

*In the opinion of Bond Counsel, under existing statutes, regulations, rulings and court decisions, and assuming compliance with the tax covenants described herein and in the hereinafter described Resolution, interest on the Series 2015B Bonds is excludable from gross income for federal income tax purposes, and is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. Such interest, however, will be includable in the calculation of certain corporations' alternative minimum taxable income and may be subject to other federal income tax consequences. See "TAX EXEMPTION" herein for a discussion of Bond Counsel's opinion and certain other tax considerations.*

**\$65,195,000**

**SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
SALES TAX REVENUE REFUNDING BONDS,  
SERIES 2015B**

**Dated: Date of Delivery**

**Due: October 1 in the years shown on the inside cover page**

The School Board of Hillsborough County, Florida (the "Board"), the governing body of the School District of Hillsborough County, Florida (the "District") is issuing its Sales Tax Revenue Refunding Bonds, Series 2015B (the "Series 2015B Bonds") in fully registered form without coupons, in denominations of \$5,000 and any integral multiple thereof. Interest on the Series 2015B Bonds will be payable semi-annually by check or draft mailed on each interest payment date (April 1 and October 1 of each year commencing October 1, 2015). While the Series 2015B Bonds are registered through the book-entry only system described below, interest on the Series 2015B Bonds will be payable by check or draft of The Bank of New York Mellon Trust Company, N.A., Jacksonville, Florida, as Paying Agent, mailed to the registered owners thereof, or, at the request and expense of such owner by bank wire transfer for the account of such owner. Principal of the Series 2015B Bonds will be payable upon presentation and surrender thereof at the designated office of the Paying Agent. The Series 2015B Bonds initially will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Series 2015B Bonds. The Series 2015B Bonds will be available to purchasers under the book-entry system maintained by DTC through brokers and dealers who are, or act through, Participants (as defined herein). Purchasers of the Series 2015B Bonds (the "Beneficial Owners") will not receive physical delivery of bond certificates. Ownership by the Beneficial Owners of the Series 2015B Bonds will be evidenced by book-entry only. As long as Cede & Co. is the registered owner as nominee of DTC, payments of principal, interest and premium, if any, will be made directly to such registered owner which will in turn remit such payments to the Participants for subsequent disbursement to the Beneficial Owners. See "DTC INFORMATION" set forth in APPENDIX G.

The principal of, and interest on the Series 2015B Bonds are payable on a parity basis with the District's Unrefunded Series 2005 Bonds, Unrefunded Series 2006 Bonds, Series 2007 Bonds and the Series 2015A Bond (each as defined herein) solely from and secured by a prior lien only upon and pledge of (i) the proceeds received by the Board pursuant to the Interlocal Agreement dated July 17, 1996 by and between Hillsborough County, Florida (the "County"), the Cities of Tampa, Temple Terrace and Plant City, Florida and the Board and Hillsborough County Ordinance No. 96-12, enacted on July 10, 1996, from the levy and collection by the County of the one-half cent local infrastructure sales surtax pursuant to Section 212.055(2), Florida Statutes (the "Sales Tax Revenues"), and (ii) until applied in accordance with the provisions of the hereinafter defined Resolution, all moneys, including investments thereof, in the funds and accounts established pursuant to the Resolution other than the Unrestricted Revenue Account and the Rebate Fund (collectively, the "Pledged Funds"), except that the Series 2015B Bonds are not secured by amounts on deposit in the Reserve Account other than the Series 2015B Reserve Account Subaccount. For a description of the security and sources of payment for the Series 2015B Bonds see "SECURITY FOR THE SERIES 2015B BONDS" herein.

The Series 2015B Bonds are being issued to provide funds sufficient to (i) currently refund all of the District's outstanding Sales Tax Revenue Refunding Bonds, Series 2005, maturing on and after October 1, 2020, (ii) advance refund all of the District's Sales Tax Revenue Bonds, Series 2006, maturing on and after October 1, 2020, (iii) fund the Series 2015B Reserve Account Subaccount with the Surety Bond (defined herein), and (iv) pay costs associated with the issuance of the Series 2015B Bonds, including the municipal bond insurance premium and the Surety Bond premium.

**NEITHER THE FULL FAITH AND CREDIT OF THE BOARD, THE DISTRICT, THE STATE OF FLORIDA, NOR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF, ARE PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF, AND INTEREST ON THE SERIES 2015B BONDS AND SERIES 2015B BONDHOLDERS SHALL NEVER HAVE THE RIGHT TO REQUIRE OR COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER OF THE BOARD, THE DISTRICT, THE STATE OF FLORIDA, OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF, TO THE PAYMENT OF SUCH PRINCIPAL AND INTEREST. THE SERIES 2015B BONDS AND THE OBLIGATIONS EVIDENCED THEREBY SHALL NOT CONSTITUTE A LIEN UPON ANY PROPERTY OF THE BOARD, BUT SHALL CONSTITUTE A LIEN ONLY ON, AND SHALL BE PAYABLE SOLELY FROM, THE PLEDGED FUNDS IN THE MANNER AND TO THE EXTENT PROVIDED IN THE RESOLUTION.**

Certain of the Series 2015B Bonds are subject to optional redemption prior to their stated maturity dates as described herein. See "DESCRIPTION OF THE SERIES 2015B BONDS – Optional Redemption" herein.

The scheduled payment of principal of and interest on the Series 2015B Bonds when due will be guaranteed under a municipal bond insurance policy to be issued concurrently with the delivery of the Series 2015B Bonds by Assured Guaranty Municipal Corp. (the "Insurer"). For a discussion of the terms and provisions of such policy, including the limitations thereof, see "MUNICIPAL BOND INSURANCE POLICY" herein.



*The cover page and the inside cover page contain certain information for quick reference only. They are not, and are not intended to be, a summary of the transaction. Investors must read the entire Official Statement to obtain information essential to the making of an informed investment decision.*

*The Series 2015B Bonds are offered when, as and if issued, subject to the legal opinion of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Bond Counsel. Certain legal matters will be passed upon for the Board by Adams and Reese LLP, Tampa, Florida, Counsel to the Board, and by GrayRobinson, P.A., Tampa, Florida, Disclosure Counsel. Ford & Associates, Inc., Tampa, Florida is acting as Financial Advisor to the Board in regard to the issuance of the Series 2015B Bonds. Certain legal matters will be passed upon for the Underwriters by Holland & Knight LLP, Tampa, Florida. The Series 2015B Bonds are expected to be available for delivery through the facilities of DTC in New York, New York in definitive form on or about August 20, 2015.*

**J.P. Morgan**

**Citigroup**

**PNC Capital Markets LLC**

This Official Statement is dated July 30, 2015.

**\$65,195,000**  
**SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA**  
**SALES TAX REVENUE REFUNDING BONDS,**  
**SERIES 2015B**

**MATURITIES, PRINCIPAL AMOUNTS, INTEREST RATES, YIELDS, PRICES**  
**AND CUSIP NUMBERS**

| <b><u>Maturity</u></b><br><b><u>(October 1)</u></b> | <b><u>Principal</u></b><br><b><u>Amount</u></b> | <b><u>Interest</u></b><br><b><u>Rate</u></b> | <b><u>Yield</u></b> | <b><u>Price</u></b> | <b><u>CUSIP</u></b><br><b><u>Number*</u></b> |
|-----------------------------------------------------|-------------------------------------------------|----------------------------------------------|---------------------|---------------------|----------------------------------------------|
| 2020                                                | \$13,585,000                                    | 5.000%                                       | 1.820%              | 115.459             | 432337EQ2                                    |
| 2021                                                | 14,270,000                                      | 5.000                                        | 2.110               | 116.493             | 432337ER0                                    |
| 2022                                                | 14,985,000                                      | 5.000                                        | 2.410               | 116.836             | 432337ES8                                    |
| 2023                                                | 15,730,000                                      | 5.000                                        | 2.650               | 117.053             | 432337ET6                                    |
| 2024                                                | 2,105,000                                       | 5.000                                        | 2.820               | 117.409             | 432337EU3                                    |
| 2025                                                | 575,000                                         | 3.000                                        | 3.000               | 100.000             | 432337EV1                                    |
| 2025                                                | 1,635,000                                       | 5.000                                        | 3.000               | 117.332             | 432337EX7                                    |
| 2026                                                | 2,310,000                                       | 3.000                                        | 3.180               | 98.323              | 432337EW9                                    |

\* CUSIP numbers have been assigned by an independent company not affiliated with the Board and are included solely for the convenience of the owners of the Series 2015B Bonds. Neither the State of Florida nor the Board is responsible for the selection or uses of these CUSIP numbers, and no representation is made as to their correctness on the Series 2015B Bonds or as indicated above. The CUSIP number for a specific maturity is subject to being changed after the issuance of the Series 2015B Bonds as a result of various subsequent actions including, but not limited to, a refunding in whole or in part of such maturity or as a result of the procurement of secondary market portfolio insurance or other similar enhancement by investors that is applicable to all or a portion of certain maturities of the Series 2015B Bonds.

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA**

Raymond O. Shelton School Administration Building  
901 East Kennedy Boulevard  
Tampa, Florida 33602

**BOARD MEMBERS**

Susan L. Valdes, Chair  
Doretha W. Edgecomb, Vice Chair  
Sally A. Harris, Member  
Cindy Stuart, Member  
Melissa Snively, Member  
April Griffin, Member  
Carol W. Kurdell, Member

**DISTRICT OFFICIALS**

Jeff Eakins, Superintendent  
Gretchen Saunders, Chief Business Officer

**COUNSEL TO THE BOARD**

Adams and Reese LLP  
Tampa, Florida

**BOND COUNSEL**

Nabors, Giblin & Nickerson, P.A.  
Tampa, Florida

**DISCLOSURE COUNSEL**

GrayRobinson, P.A.  
Tampa, Florida

**FINANCIAL ADVISOR**

Ford & Associates, Inc.  
Tampa, Florida

**PAYING AGENT**

The Bank of New York Mellon Trust Company, N.A.  
Jacksonville, Florida

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This Official Statement does not constitute an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of the Series 2015B Bonds by any person in any jurisdiction in which it is unlawful for such person to make such offer, solicitation or sale. No dealer, sales representative or other person has been authorized to give any information or make any representations other than as contained in this Official Statement, and if given or made, such other information or representations must not be relied upon as having been authorized by any of the foregoing.

The information contained in this Official Statement has been provided by the Board, DTC, the Insurer, and other sources that are considered to be reliable and, while not guaranteed as to completeness or accuracy, is believed to be correct. However, information related to DTC and its book-entry only system of registration and the Insurer and its municipal bond insurance policy and Surety Bond is not to be construed as a representation of the Board, the District, the Financial Advisor or the Underwriters. Any statements in this Official Statement involving estimates, assumptions and matters of opinion, whether or not so expressly stated, are intended as such and not as representations of fact, and the Board, the District, the Financial Advisor and the Underwriters expressly make no representations that such estimates, assumptions and opinions will be realized or fulfilled. Any information, estimates, assumptions and matters of opinion contained in this Official Statement are subject to change without notice, and neither the delivery of this Official Statement, nor any sale made hereunder, shall under any circumstances create any implication that there has been no change in the affairs of the Board since the date hereof or the earliest date as of which such information was given.

The Insurer makes no representation regarding the Series 2015B Bonds or the advisability of investing in the Series 2015B Bonds. In addition, the Insurer has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding the Insurer supplied by the Insurer and presented under the heading "MUNICIPAL BOND INSURANCE POLICY" and "APPENDIX D – SPECIMEN MUNICIPAL BOND INSURANCE POLICY."

