53
Central Services	7700			0.00	0.00
Student Transportation Services	7800			0.00	0.00
Operation of Plant	7900			0.00	0.00
Maintenance of Plant	8100			0.00	0.00
Administrative Technology Services	8200			0.00	0.00
Community Services	9100			0.00	0.00
<i>Debt Service: (Function 9200)</i>					
Redemption of Principal	710			0.00	0.00
Interest	720			0.00	0.00
Dues and Fees	730			0.00	0.00
Miscellaneous	790			0.00	0.00
<i>Capital Outlay:</i>					
Facilities Acquisition and Construction	7420			0.00	0.00
Other Capital Outlay	9300	1,000.00	1,000.00	379,564.08	(378,564.08)
<b>Total Expenditures</b>		13,414,948.08	15,655,271.12	12,439,748.67	3,215,522.45
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>		(1,747,813.08)	(3,988,136.12)	516,291.54	4,504,427.66
<b>OTHER FINANCING SOURCES (USES)</b>					
Issuance of Bonds	3710			0.00	0.00
Premium on Sale of Bonds	3791			0.00	0.00
Discount on Sale of Bonds	891			0.00	0.00
Proceeds of Lease-Purchase Agreements	3750			0.00	0.00
Premium on Lease-Purchase Agreements	3793			0.00	0.00
Discount on Lease-Purchase Agreements	893			0.00	0.00
Loans	3720			0.00	0.00
Sale of Capital Assets	3730			0.00	0.00
Loss Recoveries	3740			0.00	0.00
Proceeds of Forward Supply Contract	3760			0.00	0.00
Face Value of Refunding Bonds	3715			0.00	0.00
Premium on Refunding Bonds	3792			0.00	0.00
Discount on Refunding Bonds	892			0.00	0.00
Refunding Lease-Purchase Agreements	3755			0.00	0.00
Premium on Refunding Lease-Purchase Agreements	3794			0.00	0.00
Discount on Refunding Lease-Purchase Agreements	894			0.00	0.00
Payments to Refunding Escrow Agent (Function 9299)	760			0.00	0.00
Transfers In	3600	0.00	2,974.45	2,974.45	0.00
Transfers Out	9700			0.00	0.00
<b>Total Other Financing Sources (Uses)</b>		0.00	2,974.45	2,974.45	0.00
<b>SPECIAL ITEMS</b>				0.00	0.00
<b>EXTRAORDINARY ITEMS</b>				0.00	0.00
<b>Net Change in Fund Balances</b>		(1,747,813.08)	(3,985,161.67)	519,265.99	4,504,427.66
Fund Balances, July 1, 2018	2800	5,340,763.41	5,340,763.41	5,340,763.41	0.00
Adjustments to Fund Balances	2891			0.00	0.00
Fund Balances, June 30, 2019	2700	3,592,950.33	1,355,601.74	5,860,029.40	4,504,427.66

**SANTA ROSA COUNTY  
DISTRICT SCHOOL BOARD  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2019**

**I. BUDGETARY BASIS OF ACCOUNTING**

The Board follows procedures established by State law and State Board of Education (SBE) rules in establishing budget balances for governmental funds as described below:

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

**II. SCHEDULE OF CHANGES IN THE DISTRICT'S TOTAL OTHER  
POSTEMPLOYMENT BENEFITS LIABILITY AND RELATED RATIOS**

No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits. The June 30, 2019 total OPEB liability increased from the prior fiscal year as a result of changes to benefits and assumptions as discussed below:

- The GASB 75 discount rate as of the measurement date is 3.87 percent. The current GASB 75 discount rate is based on the 20-year municipal bond rate as of June 28, 2018. The total OPEB liability was measured as of the prior measurement date using a discount rate of 3.58 percent.
- All other assumptions and provisions are those used in the actuarial valuation conducted as of June 30, 2017.

**SANTA ROSA COUNTY  
DISTRICT SCHOOL BOARD  
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2019**

**III. SCHEDULE OF NET PENSION LIABILITY AND SCHEDULE OF  
CONTRIBUTIONS – FLORIDA RETIREMENT SYSTEM PENSION PLAN**

*Changes of Benefit Terms.* No changes in benefit terms.

*Changes of Assumptions.* The long-term expected rate of return was decreased from 7.10 percent to 7.00 percent, and the active member mortality assumption was updated.

**IV. SCHEDULE OF NET PENSION LIABILITY AND SCHEDULE OF  
CONTRIBUTIONS – HEALTH INSURANCE SUBSIDY PENSION PLAN**

*Changes of Benefit Terms.* No changes in benefit terms.

*Changes of Assumptions.* The municipal rate used to determine total pension liability was increased from 3.58 percent to 3.87 percent.

District School Board of Santa Rosa County  
Net Pension Liability (Account 2365) Balance as of June 30, 2019

	June 30, 2019
	<u>Account 2365 Balance</u>
Florida Retirement System - Share of Net Pension Liability	82,114,081
Health Insurance Subsidy Program - Share of Net Pension Liability	41,594,028
	<u>\$ 123,708,109</u>

I certify that, based on the entries published by the Florida Retirement System, the balance above may be incorporated in the Schedule of Long-Term Liabilities portion of the 2018-19 Form ESE 348, Report of Financial Data to the Commissioner of Education, by the Florida Department of Education's Office of Funding and Financial Reporting staff.

_____ Signature of Superintendent or Designee	September 10, 2019 _____ Date
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