The Underwriters have provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information in this Official Statement in accordance with, and as part of, their respective responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

IN CONNECTION WITH THIS OFFERING, THE UNDERWRITERS MAY OVER-ALLOT OR EFFECT TRANSACTIONS WHICH STABILIZE OR MAINTAIN THE MARKET PRICE OF THE SERIES 2015B BONDS OFFERED HEREBY AT A LEVEL ABOVE THAT WHICH MIGHT OTHERWISE PREVAIL IN THE OPEN MARKET. SUCH STABILIZING, IF COMMENCED, MAY BE DISCONTINUED AT ANY TIME.

NO REGISTRATION STATEMENT RELATING TO THE SERIES 2015B BONDS HAS BEEN FILED WITH THE SECURITIES AND EXCHANGE COMMISSION (THE "COMMISSION") OR WITH ANY STATE SECURITIES COMMISSION. IN MAKING ANY INVESTMENT DECISION, INVESTORS MUST RELY ON THEIR OWN EXAMINATIONS OF THE BOARD, THE DISTRICT AND THE TERMS OF THE OFFERING, INCLUDING THE MERITS AND RISKS INVOLVED. THE SERIES 2015B BONDS HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE COMMISSION OR ANY STATE SECURITIES COMMISSION OR REGULATORY AUTHORITY. THE FOREGOING AUTHORITIES HAVE NOT PASSED UPON THE ACCURACY OR ADEQUACY OF THIS OFFICIAL STATEMENT. ANY REPRESENTATION TO THE CONTRARY MAY BE A CRIMINAL OFFENSE.

THIS OFFICIAL STATEMENT DOES NOT CONSTITUTE A CONTRACT BETWEEN THE BOARD OR THE UNDERWRITERS AND ANY ONE OR MORE HOLDERS OF THE SERIES 2015B BONDS.

THIS OFFICIAL STATEMENT IS BEING PROVIDED TO PROSPECTIVE PURCHASERS IN EITHER BOUND OR PRINTED FORMAT ("ORIGINAL BOUND FORMAT"), OR IN ELECTRONIC FORMAT ON THE FOLLOWING WEBSITES: [WWW.MUNIOS.COM](http://WWW.MUNIOS.COM) AND [WWW.EMMA.MSRB.ORG](http://WWW.EMMA.MSRB.ORG). THIS OFFICIAL STATEMENT MAY BE RELIED ON ONLY IF IT IS IN ITS ORIGINAL BOUND FORMAT, OR IF IT IS PRINTED OR SAVED IN FULL DIRECTLY FROM THE AFOREMENTIONED WEBSITES.

All summaries herein of documents and agreements are qualified in their entirety by reference to such documents and agreements, and all summaries herein of the Series 2015B Bonds are qualified in their entirety by reference to the form thereof included in the aforesaid documents and agreements. References to web site addresses presented herein are for informational purposes only and may be in the form of a hyperlink solely for the reader's convenience. Unless specified otherwise, such web sites and the information or links contained therein are not incorporated into, and are not part of, this offering document.

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**OFFICIAL STATEMENT**  
**\$65,195,000**  
**SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA**  
**SALES TAX REVENUE REFUNDING BONDS, SERIES 2015B**

**INTRODUCTION**

**General**

This Official Statement, including the cover page, inside cover page and the Appendices hereto, is furnished with respect to the sale of \$65,195,000 aggregate principal amount of School District of Hillsborough County, Florida Sales Tax Revenue Refunding Bonds, Series 2015B (the "Series 2015B Bonds") issued by the School Board of Hillsborough County, Florida (the "Board") as the governing body of the School District of Hillsborough County, Florida (the "District").

This introduction is not a summary of this Official Statement. It is only a brief description of and guide to, and is qualified by, more complete and detailed information contained in the entire Official Statement, including the cover page, inside cover page and Appendices hereto, and the documents summarized or described herein. A full review should be made of the entire Official Statement. The offering of the Series 2015B Bonds is made only by means of this Official Statement and is subject in all respects to the information contained herein. For a complete description of the terms and conditions of the Series 2015B Bonds, reference is made to the form of resolution in APPENDIX C of this Official Statement. Unless otherwise indicated, capitalized terms used in this Official Statement shall have the same meanings established in the form of resolution referenced in the foregoing sentence. See "APPENDIX C – FORM OF RESOLUTION."

**School District of Hillsborough County, Florida**

The Board is organized under Section 4, Article IX, of the Constitution of Florida and Chapter 1001, Florida Statutes, and is the governing body of the District. The geographic boundaries of the District are coterminous with those of Hillsborough County, Florida (the "County"). In Fiscal Year 2014/15, the District operated 243 schools with 204,558 students (FTE) and employed approximately 26,635 permanent employees, of which 15,975 were instructional. See "SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA" herein.

**Authority for Issuance**

The Series 2015B Bonds are being issued under the authority of and in full compliance with the Constitution and Laws of the State of Florida, including particularly Chapter 1001, Florida Statutes, Chapter 212, Part I, Florida Statutes, the Hillsborough County, Florida Ordinance No. 96-12, dated July 10, 1996 (the "Ordinance") authorizing the levy of a discretionary local infrastructure sales tax and the execution and delivery of the Interlocal Agreement, as described below, and other applicable provisions of law (collectively, the "Act"), and a sales tax bond resolution adopted by the Board on January 8, 2002 (the "Master Resolution"), as amended and supplemented, and as particularly supplemented by a resolution authorizing the issuance of the Series 2015B Bonds which was adopted by the Board on June 23, 2015 (the "Supplemental Resolution" and, together with the Master Resolution, the "Resolution"). See "AUTHORITY FOR AND PURPOSE OF ISSUANCE" herein.

## **Description of the Refunding**

The Series 2015B Bonds are being issued to provide funds sufficient to (i) currently refund all of the District's Sales Tax Revenue Refunding Bonds, Series 2005 (the "Series 2005 Bonds") currently outstanding and maturing on October 1, 2020 through October 1, 2023, inclusive (the portion so refunded being herein referred to as the "Refunded 2005 Bonds"), (ii) advance refund all of the District's Sales Tax Revenue Bonds, Series 2006 (the "Series 2006 Bonds") currently outstanding and maturing on October 1, 2020 through October 1, 2026, inclusive (the portion so refunded being herein referred to as the "Refunded 2006 Bonds" and collectively with the Refunded 2005 Bonds, the "Refunded Bonds"), as described herein, and thereby refinance the cost of acquisition, construction and installation of, and renovations to, certain capital improvements and educational facilities made within the District, (iii) fund the Series 2015B Reserve Account Subaccount with the Surety Bond (defined herein), and (iv) pay costs associated with the issuance of the Series 2015B Bonds, including the municipal bond insurance premium and the Surety Bond premium.

The Board also recently refunded the Series 2005 Bonds maturing on October 1, 2016 through and including October 1, 2019 and the Series 2006 Bonds maturing October 1, 2016 through and including October 1, 2019 with proceeds from a bank loan, evidenced by the District's Sales Tax Revenue Refunding Bond, Series 2015A (the "Series 2015A Bond"), which was not publicly offered. The Series 2015A Bond was issued in the principal amount of \$53,760,000 on July 17, 2015. The Series 2015A Bond will mature on October 1, 2019. See "PLAN OF REFINANCING" herein. The outstanding Series 2005 Bonds and the outstanding Series 2006 Bonds that were not refunded by the Series 2015A Bond or will not be refunded with the Series 2015B Bonds are referred to herein as the "Unrefunded Series 2005 Bonds" and the "Unrefunded Series 2006 Bonds," respectively.

## **Description of the Series 2015B Bonds**

*Denominations.* The Series 2015B Bonds will be issued in denominations of \$5,000 or any integral multiple thereof.

*Redemption.* Certain of the Series 2015B Bonds are subject to optional redemption as described herein. See "DESCRIPTION OF THE SERIES 2015B BONDS – Optional Redemption" herein.

*Registration and Transfers.* Transfer of ownership in the Series 2015B Bonds will be effected by The Depository Trust Company ("DTC") book-entry system as described herein. As long as Cede & Co. is the registered owner as nominee of DTC, principal and interest payments will be made directly to such registered owner which will in turn remit such payments to the Participants (as hereinafter defined) for subsequent disbursement to the Beneficial Owners (as hereinafter defined). Interest on the Series 2015B Bonds is payable semi-annually on April 1, and October 1 of each year, commencing October 1, 2015.

For a more complete description of the Series 2015B Bonds and the basic documentation pursuant to which Series 2015B Bonds are issued, see "DESCRIPTION OF THE SERIES 2015B BONDS" herein.

## **Sources and Security of Payment for the Series 2015B Bonds**

The Series 2015B Bonds are limited and special obligations of the Board payable solely from and secured by a prior lien upon and pledge of (i) the proceeds received by the Board pursuant to the Interlocal Agreement dated July 17, 1996 (the "Interlocal Agreement") by and between Hillsborough County, Florida (the "County"), the Cities of Tampa, Temple Terrace and Plant City and the Board and the Ordinance from the levy and collection by the County of the one-half cent local government

infrastructure sales surtax pursuant to Section 212.055(2), Florida Statutes (the "Sales Tax Revenues") and (ii) until applied in accordance with the provisions of the Resolution, all moneys, including investments thereof, in the funds and accounts established pursuant to the Resolution other than the Unrestricted Revenue Account and the Rebate Fund (collectively, the "Pledged Funds") on a parity basis with the District's outstanding Unrefunded Series 2005 Bonds, the District's outstanding Unrefunded Series 2006 Bonds, the District's outstanding Sales Tax Revenue Refunding Bonds, Series 2007 (the "Series 2007 Bonds") and the District's outstanding Series 2015A Bond (collectively, the "Parity Bonds"), except that the Series 2015B Bonds will not be secured by amounts on deposit in the Reserve Account other than the Series 2015B Reserve Account Subaccount.

Pursuant to the terms of the Interlocal Agreement, in Fiscal Years 1997 through 2026, the Board has and will receive 25% of the net proceeds of the one-half cent local government infrastructure sales surtax receipts per year. See "SECURITY FOR THE SERIES 2015B BONDS – Infrastructure Surtax Funds" herein. The Series 2015B Bonds and the indebtedness evidenced thereby do not constitute a lien upon any property of the Board or District, but constitute a lien only on the Pledged Funds in the manner and to the extent provided in the Resolution. See "SECURITY FOR THE SERIES 2015B BONDS" herein.

### **Municipal Bond Insurance Policy**

The scheduled payment of principal of and interest on the Series 2015B Bonds when due will be guaranteed under a municipal bond insurance policy (the "Insurance Policy") to be issued concurrently with the delivery of the Series 2015B Bonds by Assured Guaranty Municipal Corp. (the "Insurer"). For a discussion of the terms and provisions of such Insurance Policy, including the limitations thereof, see "MUNICIPAL BOND INSURANCE POLICY" herein and APPENDIX D hereto.

### **Additional Bonds**

Pursuant to the Resolution, the Board may issue Additional Bonds on a parity with the Series 2015B Bonds and the Parity Bonds. See "SECURITY FOR THE SERIES 2015B BONDS – Additional Bonds" herein. The Series 2015B Bonds, the Parity Bonds and any Additional Bonds subsequently issued on a parity thereto in accordance with the Resolution, are herein collectively referred to as the "Bonds."

### **Tax Exemption**

The legal opinion of Nabors, Giblin & Nickerson, P.A., Bond Counsel, will include an opinion to the effect that interest on the Series 2015B Bonds is, under existing statutes, regulations, rulings and court decisions, (a) excludable from gross income for federal income tax purposes except as otherwise described herein under the caption, "TAX EXEMPTION" and (b) not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations. Such interest, however, will be includable in the calculation of a corporation's alternative minimum taxable income and may be subject to other federal income tax consequences described herein under the caption "TAX EXEMPTION." See "TAX EXEMPTION" herein for a discussion of Bond Counsel's opinion.

### **Continuing Disclosure**

The Board has agreed and undertaken for the benefit of Series 2015B Bond Owners, to provide certain financial information and operating data relating to the District and the Series 2015B Bonds pursuant to Rule 15c2-12 of the Securities Exchange Act of 1934, as amended. See "CONTINUING DISCLOSURE" herein.

## **Other Information**

This Official Statement speaks only as of its date, and the information contained herein is subject to change.

Copies of the Resolution and other documents and information are available, upon request and upon payment to the Board of a charge for copying, mailing and handling, from the Office of the Chief Business Officer, Hillsborough County School District, Raymond O. Shelton School Administration Building, 901 East Kennedy Boulevard, Third Floor, Tampa, Florida 33602, (813) 272-4000.

For a complete description of the terms and conditions of the Series 2015B Bonds, reference is made to the Resolution, the form of which is included in APPENDIX C to this Official Statement, "FORM OF RESOLUTION." The description of the Resolution, the Series 2015B Bonds and information from reports contained herein do not purport to be comprehensive or definitive.

## **AUTHORITY FOR AND PURPOSE OF ISSUANCE**

The Series 2015B Bonds are being issued under the authority of and in full compliance with the Constitution and Laws of the State of Florida, including, particularly Chapter 1001, Florida Statutes, Chapter 212, Part I, Florida Statutes, the Ordinance and the Interlocal Agreement and other applicable provisions of law (collectively, the "Act"), and under and pursuant to the terms and provisions of the Resolution.

The Series 2015B Bonds are being issued to provide funds sufficient to currently refund the Refunded 2005 Bonds and to advance refund the Refunded 2006 Bonds as described herein, to fund the Series 2015B Reserve Account Subaccount and to pay costs associated with the issuance of the Series 2015B Bonds, including the premiums for the Insurance Policy and the Surety Bond. See "PLAN OF REFINANCING" and "ESTIMATED SOURCES AND USES OF FUNDS" herein.

## **PLAN OF REFINANCING**

The Series 2005 Bonds were issued on March 1, 2005 in the original principal amount of \$127,975,000, and the proceeds were used in part to refund certain maturities of the District's then outstanding Series 2002 Bonds. The Series 2006 Bonds were issued on March 27, 2006 in the original principal amount of \$54,860,000, and the proceeds were used in part to provide funds to finance the costs of construction, acquisition and installation of, and renovation to, certain capital improvements and educational facilities within the District.

The Refunded 2005 Bonds will be currently refunded and the Refunded 2006 Bonds will be advance refunded pursuant to the plan of refinancing. The moneys required to currently refund and redeem the Refunded 2005 Bonds and advance refund and redeem the Refunded 2006 Bonds will be derived from portions of the proceeds of the Series 2015B Bonds and other available funds of the District. The Refunded 2005 Bonds will be optionally redeemed on October 1, 2015 (the "2005 Redemption Date") and the Refunded 2006 Bonds will be optionally redeemed on April 1, 2016 (the "2006 Redemption Date"), in each case at a Redemption Price of 100% of the principal amount thereof plus accrued interest to the applicable Redemption Date. The Board previously refunded the Series 2005 Bonds maturing on October 1, 2016 through and including October 1, 2019 and the Series 2006 Bonds maturing October 1, 2016 through and including October 1, 2019 with proceeds of the Series 2015A Bond.

A portion of the proceeds of the Series 2015B Bonds, together with other available funds of the District, will be irrevocably placed into an escrow fund (the "Escrow Fund") with The Bank of New York

Mellon Trust Company, N.A., as escrow agent (the "Escrow Agent") pursuant to an Escrow Deposit Agreement (the "Escrow Agreement"). The amounts so deposited in the Escrow Fund will be sufficient such that moneys will be available in the amounts and at the times required to pay the principal of and accrued interest due on the Refunded Bonds prior to and on the applicable Redemption Dates.

Upon the deposit of such moneys, the Refunded Bonds shall no longer be deemed outstanding for purposes of the Resolution and all covenants, agreement and other obligations of the Board to the holders of the Refunded Bonds will thereupon cease, terminate and become void and be discharged and satisfied, and the holders thereof shall be entitled to payment solely out of the moneys on deposit pursuant to the Escrow Agreement. Such moneys are not available to pay debt service on the Series 2015B Bonds.

### **VERIFICATION**

As of the delivery date of the Series 2015B Bonds, Causey Demgen & Moore, P.C. (the "Verification Agent") will verify, from information provided to them, (a) the mathematical accuracy of the computations contained in schedules provided by J.P. Morgan Securities LLC, to determine that the moneys to be held in the Escrow Fund will be sufficient to pay, when due or as redeemed prior to maturity, the principal of and interest on the applicable Refunded Bonds and (b) the "yield" on the Series 2015B Bonds considered by Bond Counsel in connection with their opinion that the Series 2015B Bonds are not "arbitrage bonds" within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended. The Verification Agent will express no opinion on the assumptions provided to them, nor as to the exclusion from gross income for federal income tax purposes of the interest on the Series 2015B Bonds.

### **DESCRIPTION OF THE SERIES 2015B BONDS**

#### **General**

The Series 2015B Bonds will be dated their date of delivery and be issued in the denominations of \$5,000 or integral multiples thereof. The Series 2015B Bonds will mature on the dates and will bear interest at the rates set forth on the inside cover page of this Official Statement. Interest on the Series 2015B Bonds shall be payable semi-annually on April 1 and October 1 in each year commencing October 1, 2015. While the Series 2015B Bonds are registered through the book-entry only system described below, interest on the Series 2015B Bonds will be payable by check or draft of The Bank of New York Mellon Trust Company, N.A., Jacksonville, Florida, as Paying Agent, mailed to the registered owners thereof in whose name such Series 2015B Bond shall be registered at the close of business on the date which shall be the fifteenth day (whether or not a business day) of the calendar month next preceding such interest payment date, or, at the request and expense of such owner, by bank wire transfer for the account of such owner. Principal of the Series 2015B Bonds will be payable upon presentation and surrender thereof at the offices of the Paying Agent. The Series 2015B Bonds initially will be registered in the name of Cede & Co., as registered owner and nominee for The Depository Trust Company, New York, New York ("DTC"), which will act as securities depository for the Series 2015B Bonds. The Series 2015B Bonds will be available to purchasers under the book-entry system maintained by DTC through brokers and dealers who are, or act through, Participants (as defined herein). Purchasers of the Series 2015B Bonds (the "Beneficial Owners") will not receive physical delivery of bond certificates. Ownership by the Beneficial Owners of the Series 2015B Bonds will be evidenced by book-entry only. As long as Cede & Co. is the registered owner as nominee of DTC, payments of principal, interest and premium, if any, will be made directly to such registered owner which will in turn remit such payments to the Participants for subsequent disbursement to the Beneficial Owners. See "DTC INFORMATION" set forth in APPENDIX G.

## **Optional Redemption**

The Series 2015B Bonds maturing on or before October 1, 2025 are not subject to optional redemption. The Series 2015B Bonds maturing on October 1, 2026 are subject to redemption at the option of the District in whole or in part, at any time on or after October 1, 2025 in such order of maturities as may be determined by the District (less than all of a single maturity to be selected by lot by the District in such manner as the District may deem appropriate), at a redemption price equal to the principal amount of the Series 2015B Bonds to be redeemed, together with accrued interest to the date set for redemption without premium.

## **Selection of Series 2015B Bonds to be Redeemed**

The Series 2015B Bonds shall be redeemed only in the principal amount of \$5,000 each and integral multiples thereof. The Board shall, at least thirty-seven (37) days and not more than sixty (60) days prior to the redemption date (unless a shorter time period shall be satisfactory to the Registrar) notify the Registrar of such redemption date and of the principal amount of Series 2015B Bonds to be redeemed. For purposes of any redemption of less than all of the then Outstanding Series 2015B Bonds of a single maturity, the particular Series 2015B Bonds or portions of Series 2015B Bonds to be redeemed shall be selected not more than sixty (60) days and not less than thirty-seven (37) days prior to the redemption date by the Registrar from the then Outstanding Series 2015B Bonds of the maturity or maturities designated by the Board or by such method as the Registrar shall deem fair and appropriate and which may provide for the selection for redemption of Series 2015B Bonds or portions of Series 2015B Bonds in principal amounts of \$5,000 and integral multiples thereof.

If less than all of the Outstanding Series 2015B Bonds of a single maturity are to be redeemed, the Registrar shall promptly notify the Board and Paying Agent (if the Registrar is not the Paying Agent for such Series 2015B Bonds) in writing of the Series 2015B Bonds or portions of Series 2015B Bonds selected for redemption and, in the case of any Series 2015B Bond selected for partial redemption, the principal amount thereof to be redeemed.

## **Notice of Redemption**

Notice of redemption, which shall specify the Series 2015B Bond or Series 2015B Bonds (or portions thereof) to be redeemed and the date and place for redemption, shall be given by the Registrar on behalf of the Board, and (A) shall be filed with the Paying Agents of such Series 2015B Bonds and (B) shall be mailed first class, postage prepaid, at least thirty (30) days and not more than sixty (60) days prior to the redemption date to all Holders of Series 2015B Bonds to be redeemed at their addresses as they appear on the registration books kept by the Registrar as of the date of mailing of such notice. Failure to mail notice to the Holders of the Series 2015B Bonds to be redeemed, or any defect therein, shall not affect the proceedings for redemption of Series 2015B Bonds as to which no such failure or defect has occurred.

Each notice of redemption shall state: (1) the CUSIP numbers of all Series 2015B Bonds being redeemed, (2) the original issue date of such Series 2015B Bonds, (3) the maturity date and rate of interest borne by each Series 2015B Bond being redeemed, (4) the redemption date, (5) the Redemption Price, (6) the date on which such notice is mailed, (7) if less than all Outstanding Series 2015B Bonds are to be redeemed, the certificate number (and, in the case of a partial redemption of any Series 2015B Bond, the principal amount) of each Series 2015B Bond to be redeemed, (8) that on such redemption date there shall become due and payable upon each Series 2015B Bond to be redeemed the Redemption Price thereof, or the Redemption Price of the specified portions of the principal thereof in the case of Series 2015B Bonds to be redeemed in part only, together with interest accrued thereon to the redemption date, and that from and after such date interest thereon shall cease to accrue and be payable, (9) that the Series 2015B Bonds to be redeemed, whether as a whole or in part, are to be surrendered for payment of the Redemption Price

at the designated office of the Paying Agent at an address specified, and (10) unless sufficient funds have been set aside by the Board for such purpose prior to the mailing of the notice of redemption, that such redemption is conditioned upon the deposit of sufficient funds for such purpose on or prior to the date set for redemption; and provided, further, that such notice and the redemption set forth therein may be subject to the satisfaction of one or more additional conditions set forth therein.

Within sixty (60) days of the date of redemption, the Registrar shall give a second notice of redemption by mailing another copy of the redemption notice to the registered Holders of Series 2015B Bonds called for redemption but which have not been presented for payment within thirty (30) days after the date set for redemption; provided, however, the failure to provide such further notice of redemption or to comply with the terms of this paragraph shall not in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed above.

### **Redemption of Portions of Series 2015B Bonds**

Any Series 2015B Bond which is to be redeemed only in part shall be surrendered at any place of payment specified in the notice of redemption (with due endorsement by, or written instrument of transfer in form satisfactory to the Registrar duly executed by, the Holder thereof or his attorney duly authorized in writing) and the Board shall execute and the Registrar shall authenticate and deliver to the Holder of such Series 2015B Bond, without service charge, a new Series 2015B Bond or Series 2015B Bonds, of the same interest rate and maturity, and of any authorized denomination as requested by such Holder, in an aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Series 2015B Bonds so surrendered.

### **Payment of Redeemed Series 2015B Bonds**

Notice of redemption having been given substantially as aforesaid, the Series 2015B Bonds or portions of Series 2015B Bonds so to be redeemed shall, on the redemption date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Board shall default in the payment of the Redemption Price) such Series 2015B Bonds or portions of Series 2015B Bonds shall cease to bear interest. Upon surrender of such Series 2015B Bonds for redemption in accordance with said notice, such Series 2015B Bonds shall be paid by the Registrar and/or Paying Agent at the appropriate Redemption Price, plus accrued interest. Each check or other transfer of funds issued by the Paying Agent to pay the Redemption Price of Series 2015B Bonds being redeemed shall bear the CUSIP number or numbers of such Series 2015B Bonds and identify the payments applicable to each CUSIP number. All Series 2015B Bonds which have been redeemed shall be cancelled by the Registrar and shall not be reissued.

## **SECURITY FOR THE SERIES 2015B BONDS**

### **General**

The principal of, and interest on the Series 2015B Bonds are payable solely from and secured by a prior lien upon and a pledge of (i) the proceeds received by the Board pursuant to the Interlocal Agreement and the Ordinance from the levy and collection by the County of the one-half cent local infrastructure sales surtax pursuant to Section 212.055(2), Florida Statutes (the "Sales Tax Revenues") and (ii) until applied in accordance with the provisions of the Resolution, all moneys, including investments thereof, in the funds and accounts established pursuant to the Resolution other than the Unrestricted Revenue Account and the Rebate Fund (collectively, the "Pledged Funds") on a parity basis with the Parity Bonds and all other "Bonds" outstanding from time to time under the Resolution; provided that a particular Series of Bonds may (i) be secured by a separate subaccount established in the Reserve Account for such Series and (ii) not be secured by amounts on deposit in the Reserve Account. The Series 2015A Bond is not secured by amounts on deposit in the Reserve Account. The Series 2015B

Bonds will not be secured by amounts on deposit in the Reserve Account except the Series 2015B Reserve Account Subaccount.

NEITHER THE FULL FAITH AND CREDIT OF THE BOARD, THE DISTRICT, THE STATE OF FLORIDA, OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF, ARE PLEDGED TO PAYMENT OF THE PRINCIPAL OF, AND INTEREST ON THE SERIES 2015B BONDS AND BONDHOLDERS SHALL NEVER HAVE THE RIGHT TO REQUIRE OR COMPEL THE EXERCISE OF ANY AD VALOREM TAXING POWER OF THE BOARD, THE DISTRICT, THE STATE OF FLORIDA, OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF, TO THE PAYMENT OF SUCH PRINCIPAL AND INTEREST. THE SERIES 2015B BONDS AND THE OBLIGATION EVIDENCED THEREBY SHALL NOT CONSTITUTE A LIEN UPON ANY PROPERTY OF THE BOARD, BUT SHALL CONSTITUTE A LIEN ONLY ON, AND SHALL BE PAYABLE SOLELY FROM, THE PLEDGED FUNDS IN THE MANNER AND TO THE EXTENT PROVIDED IN THE RESOLUTION.

### **Infrastructure Surtax Funds**

Chapter 212, Part I, Florida Statutes, as amended imposes a 6% sales tax on the sales price of tangible personal property sold at retail in the State subject to certain exemptions therefrom. A similar tax is imposed on the cost price of tangible personal property when the property is not sold, but is used, or stocked for use in the State. The largest single source of tax receipts in the State is the sales and use tax.

Section 212.055(2), Florida Statutes, authorizes local governments to impose a discretionary sales surtax of 0.5 percent or 1.0 percent on all transactions occurring in the county which transactions are subject to the state tax imposed on sales, use, services, rentals, admissions, and other transactions by Chapter 212, Florida Statutes, and certain communications services. However, local governments may not impose the surtax on the portion of any sales amount which exceeds \$5,000 on any item of tangible personal property. Section 202.11(1), Florida Statutes, defines "Communications services" as the transmission, conveyance, or routing of voice, data, audio, video, or any other information or signals, including video services, to a point, or between or among points, by or through any electronic, radio, satellite, cable, optical, microwave, or other medium or method now in existence or hereafter devised, regardless of the protocol used for such transmission or conveyance. "Communications services" does not include certain items enumerated in such section. Such discretionary sales surtax may be used to finance, plan and construct infrastructure projects, among other purposes. The levy of the surtax must be pursuant to an ordinance of the county's governing board and approved by a referendum of the electors of the county. The surtax proceeds may be distributed pursuant to an interlocal agreement by and among the County, each municipality within the County, and the District.

On July 10, 1996, the Board of County Commissioners of Hillsborough County, Florida (the "County"), by a majority, enacted Ordinance No. 96-12 (the "Sales Tax Ordinance") which provided for the levying and imposition, throughout the incorporated and unincorporated areas of the County, of an additional tax of 0.5% on all transactions occurring in the County subject to the aforementioned 6% tax (the "Community Investment Tax") the proceeds of which would be applied to pay the costs of acquisition and construction of public safety, transportation and educational infrastructure and a community stadium. On September 3, 1996, the levy of the Community Investment Tax was placed on the ballot and approved by a majority of the electors of the County who voted in the referendum. The Community Investment Tax is effective for a thirty-year period that commenced December 1, 1996.

Pursuant to Section 212.055(2)(d)(1), Florida Statutes, as amended, the proceeds of any discretionary sales surtax and any interest accrued thereto may be expended to finance, plan and construct infrastructure; to acquire land for public recreation, conservation or protection of natural resources; to



provide loans, grants, or rebates to residential or commercial property owners who make energy efficiency improvements to their residential or commercial property, if a local government ordinance authorizing such use is approved by referendum; and to finance the closure of county-owned or municipally-owned solid waste landfills that have been closed or are required to close by order of the Department of Environmental Protection. Neither the proceeds nor any interest accrued thereto may be used for operational expenses of any infrastructure.

"Infrastructure" means, among other things, any fixed capital expenditure or fixed capital outlay associated with the construction, reconstruction or improvement of public facilities which have a life expectancy of five or more years and any related land acquisition, land improvement, design, and engineering costs.

Pursuant to Section 212.055(2)(e), Florida Statutes, as amended, school districts, counties and municipalities receiving discretionary sales surtax proceeds may pledge such proceeds for the purpose of servicing new bond indebtedness incurred pursuant to law.

Pursuant to the Interlocal Agreement, the parties thereto agreed upon a monthly method of distribution of the Community Investment Tax. In each of the fiscal years 1997 through 2026, 25% of the net proceeds of the Community Investment Tax will be distributed to the Board with the remaining 75% to be distributed among the Tampa Sports Authority, the County and the Cities of Plant City, Temple Terrace and Tampa as provided in the Interlocal Agreement.

The Clerk of the Circuit Court of the County (the "Clerk") shall receive the Community Investment Tax from the State Department of Revenue and act as trustee of the revenue and shall retain all such revenue in a separate account until distributed as described above. Disbursements shall be made monthly by the Clerk on a pro-rata basis as received.

The table below provides historical receipts by the County of the total Community Investment Tax in each of the last seven fiscal years.

**Hillsborough County, Florida  
Historical Community Investment Tax Collections<sup>(1)</sup>**

| <b>Year</b> | <b>Community Investment Tax<br/>Revenues Collected<sup>(2)</sup></b> |
|-------------|----------------------------------------------------------------------|
| 2014        | \$103,519,404                                                        |
| 2013        | 98,641,852                                                           |
| 2012        | 94,418,308                                                           |
| 2011        | 90,603,852                                                           |
| 2010        | 87,431,804                                                           |
| 2009        | 91,568,744                                                           |
| 2008        | 99,059,520                                                           |

(1) The County's authority to impose the Community Investment Tax expires on December 1, 2026. Accordingly, the County and the Board will not receive Community Investment Tax Revenues for any period of time after December 1, 2026. Amounts are net of State of Florida administrative charges, if any.

(2) Community Investment Tax Revenues Collected are based on the County's fiscal year ended September 30, and are accounted for on a modified accrual system.

Source: The office of the Hillsborough County Clerk of the Court.

The table below provides historical distributions by the County of total Community Investment Tax to the Board in each of the last seven fiscal years.

**Historical Community Investment Tax Distributions  
(Sales Tax Revenues)  
To School Board of Hillsborough County, Florida <sup>(1)</sup>**

| <b>Year</b> | <b>Distributions to<br/>Hillsborough County<br/>School Board<sup>(2)</sup></b> |
|-------------|--------------------------------------------------------------------------------|
| 2014        | \$25,879,851                                                                   |
| 2013        | 24,660,463                                                                     |
| 2012        | 23,604,577                                                                     |
| 2011        | 22,650,963                                                                     |
| 2010        | 21,857,951                                                                     |
| 2009        | 22,892,186                                                                     |
| 2008        | 24,764,880                                                                     |

- (1) The County's authority to impose the Community Investment Tax expires on December 1, 2026. Accordingly, the County and the Board will not receive Community Investment Tax Revenues for any period of time after December 1, 2026. Amounts are net of State of Florida administrative charges, if any.
- (2) Distributions to Hillsborough County School Board are based on the Board's fiscal year ended June 30, and are accounted for based on the date the funds are received by the Board.

Source: These numbers are from the Comprehensive Annual Financial Report of the School District for the fiscal year ended June 30, 2014.

For Fiscal Year 2014/15, the Board has received distributions of Sales Tax Revenues in the amount of \$25,481,415.76 through June 30, 2015, based on pre-unaudited figures. The Board expects to receive a final distribution to be credited to Fiscal Year 2014/15 in late July or early August of 2015 in the amount of approximately \$2 million (estimated based on Fiscal Year 2013/14 collections for the same time period), for a total estimated distribution in Fiscal Year 2014/15 of approximately \$27 million. For additional information on the Board's pre-audited figures, see the table entitled "School District of Hillsborough County, Florida Summary of Revenues and Expenses – General Fund" herein and specifically Note (3) thereto.

THE AMOUNT OF SALES TAX REVENUES DISTRIBUTED TO THE BOARD IS SUBJECT TO INCREASE OR DECREASE DUE TO VARIOUS FACTORS WHICH MAY BE BEYOND THE CONTROL OF THE BOARD OR THE BONDHOLDERS AND WHICH MAY HAVE A MATERIAL ADVERSE IMPACT ON THE AMOUNT OF SALES TAX REVENUES DISTRIBUTED TO THE BOARD. SUCH FACTORS INCLUDE: (I) THE INCREASED USE OF ELECTRONIC COMMERCE AND OTHER INTERNET-RELATED SALES ACTIVITY ON WHICH COMMUNITY INVESTMENT TAX IS NOT PAID; (II) INCREASES OR DECREASES IN THE DOLLAR VOLUME OF SALES WITHIN THE COUNTY SUBJECT TO THE COMMUNITY INVESTMENT TAX, AND (III) LEGISLATIVE CHANGES RELATING TO THE COMMUNITY INVESTMENT TAX, WHICH MAY INCLUDE CHANGES IN THE SCOPE OF TAXABLE SALES.

IN ADDITION, THE AMOUNT OF SALES TAX REVENUES DISTRIBUTED TO THE BOARD MAY BE NEGATIVELY IMPACTED BY GENERAL ECONOMIC AND OTHER CONDITIONS, INCLUDING, BUT NOT LIMITED TO, CHANGES IN POPULATION, CHANGES IN THE PRICE OF TAXABLE SALES AND USES, GLOBAL CONFLICTS, ECONOMIC RECESSION, TERRORIST ATTACKS, OR ACTIVE HURRICANE SEASONS IN FLORIDA. SUCH EVENTS ARE UNPREDICTABLE AND MAY AFFECT THE COLLECTION OF THE COMMUNITY INVESTMENT TAX, WHICH IN TURN WOULD IMPACT THE BOARD'S RECEIPT OF SALES TAX REVENUES AND ITS ABILITY TO PAY DEBT SERVICE ON THE SERIES 2015B BONDS.

## Historical Debt Service Coverage

|                                            | Fiscal Year Ended June 30 |              |              |              |              |
|--------------------------------------------|---------------------------|--------------|--------------|--------------|--------------|
|                                            | 2010                      | 2011         | 2012         | 2013         | 2014         |
| Sales Tax Revenues                         | \$21,857,951              | \$22,650,963 | \$23,604,577 | \$24,660,463 | \$25,879,851 |
| Maximum Annual Debt Service <sup>(1)</sup> | \$20,551,813              | \$20,551,813 | \$20,551,813 | \$20,551,813 | \$20,551,813 |
| Historical Debt Service Coverage           | 1.06x                     | 1.10x        | 1.15x        | 1.20x        | 1.26x        |

(1) Based on actual historical debt service of the Series 2005 Bonds, the Series 2006 Bonds, and the Series 2007 Bonds. See also "PLAN OF REFINANCING" herein for a discussion of the refunding of portions of the Series 2005 Bonds and of the Series 2006 Bonds with the proceeds of the Series 2015A Bond and the Series 2015B Bonds.

*Collection and Administration.* The Florida Department of Revenue ("FDOR") has the responsibility to administer, collect and enforce all surtaxes, including the Community Investment Tax. The proceeds of each county's discretionary sales surtax collections are transferred to the Discretionary Sales Surtax Trust Fund. A separate account in the trust fund is to be established for each county imposing such a surtax. FDOR is authorized to deduct 3% of the total revenue generated for all counties levying a surtax for administrative costs. The amount deducted for administrative costs is required to be used only for those costs solely and directly attributable to the surtax. The total administrative costs are to be prorated among those counties levying the surtax on the basis of the amount collected for a particular county to the total amount collected for all counties. However, FDOR is currently not deducting the amount of revenue for administering these taxes and has never done so, even though the authorization currently exists to do so. FDOR is required to submit annually, no later than March 1<sup>st</sup>, a report detailing the expenses and amounts deducted for administrative costs to the President of the Senate, the Speaker of the House of Representatives, and the governing board of each county levying the surtax.

Pursuant to Section 212.15, Florida Statutes, vendors are required to remit sales tax receipts by the twentieth (20<sup>th</sup>) day of the month immediately following the month of collection. No statute prescribes a deadline for remitting surtax proceeds to the local governing bodies. However, according to the accounting division of FDOR, FDOR consistently remits the surtax proceeds to such local governing bodies by the twenty-fifth (25<sup>th</sup>) day of the month immediately following receipt by FDOR. FDOR distributes the proceeds to the County, the municipalities within the County, and the District pursuant to Section 212.055(2)(c)(1), Florida Statutes, and the Interlocal Agreement.

### Disposition of Sales Tax Revenues

(A) The Resolution provides that the Board shall promptly deposit upon receipt by the Board the Sales Tax Revenues into the Restricted Revenue Account. The moneys in the Restricted Revenue Account shall be deposited or credited on or before the third day prior to the end of each month as received by Board from the Clerk in the following manner and in the following order or priority:

(1) Interest Account. The Board shall deposit or credit to the Interest Account the sum which, together with the balance in said Account, shall equal the interest on all of the Outstanding Bonds accrued and unpaid and to accrue to the then current calendar month (assuming that a year consists of twelve (12) equal calendar months of thirty (30) days each). Moneys in the Interest Account shall be applied by the Board for deposit with the Paying Agent to pay the interest on the Bonds on or prior to the date the same shall become due. The Board shall adjust the amount of the deposit to the Interest Account not later than a month immediately preceding any Interest Date so as to provide sufficient moneys in the Interest Account to pay the interest on the Bonds coming due on such Interest Date. Except as provided in paragraph (5) below, no further deposit need be made to the Interest Account when the moneys therein are equal to the interest coming due on the Outstanding Bonds on the next succeeding Interest Date.

(2) Principal Account. Commencing in the month which is one year prior to the first principal due date (or if the first principal due date is less than one year from the date of issuance of the Bonds, the month immediately following the issuance of the Bonds), the Board shall next deposit into the Principal Account the sum which, together with the balance in said Account, shall equal the principal amount on the Outstanding Bonds due and unpaid and that portion of the principal next due which would have accrued on such Bonds during the then current calendar month if such principal amounts were deemed to accrue monthly (assuming that a year consists of twelve (12) equal calendar months having thirty (30) days each) in equal amounts from the next preceding principal payment due date, or, if there be no such preceding payment due date from a date one year preceding the due date of such principal amount. Moneys in the Principal Account shall be applied by the Board for deposit with the Paying Agent to pay the principal of the Bonds on or prior to the date the same shall mature, and for no other purpose. The Board shall adjust the amount of the deposit to the Principal Account not later than the month immediately preceding any principal payment date so as to provide sufficient moneys in the Principal Account to pay the principal on the Bonds becoming due on such principal payment date. No further deposit need be made to the Principal Account when the moneys therein are equal to the principal coming due on the Outstanding Bonds on the next succeeding principal payment date.

(3) Bond Amortization Account. Commencing in the month which is one year prior to any Amortization Installment due date, there shall be deposited or credited to the Bond Amortization Account an amount which, together with the balance in said Account, shall equal the Amortization Installments of all Bonds Outstanding due and unpaid and that portion of the Amortization Installment next due which would have accrued on said Bonds during the then current calendar month if such Amortization Installment were deemed to accrue daily (assuming that a year consists of twelve (12) months of thirty (30) days each), in equal amounts from the next preceding Amortization Installment due date, or if there is no such proceeding principal due date, from a date one year preceding the due date of such Amortization Installment. Moneys in the Bond Amortization Account shall be used to purchase or redeem Term Bonds in the manner herein provided or as provided by Supplemental Resolution, and for no other purpose. The Board shall adjust the amount of the deposit into the Bond Amortization Account not later than the month immediately preceding any date for payment of an Amortization Installment so as to provide sufficient moneys in the Bond Amortization Account to pay the Amortization Installments on the Bonds coming due on such date. No further deposit need be made to the Bond Amortization Account when the moneys therein are equal to the Amortization Installments coming due on the Outstanding Bonds on the next succeeding Amortization Installment due date. Payments to the Bond Amortization Account shall be on a parity with payments to the Principal Account.

(4) Reserve Account. There shall next be deposited to the Reserve Account an amount which shall not be less than one twelfth (1/12) of the amount which would enable the Board to restore the funds on deposit in the Reserve Account to an amount equal to the Reserve Account Requirement applicable thereto in one (1) year from the date of any shortfall, whether such shortfall was caused by decreased market value or withdrawal. On or prior to each principal payment date and Interest Date for the Bonds, moneys in the Reserve Account shall be applied by the Board to the payment of the principal of or Redemption Price, if applicable, and interest on the Bonds to the extent moneys in the Interest Account, the Principal Account and the Bond Amortization Account shall be insufficient for such purpose. Whenever there shall be surplus moneys in the Reserve Account by reason of (i) investment income, shall be deposited into the Interest Account as provided in the Resolution and (ii) a decrease in the Reserve Account Requirement, such surplus moneys shall be deposited by the Board into the Unrestricted Revenue Account, subject to receiving an opinion of Bond Counsel that such application will not have an adverse effect on the tax-exempt status on the Bonds (other than Taxable Bonds), and otherwise to the Debt Service Fund. The Board shall inform each Credit Facility Provider of any draw upon the Reserve Account for purposes of paying the principal of and interest on the Bonds.

(5) Annual Funding. There shall be next deposited to the Interest Account, the Principal Account and the Bond Amortization Account, in that order, sufficient moneys such that the amounts on deposit therein shall equal, respectively, the interest and principal (including any Amortization Installment) next coming due on all outstanding Bonds during the current Bond Year.

(6) Unrestricted Revenue Account. The balance of any moneys after the deposits required by paragraphs (1) through (5) above may be transferred, at the discretion of the Board, to the Unrestricted Revenue Account or any other appropriate fund and account of the Board and may be used for any lawful purpose including, with or without limitation, the early redemption of Bonds. In the event moneys on deposit in the Interest Account, and the Principal Account on the third day prior to an Interest Date are not sufficient to pay the principal of and interest on the Bonds coming due on such Interest Date, the Board shall transfer moneys from the Unrestricted Revenue Account, if any, to the appropriate Account of the Debt Service Fund to provide for such payment. Any moneys remaining in the Unrestricted Revenue Account on each Interest Date may be used for any lawful purpose.

The Board, in its discretion may use moneys in the Principal Account and the Interest Account to purchase Outstanding Bonds coming due on the next principal payment date, provided such purchase does not adversely affect the Board's ability to pay the principal or interest coming due on such principal payment date on the Bonds not so purchased.

#### **Series 2015B Reserve Account Subaccount**

The Resolution requires the establishment of a Reserve Account for the Bonds, including the Series 2015B Bonds, in an amount equal to the Reserve Account Requirement for all Outstanding Bonds secured thereby (which may be zero for a particular Series of Bonds). The Resolution authorizes the establishment of a separate subaccount within the Reserve Account for the Series 2015B Bonds (the "Series 2015B Reserve Account Subaccount"). The Reserve Account Requirement for the Series 2015B Bonds shall be \$7,546,506.67.

The Resolution also authorizes the Board to obtain a debt service reserve account surety bond (the "Surety Bond") in place of fully funding the Series 2015B Reserve Account Subaccount with cash. Accordingly, application has been made to the Insurer for the issuance of a Surety Bond for the purpose of funding of the Series 2015B Reserve Account Subaccount in the amount of the Reserve Account Requirement for the Series 2015B Bonds. See "MUNICIPAL BOND INSURANCE POLICY – Assured Guaranty Municipal Corp." for more information regarding the Insurer.

The Series 2015B Bonds will only be delivered upon the issuance of the Surety Bond, and the premium on the Surety Bond will be fully paid at or prior to the issuance and delivery of the Series 2015B Bonds. The Surety Bond will provide that the Insurer will make payment as provided in the Surety Bond to the Paying Agent on the later of the business day on which such principal and interest becomes due for payment (as such term is defined in the Surety Bond) or (ii) the business day next following the business day on which the Insurer receives a notice of nonpayment in a form reasonably satisfactory to it. In no event shall the amount available under the Surety Bond exceed the Policy Limit (as defined therein).

Pursuant to the terms of the Surety Bond, the amount available for payment under the Surety Bond is automatically reduced to the extent of each payment made by the Insurer under the terms of the Surety Bond, and the Board is required to reimburse the Insurer for any draws under the Surety Bond with interest at the rate set forth in the Surety Bond. Upon such reimbursement, the Surety Bond is reinstated to the extent of each principal reimbursement up to but not exceeding the Policy Limit. The reimbursement obligation of the Board shall be limited to the Pledged Funds in the manner and to the extent set forth in the Resolution.

The Surety Bond shall constitute a Reserve Account Insurance Policy under the Resolution. The Resolution provides, with respect to the Reserve Account, that the Pledged Funds shall be applied first, to reimburse the Insurer and the issuer of any Reserve Account Insurance Policy or Reserve Account Letter of Credit (as such terms are defined in the Resolution) for amounts advanced under such instruments, second, to replenish any cash deficiencies in the Reserve Account, and third, to pay the issuer of any Reserve Account Insurance Policy or Reserve Account Letter of Credit (including the Insurer) interest on amounts advanced under such instruments.

Upon the issuance of any Additional Bonds, subject to the terms, limitations and conditions provided in the Resolution, the Board shall, on the date of delivery of such Additional Bonds, increase the sum required to be accumulated and maintained on deposit in the Reserve Account to be at least equal to the Reserve Account Requirement on all Outstanding Bonds including the Additional Bonds then issued (which may be zero for a particular Series of Bonds). Such required sum may be paid in full or in part from the proceeds of such Additional Bonds. The Series 2015A Bond is not secured by amounts on deposit in the Reserve Account. The Series 2015B Bonds are not secured by amounts on deposit in the Reserve Account other than the Series 2015B Reserve Account Subaccount.

### **Investments**

Moneys on deposit in the Restricted Revenue Account and the Debt Service Fund shall be continuously secured in the manner by which the deposit of public funds are authorized to be secured by the laws of the State. Moneys on deposit in the Restricted Revenue Account and the Debt Service Fund other than the Reserve Account, may be invested and reinvested in Authorized Investments maturing not later than the date on which the moneys therein will be needed for the purposes of such Fund or Account. Moneys on deposit in the Reserve Account may be invested and reinvested in Authorized Investments which mature no later than ten (10) years from the date of investment. All investments shall be valued at market at least semi-annually.

Any and all income received by the Board from the investment of moneys in the Interest Account, the Principal Account, the Bond Amortization Account, the Restricted Revenue Account and the Reserve Account (to the extent such income and other amounts in the Reserve Account does not exceed the Reserve Account Requirement) shall be retained in such respective Fund or Account; provided that amounts in the Reserve Account in excess of the Reserve Account Requirement shall be transferred to the Interest Account.

### **Separate Accounts**

The moneys required to be accounted for in the funds and accounts established in the Resolution may be deposited in a single, non-exclusive bank account, and funds allocated to the various funds, accounts and subaccounts established herein may be invested in a common investment pool, provided that adequate accounting records are maintained to reflect and control the restricted allocation of the moneys on deposit therein and such investments for the various purposes of such funds, accounts and subaccount as provided by the Resolution.

The designation and establishment of the various funds, accounts and subaccounts in and by the Resolution shall not be construed to require the establishment of any completely independent, self-balancing funds as such term is commonly defined and used in governmental accounting, but rather is intended solely to constitute an earmarking of certain revenues for certain purposes and to establish certain priorities for application of such revenues as herein provided.

## **Additional Bonds**

Except as provided below, the Board covenants in the Resolution not to incur any other obligations or indebtedness payable on a parity from the Pledged Funds unless there shall have been obtained and filed with the Board a statement of the Superintendent or his or her designee (1) stating that he or she has examined the books and records of the Board relating to the collection and receipt of Sales Tax Revenues received by the Board for deposit to the Restricted Revenue Account, (2) setting forth the amount of such Sales Tax Revenues received by the Board for any twelve consecutive months designated by the Board within the eighteen months immediately preceding the date of delivery of such Additional Bonds with respect to which the statement is made, and (3) stating that the amount of such Sales Tax Revenues received by the Board for such twelve month period equals at least the sum of 1.20 times the Maximum Annual Debt Service on all Bonds then Outstanding and the Additional Bonds with respect to which the statement is made.

Additional Bonds shall be deemed to have been issued pursuant to the Resolution the same as the Outstanding Bonds, and all of the other covenants and other provisions of the Resolution (except as to details of such Additional Bonds inconsistent therewith) shall be for the equal benefit, protection and security of the Holders of all Bonds issued pursuant to the Resolution.

The Board shall not be required to comply with the requirements of the second preceding paragraph with respect to any Additional Bonds issued to refund and defease any portion of the outstanding Bonds (or any outstanding additional parity Bonds) if the issuance of such Additional Bonds results in a reduction of aggregate debt service.

## **Books and Records**

The Board covenants in the Resolution that it will keep books and records of the receipt of the Sales Tax Revenues in accordance with generally accepted accounting principles and any holder or holder of at least \$1,000,000 aggregate principal amount of Series 2015B Bonds shall have the right at all reasonable times to inspect the records, accounts and data of the Board relating thereto.

## **No Impairment; Limitation on Maturity of Bonds**

The Board covenants in the Resolution that the pledging of the Pledged Funds in the manner provided in the Resolution shall not be subject to repeal, modification or impairment by any subsequent ordinance, resolution, agreement or other proceedings of the Board. The Board shall not (i) permit the Interlocal Agreement to be terminated or expire while any Bonds remain Outstanding and (ii) issue any Bonds maturing after the stated expiration date of the Interlocal Agreement.

## **Receipt of Sales Tax Revenues**

The Board covenants in the Resolution to do all things necessary or required on its part by the Act, the Interlocal Agreement or otherwise to maintain the levy, collection and receipt of the Sales Tax Revenues, including, but not limited to, taking all actions necessary to cause the County to perform its obligations under the Interlocal Agreement with respect thereto. The Board shall exercise all legally available remedies to enforce such levy, collection and receipt now or hereafter available under the law. The Board will not take any action, including amending or supplementing the Interlocal Agreement, or enter into any agreement that shall result in reducing the level of Sales Tax Revenues received by the Board from that level prevailing at the time the Board takes such action or entered into such agreement.

## **Certificates of Participation to Be Paid from Sales Tax Revenues**

On February 19, 2004, the Board issued its Certificates of Participation (School Board of Hillsborough County, Florida Master Lease Program), Series 2004B Evidencing an Undivided Proportionate Interest of Owners thereof in Basic Rent Payments to be made under a Master Lease-Purchase Agreement by the School Board of Hillsborough County, Florida (the "Series 2004B Certificates"). At the time of issuance, the Series 2004B Certificates were expected to be paid in part from a portion of the Sales Tax Revenues; provided, however, that payment of the Series 2004B Certificates from Sales Tax Revenues is subject in all respects to the prior lien on Sales Tax Revenues that the holders of the presently outstanding or hereinafter issued Bonds have, including the Series 2015B Bonds and the Parity Bonds. See table entitled "School District of Hillsborough County, Florida Certificates of Participation as of June 30, 2014" below for a description of outstanding Certificates of Participation. The Board has not used any Sales Tax Revenues to pay debt service on the Series 2004B Certificates since the fiscal year ended June 30, 2010.

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## **MUNICIPAL BOND INSURANCE POLICY**

The scheduled payment of principal of and interest on the Series 2015B Bonds when due will be guaranteed under the Insurance Policy to be issued concurrently with the delivery of the Series 2015B Bonds by the Insurer.

### **Insurance Policy**

Concurrently with the issuance of the Series 2015B Bonds, the Insurer will issue its Insurance Policy for the Series 2015B Bonds. The Insurance Policy guarantees the scheduled payment of principal and interest on the Series 2015B Bonds when due as set forth in the form of the Insurance Policy included as APPENDIX D to this Official Statement.

The Insurance Policy is not covered by any insurance security or guaranty fund established under New York, California, Connecticut or Florida insurance law.

### **Assured Guaranty Municipal Corp.**

The Insurer is a New York domiciled financial guaranty insurance company and an indirect subsidiary of Assured Guaranty Ltd. ("AGL"), a Bermuda-based holding company whose shares are publicly traded and are listed on the New York Stock Exchange under the symbol "AGO". AGL, through its operating subsidiaries, provides credit enhancement products to the U.S. and global public finance, infrastructure and structured finance markets. Neither AGL nor any of its shareholders or affiliates, other than the Insurer, is obligated to pay any debts of the Insurer or any claims under any insurance policy issued by the Insurer.

The Insurer's financial strength is rated "AA" (stable outlook) by Standard and Poor's Ratings Services, a Standard & Poor's Financial Services LLC business ("S&P"), "AA+" (stable outlook) by Kroll Bond Rating Agency, Inc. ("KBRA") and "A2" (stable outlook) by Moody's Investors Service, Inc. ("Moody's"). Each rating of the Insurer should be evaluated independently. An explanation of the significance of the above ratings may be obtained from the applicable rating agency. The above ratings are not recommendations to buy, sell or hold any security, and such ratings are subject to revision or withdrawal at any time by the rating agencies, including withdrawal initiated at the request of the Insurer in its sole discretion. In addition, the rating agencies may at any time change Insurer's long-term rating outlooks or place such ratings on a watch list for possible downgrade in the near term. Any downward revision or withdrawal of any of the above ratings, the assignment of a negative outlook to such ratings or the placement of such ratings on a negative watch list may have an adverse effect on the market price of any security guaranteed by the Insurer. The Insurer only guarantees scheduled principal and scheduled interest payments payable by the issuer of bonds insured by the Insurer on the date(s) when such amounts were initially scheduled to become due and payable (subject to and in accordance with the terms of the relevant insurance policy), and does not guarantee the market price or liquidity of the securities it insures, nor does it guarantee that the ratings on such securities will not be revised or withdrawn.

#### *Current Financial Strength Ratings.*

On June 29, 2015, S&P issued a credit rating report in which it affirmed the Insurer's financial strength rating of "AA" (stable outlook). The Insurer can give no assurance as to any further ratings action that S&P may take.

On November 13, 2014, KBRA assigned an insurance financial strength rating of "AA+" (stable outlook) to the Insurer. The Insurer can give no assurance as to any further ratings action that KBRA may take.

On July 2, 2014, Moody's issued a rating action report stating that it had affirmed the Insurer's insurance financial strength rating of "A2" (stable outlook). On February 18, 2015, Moody's published a credit opinion under its new financial guarantor ratings methodology maintaining its existing rating and outlook on the Insurer. The Insurer can give no assurance as to any further ratings action that Moody's may take.

For more information regarding the Insurer's financial strength ratings and the risks relating thereto, see AGL's Annual Report on Form 10-K for the fiscal year ended December 31, 2014.

*Capitalization of the Insurer.*

At March 31, 2015, the Insurer's policyholders' surplus and contingency reserve were approximately \$3,730 million and its net unearned premium reserve was approximately \$ 1,702 million. Such amounts represent the combined surplus, contingency reserve and net unearned premium reserve of the Insurer, the Insurer's wholly owned subsidiary Assured Guaranty (Europe) Ltd. and 60.7% of the Insurer's indirect subsidiary Municipal Assurance Corp.; each amount of surplus, contingency reserve and net unearned premium reserve for each company was determined in accordance with statutory accounting principles.

*Incorporation of Certain Documents by Reference.*

Portions of the following documents filed by AGL with the Securities and Exchange Commission (the "SEC") that relate to the Insurer are incorporated by reference into this Official Statement and shall be deemed to be a part hereof:

(i) the Annual Report on Form 10-K for the fiscal year ended December 31, 2014 (filed by AGL with the SEC on February 26, 2015); and

(ii) the Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2015 (filed by AGL with the SEC on May 8, 2015).

All consolidated financial statements of the Insurer and all other information relating to the Insurer included in, or as exhibits to, documents filed by AGL with the SEC pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, excluding Current Reports or portions thereof "furnished" under Item 2.02 or Item 7.01 of Form 8-K, after the filing of the last document referred to above and before the termination of the offering of the Series 2015B Bonds shall be deemed incorporated by reference into this Official Statement and to be a part hereof from the respective dates of filing such documents. Copies of materials incorporated by reference are available over the internet at the SEC's website at <http://www.sec.gov>, at AGL's website at <http://www.assuredguaranty.com>, or will be provided upon request to Assured Guaranty Municipal Corp., 31 West 52nd Street, New York, New York 10019, Attention: Communications Department (telephone (212) 974-0100). Except for the information referred to above, no information available on or through AGL's website shall be deemed to be part of or incorporated in this Official Statement.

Any information regarding the Insurer included herein under the caption "MUNICIPAL BOND INSURANCE POLICY – Assured Guaranty Municipal Corp." or included in a document incorporated by reference herein (collectively, the "Insurer Information") shall be modified or superseded to the extent

that any subsequently included Insurer Information (either directly or through incorporation by reference) modifies or supersedes such previously included Insurer Information. Any Insurer Information so modified or superseded shall not constitute a part of this Official Statement, except as so modified or superseded.

*Miscellaneous Matters.*

The Insurer or one of its affiliates may purchase a portion of the Series 2015B Bonds offered under this Official Statement and such purchases may constitute a significant proportion of the bonds offered. The Insurer or such affiliate may hold such Series 2015B Bonds for investment or may sell or otherwise dispose of such Series 2015B Bonds at any time or from time to time.

The Insurer makes no representation regarding the Series 2015B Bonds or the advisability of investing in the Series 2015B Bonds. In addition, the Insurer has not independently verified, makes no representation regarding, and does not accept any responsibility for the accuracy or completeness of this Official Statement or any information or disclosure contained herein, or omitted herefrom, other than with respect to the accuracy of the information regarding the Insurer supplied by the Insurer and presented under the heading "MUNICIPAL BOND INSURANCE POLICY" or in APPENDIX D – Specimen Municipal Bond Insurance Policy."

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## **MUNICIPAL BOND INSURANCE RISK FACTORS**

The Insurance Policy will guarantee the scheduled payment of principal of and interest on all of the Series 2015B Bonds. The following are risk factors relating to bond insurance.

In the event of default of the scheduled payment of principal of or interest with respect to the Series 2015B Bonds when all or some becomes due, any owner of the Series 2015B Bonds shall have a claim under the Insurance Policy for such payments. However, in the event of any acceleration of the due date of such principal by reason of optional redemption or otherwise, other than any advancement of maturity pursuant to a mandatory sinking fund payment, the payments are to be made in such amounts and at such times as such payments would have been due had there not been any such acceleration. The Insurance Policy does not insure redemption premium, if any, payable in connection with the Series 2015B Bonds. The payment of principal and interest in connection with optional prepayment of the Series 2015B Bonds by the Board which is recovered by the Board from the bond owner as a voidable preference under applicable bankruptcy law is covered by the Insurance Policy, however, such payments will be made by the Insurer at such time and in such amounts as would have been due absence such prepayment by the Board unless the Insurer chooses to pay such amounts at an earlier date.

In the event the Insurer is unable to make payment of principal and interest as such payments become due under the Insurance Policy, the Series 2015B Bonds are payable solely from the Pledged Funds as set forth in the Resolution. In the event the Insurer becomes obligated to make payments with respect to the Series 2015B Bonds, no assurance is given that such event will not adversely affect the market price of the Series 2015B Bonds or the marketability for the Series 2015B Bonds.

The insured ratings on the Series 2015B Bonds are dependent on the financial strength of the Insurer and its claim paying ability. The Insurer's financial strength and claims paying ability are predicated upon a number of factors which could change over time. No assurance is given that the long-term ratings of the Insurer and of the insured ratings on the Series 2015B Bonds will not be subject to downgrade and such event could adversely affect the market price of the Series 2015B Bonds or the marketability for the Series 2015B Bonds.

The obligations of the Insurer are unsecured contractual obligations and in an event of default by the Insurer, the remedies available may be limited by applicable bankruptcy law or state law related to insolvency of insurance companies.

Neither the Board nor the Underwriters will make an independent investigation into the claims paying ability of the Insurer and no assurance or representation regarding the financial strength or projected financial strength of the Insurer will be given. Thus, when making an investment decision, potential investors should carefully consider the ability of the Board to pay principal and interest on the Series 2015B Bonds and the claims paying ability of the Insurer, particularly over the life of the investment.

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## ESTIMATED SOURCES AND USES OF FUNDS

The table that follows summarizes the estimated sources and uses of funds to be derived from the sale of the Series 2015B Bonds.

### SOURCES:

|                                        |                     |
|----------------------------------------|---------------------|
| Principal Amount of Series 2015B Bonds | \$65,195,000.00     |
| Net Bond Premium                       | 10,270,066.70       |
| Other Sources of Funds                 | <u>1,309,353.45</u> |
| TOTAL SOURCES                          | \$76,774,420.15     |

### USES:

|                                       |                   |
|---------------------------------------|-------------------|
| Deposit to Escrow Fund <sup>(1)</sup> | \$76,072,667.51   |
| Costs of Issuance <sup>(2)</sup>      | <u>701,752.64</u> |
| TOTAL USES                            | \$76,774,420.15   |

(1) To be applied to refund the Refunded Bonds. See "PLAN OF REFINANCING" herein.

(2) Includes Insurance Policy premium, Surety Bond premium, Underwriters' Discount, legal and financial advisor fees, miscellaneous expenses and other costs of issuance.

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## COMBINED BOND DEBT SERVICE SCHEDULE

The following table shows annual debt service on the Parity Bonds, following the issuance of the Series 2015B Bonds and refunding of the Refunded Bonds.

| <b>Bond Year<br/>Ending<br/>October 1</b> | <b>Outstanding<br/>Parity Bonds*</b> | <b>Series 2015B Bonds</b>     |                              |                           | <b>Total<br/>Combined<br/>Debt Service</b> |
|-------------------------------------------|--------------------------------------|-------------------------------|------------------------------|---------------------------|--------------------------------------------|
|                                           |                                      | <b>Principal<br/>Payments</b> | <b>Interest<br/>Payments</b> | <b>Total<br/>Payments</b> |                                            |
| 2015                                      | \$17,441,043.00                      | \$ --                         | \$364,677.92                 | \$364,677.92              | \$17,805,720.92                            |
| 2016                                      | 15,960,665.00                        | --                            | 3,202,050.00                 | 3,202,050.00              | 19,162,715.00                              |
| 2017                                      | 15,961,425.00                        | --                            | 3,202,050.00                 | 3,202,050.00              | 19,163,475.00                              |
| 2018                                      | 15,964,595.00                        | --                            | 3,202,050.00                 | 3,202,050.00              | 19,166,645.00                              |
| 2019                                      | 15,960,105.00                        | --                            | 3,202,050.00                 | 3,202,050.00              | 19,162,155.00                              |
| 2020                                      | 2,048,025.00                         | 13,585,000.00                 | 3,202,050.00                 | 16,787,050.00             | 18,835,075.00                              |
| 2021                                      | 2,048,025.00                         | 14,270,000.00                 | 2,522,800.00                 | 16,792,800.00             | 18,840,825.00                              |
| 2022                                      | 2,048,025.00                         | 14,985,000.00                 | 1,809,300.00                 | 16,794,300.00             | 18,842,325.00                              |
| 2023                                      | 2,048,025.00                         | 15,730,000.00                 | 1,060,050.00                 | 16,790,050.00             | 18,838,075.00                              |
| 2024                                      | 17,148,025.00                        | 2,105,000.00                  | 273,550.00                   | 2,378,550.00              | 19,526,575.00                              |
| 2025                                      | 17,143,025.00                        | 2,210,000.00                  | 168,300.00                   | 2,378,300.00              | 19,521,325.00                              |
| 2026                                      | 17,144,775.00                        | 2,310,000.00                  | 69,300.00                    | 2,379,300.00              | 19,524,075.00                              |
| <b>TOTAL</b>                              | <b>\$140,915,758.00</b>              | <b>\$65,195,000.00</b>        | <b>\$22,278,227.92</b>       | <b>\$87,473,227.92</b>    | <b>\$228,388,985.92</b>                    |

\* Omits payments made prior to the date hereof and payments on the Refunded Bonds which will be refunded with the proceeds of the Series 2015B Bonds. See "INTRODUCTION – Description of the Refunding" and "PLAN OF REFINANCING" herein.

## SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA

The Board is organized under Section 4, Article IX, of the Constitution of Florida and Chapter 1001, Florida Statutes, as amended, and is the governing body of the District. The geographic boundaries of the District are coterminous with those of the County. In Fiscal Year 2014/15, the District operated 243 schools with 204,558 students (full time equivalent, or "FTE") and employed approximately 26,635 permanent employees, of which 15,975 were instructional. Management of the schools within the District is independent of the County and any city governments. The Board is authorized by State law to levy property taxes for school district operations, capital improvements and debt service. Property taxes are assessed by the Hillsborough County Property Appraiser. The Hillsborough County Tax Collector collects taxes for the Board, but exercises no control over expenditures by the Board.

### The Organization and Powers of the Board

The Board is a body corporate existing under the laws of the State of Florida. The Board is the governing body of the District, consisting of members elected by districts for four year terms. Under existing law, the Board's duties and powers include, but are not limited to, the development of policies and rules for the efficient operation of the District; the acquisition, maintenance and disposition of school property within the District; the development and adoption of a school program for the District; the establishment, organization and operation of schools, including vocational and evening schools; the establishment and operation of programs for gifted students and for students in residential care facilities; the appointment, compensation, promotion, suspension and dismissal of employees; the establishment of courses of study and the provision of adequate instructional aids; and the establishment of a system to transport students to/from school or school-related activities.

The Board also has broad financial responsibilities, including, but not limited to, the approval of the annual budget, adoption of the school tax levy and the establishment of a system of accounting and budgetary controls. The annual budget and accounting reports must be filed with the State Department of Education.

The present members of the Board and the expiration of their respective terms are as follows:

| Name                            | District              | Term Expires   |
|---------------------------------|-----------------------|----------------|
| Susan L. Valdes, Chair          | Board District No. 1  | November, 2016 |
| Doretha W. Edgecomb, Vice Chair | Board District No. 5  | November, 2016 |
| Sally A. Harris, Member         | Board District No. 2  | November, 2018 |
| Cindy Stuart, Member            | Board District No. 3  | November, 2016 |
| Melissa Snively, Member         | Board District No. 4  | November, 2018 |
| April Griffin, Member           | Board District No. 6* | November, 2018 |
| Carol W. Kurdell, Member        | Board District No. 7* | November, 2016 |

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\*At large districts.

## **Superintendent of Schools**

The Superintendent of Schools is appointed by the Board and serves as ex-officio Secretary of the Board. The Superintendent's powers include, but are not limited to, keeping the records of the Board, acting as custodian for District property, preparing long-term and annual school programs, directing the work of District personnel, making policy recommendations to the Board in the area of child welfare, public transportation, school plant and District finance, and performing the additional duties assigned to him by law and the regulations of the State Department of Education. The Superintendent is appointed by the Board. His present term expires June 30, 2017.

## **Administration**

Mr. Jeff Eakins, Superintendent was appointed as Acting Superintendent of the District for the period from March 5, 2015 through June 30, 2015, and has been appointed as Superintendent effective July 1, 2015. Mr. Eakins received his Bachelors of Science in Education from Ohio State University and a Master of Science in Educational Leadership from Nova Southeastern University.

Mr. Eakins began his career in education as a teacher at North Franklin Elementary School in Columbus, Ohio. In 1989, Mr. Eakins moved to Hillsborough County and spent two years as a teacher at Wimauma Elementary School and nearly five years at Cypress Creek Elementary School. Over the next several years, Mr. Eakins was promoted to various key positions within the District. He first served as an assistant principal for elementary instruction at Springhead Elementary School, then he returned to Cypress Creek Elementary as the school's principal. In 2006, Mr. Eakins became the director of the District's Title I program. Later, he was promoted to General Director of Federal Programs. In this role, he worked closely with legislators at the state and national level on a variety of issues impacting children and education in Hillsborough County. He also collaborated with the U.S. and Florida departments of education on the implementation of several education laws. In March 2013, Mr. Eakins served as Assistant Superintendent for Performance Management and Community Support. Later that year he was promoted to Deputy Superintendent for the District.

Mr. Eakins has received numerous awards and recognition throughout his career including the 1992 Teacher of the Year at Cypress Creek Elementary School, the 2010 Dr. Earl Lennard Outstanding Leader Award for Hillsborough County Public Schools, and also in 2010, the NAFEP's Outstanding Leadership Award for the State of Florida. He is a graduate of the 2011 Leadership Tampa Class, co-chair of the Leadership Tampa 2015 Education Committee, and serves on the Board of Directors for the Florida Association of Instructional Supervisors and Administrators.

Ms. Gretchen Saunders, Chief Business Officer, has been Chief Business Officer for the District since January 1, 2005. In this capacity, Ms. Saunders is responsible for the management of 10 departments containing 130 employees. Departments under her control include Budget, Payroll, Debt Management, Cash Management, and Purchasing. Ms. Saunders oversees a total budget of more than \$3

billion and a debt portfolio of approximately \$1 billion. Debt instruments under Ms. Saunders control include Certificates of Participation, Sales Tax Revenue Bonds, General Obligation Bonds, and Qualified Zone Academy Bonds. In managing the District's debt program, Ms. Saunders has employed the use of both fixed and variable debt, long-dated swaps and swaptions, and medium term swaps. Prior to her appointment as Chief Business Officer, Ms. Saunders served as Manager of Budget and Cash Management for the Board.

Ms. Saunders holds a B.S. in Business from Ferris State University and an M.S. in Public Administration from Central Michigan University. She is a past president of the Florida School Finance Officers Association and was elected a member of the Florida School Finance Council in June, 2004. The School Finance Council is a senior policy advisory board that assists the Florida Commissioner of Education. Its limited membership is by invitation only.

## Academics

For Fiscal Year 2014/15, the District operated 142 elementary schools comprised of students in kindergarten through fifth grade. Students in the sixth, seventh and eighth grades comprise the District's 43 middle schools. The District operates 3 K-8 schools. The District operates 27 high schools which include ninth through twelfth grades as well as the vocational programs. In addition, there are 3 alternative educational schools, 9 Special School Centers and 8 adult centers conducted at the various locations within the District as well as 4 technical colleges and 4 career centers.

For the Fiscal Year 2014/15, the District also operated 33 "magnet programs." Magnet programs operate at the elementary, middle and high school levels, offering unique educational opportunities and challenges for students. These magnet schools offer specialized programs including: Academy of Health Professionals, Academy of Engineering, Visual/Performing/ Communication Arts, Environmental Studies, International Studies Preparatory Academy/High Technology Program and the International Baccalaureate Program.

## Historical Growth

The following table presents a summary of general statistical data regarding the District.

### Summary of Statistical Data Ten Year History

| <u>School Year</u> | <u>Number of<br/>Schools</u> | <u>Number of<br/>Instructors</u> | <u>FTE<sup>(1)</sup><br/>Enrollment</u> | <u>Average<br/>Expenditure per<br/>FTE Student<sup>(2)</sup></u> |
|--------------------|------------------------------|----------------------------------|-----------------------------------------|------------------------------------------------------------------|
| 2013/14            | 244                          | 15,787                           | 201,300                                 | \$10,291                                                         |
| 2012/13            | 244                          | 15,638                           | 196,659                                 | 9,773                                                            |
| 2011/12            | 244                          | 15,477                           | 195,198                                 | 9,823                                                            |
| 2010/11            | 244                          | 15,217                           | 192,499                                 | 10,234                                                           |
| 2009/10            | 244                          | 15,048                           | 190,799                                 | 10,069                                                           |
| 2008/09            | 242                          | 15,376                           | 189,761                                 | 10,202                                                           |
| 2007/08            | 242                          | 15,229                           | 190,580                                 | 9,999                                                            |
| 2006/07            | 231                          | 15,118                           | 190,699                                 | 9,255                                                            |
| 2005/06            | 224                          | 14,517                           | 190,596                                 | 8,450                                                            |
| 2004/05            | 221                          | 13,959                           | 185,511                                 | 8,009                                                            |

(1) K-12 full-time equivalent enrollment.

(2) Expenditures include government-wide Governmental Activities.

Source: Comprehensive Annual Financial Report of the School District of Hillsborough County, Florida for the Fiscal Year ended June 30, 2014.



## Employee Relations

For Fiscal Year 2014/15, the Board employed 25,635 permanent employees. A portion of these employees are represented by the following groups:

|                                      |                                             |
|--------------------------------------|---------------------------------------------|
| Teachers                             | Hillsborough Classroom Teachers Association |
| Paraprofessionals                    | Hillsborough Classroom Teachers Association |
| Clerical and Bus Attendants          | Hillsborough Classroom Teachers Association |
| Custodial, Maintenance and Mechanics | Hillsborough Schools Employee Federation    |
| Bus Drivers                          | Hillsborough Schools Employee Federation    |

Union members include both instructional and non-instructional personnel. Current union contracts expire as follows:

|                                      |                |
|--------------------------------------|----------------|
| Teachers                             | June 30, 2016  |
| Paraprofessionals                    | June 30, 2015* |
| Clerical                             | June 30, 2015* |
| Custodial, Maintenance and Mechanics | June 30, 2017  |
| Bus Drivers                          | June 30, 2017  |
| Bus Attendants                       | June 30, 2017  |

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\* Negotiations relating to a replacement contract are expected to begin in July 2015, but the current contract is expected to remain in force until replaced.

Under Florida law, public employees and public employee organizations may not participate in a strike against a public employer.

## Constitutional Amendments Related to Class Size Reduction and Pre-K Education

Class Size Reduction. Amendment 9 to the State Constitution requires that the State Legislature provide funding for sufficient classrooms so that class sizes can be reduced to certain constitutional class size maximums by the beginning of the 2011 school year. Section 1003.03, Florida Statutes, implements Amendment 9 (together with Amendment 9, the "Class Size Legislation"). School districts were required to implement constitutional class size maximums on an individual classroom basis beginning in Fiscal Year 2010/11. The Class Size Legislation provides that the State shall reduce categorical funds for operational purposes to school districts that fail to meet the requirements.

As of the October 2014 Survey, used by the Department of Education to determine compliance with class size maximums for Fiscal Year 2014/15, the District has always been fully compliant with the Class Size Legislation.

School districts, including the District, cannot guarantee their ability to maintain class sizes in the manner currently mandated by the Class Size Legislation. While the Class Size Legislation requires that the State Legislature, and not local school districts, is generally responsible for the cost of compliance, there can be no assurance that the State Legislature will provide funds sufficient to meet a school district's ongoing capital, facility and operating needs required by the Class Size Legislation. Further, there can be no assurance that the District will have funds sufficient to meet its ongoing capital, facility and operating needs required by the Class Size Legislation or that compliance therewith will not adversely affect other capital needs and operating costs of the District.

Pre-K Programs. The State Constitution provides that every four year old child in the State shall be offered a free, high quality pre-kindergarten learning opportunity by the State. Chapter 1002, Part V, Florida Statutes, creates a statewide Voluntary Pre-kindergarten Education Program (together with the Constitutional amendment, the "Pre-K Legislation"). The Pre-K Legislation also requires school districts to deliver summer Pre-K programs and permits school districts to deliver school-year Pre-K programs. Additionally, the Pre-K Legislation appropriates State funds to finance the Pre-K programs and provides the method for calculating the funds allocated to each Pre-K program provider.

State funding sufficient to meet the ongoing capital and facility needs of the District required by the Pre-K Legislation cannot be guaranteed, nor can there be any assurance that the District will have funds sufficient to meet the ongoing capital and facility needs of the District required by the Pre-K Legislation or that ongoing compliance therewith will not adversely affect other capital needs and operating costs of the District.

## **Accounting and Funds**

Pursuant to Section 11.45, Florida Statutes, as amended, the financial operations of the District are subject to audit by independent auditors of the District at least two out of every three fiscal years with the Auditor General's office auditing the financial operations of the District once every three fiscal years. The District retained the independent accounting firm of KPMG LLP to audit its financial operations, whose report for the Fiscal Year ended June 30, 2014 is attached hereto as part of "APPENDIX B - COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA FOR THE FISCAL YEAR ENDED JUNE 30, 2014" attached hereto.

Accounting policies conform with generally accepted accounting principles applicable to state and local governmental units. Accordingly, the District's accounting system is organized on the basis of funds and account groups. A fund is an accounting entity having a self-balancing set of accounts for recording assets, liabilities, fund equity, revenues, either expenditures or expenses depending on fund type, and other financing sources and uses.

The fund financial statements provide information about the Board's funds, including its fiduciary funds and blended component units. Separate statements for each fund category – government 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 non-major funds. Because the focus of the governmental fund financial statements differs from the focus of the government-wide financial statements, a reconciliation is presented with each of the governmental fund financial statements. For additional information regarding the Board's financial statements, see APPENDIX B hereto.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as investment earnings, result from non-exchange transactions or ancillary activities.

## **Governmental Fund Types**

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.

Contracted Services – to account for funds from the State or Federal Government which are restricted for Federal programs.

Other Debt Service – accounts for and reports on the payments of principal and interest for outstanding bonds and Certificates of Participation.

Local Capital Improvement – accounts for and reports on the revenues generated from the local capital outlay property taxes.

Other Capital Projects Funds – accounts for and reports on other miscellaneous funds from various sources.

### **Other Fund Types**

Additionally, the District reports the following fund types:

Internal Service Funds – to account for the District's workers' compensation, general and automobile liability self-insurance programs and the employee health insurance program.

Pension Trust Fund – to account for resources used to finance the early retirement program.

Agency Funds – to account for resources held by the District as custodian for others, primarily for the benefit of various schools and their activity funds.

### **Measurement Focus and Basis of Accounting**

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

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

Governmental Fund Financial Statements – governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues, other than grant funds, reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Grant funds are considered available if collection is expected in the upcoming fiscal year. Property taxes, sales taxes, and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured.

General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the District funds certain programs by a combination of specific cost reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted net assets available to finance the program. It is the District's policy to first apply cost reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

## **Budget Process**

State law requires the Board to adopt in each Fiscal Year a tentative budget and a final budget, each of which is required to be balanced with available funds. Revenues derived from ad valorem property taxes are budgeted, as required by State law, on the application of millage levies to 96 percent of the non-exempt assessed value of property in the County.

The Superintendent is responsible for recommending the tentative budget to the Board. State law further requires the Board to advertise its intent to adopt the tentative budget, including a proposed tax millage, within 29 days after certification of taxable property by the property appraiser, which is required by law to occur by July 1, unless extended.

The Board is required to hold a public hearing on the tentative budget and the proposed tax millage within five days, but not earlier than two days, after advertisement. At the hearing, the Board adopts a tentative budget and a resolution stating the millage rate to be levied, and sets the date for the public hearing on the final budget. Following the hearing on the tentative budget, all property owners are notified by the property appraiser, usually in mid-August, of the date, time and place of the hearing on the final budget, the proposed millage rate, and the millage rate which would have had to be levied to raise the same ad valorem property tax revenue as was raised in the preceding year.

A public hearing and adoption of the final budget and tax millage are required within 80 days, but not earlier than 65 days, after the taxable property certification by the property appraiser. This public hearing usually occurs in September.

In no event may the millage rate adopted at the final budget hearing exceed the millage rate adopted at the tentative budget hearing unless each taxpayer within the District is sent notice by mail of the taxes under the tentative adopted millage rate and the taxes under the higher rate to be adopted at the final budget hearing. The final budget is submitted to the State Department of Education. After the final budget hearing, the Board must certify the final millage rate to the tax collector, the property appraiser and the State Department of Revenue. The District is preparing its tentative Fiscal Year 2015/16 budget, which it plans to adopt at a public hearing on July 28, 2015. The District plans to adopt its final budget for Fiscal Year 2015/16 on September 8, 2015.

## **Auditing System**

In addition to local internal audits, other budget reviews are conducted. The State Department of Education conducts regular financial compliance reviews of each school district to ensure that local school districts comply with state regulations. In conjunction with this review, the Financial Management Section of the State Department of Education reviews the cost reporting system of each school district to ensure that the Financial and Program Costs Accounting and Reporting for Florida Schools is being properly implemented by the Board.

## **General and Capital Project Funds Operations**

The Board's general fund revenues are derived from federal and state appropriations and local sources. The tables on the following pages summarize audited results of operations for the general and capital project funds for the Fiscal Year 2010/11 through Fiscal Year 2013/14, and pre-unaudited results of operations for the general and capital project funds for Fiscal Year 2014/15. The pre-unaudited

amounts shown below are preliminary and are not ready to be submitted for audit and are subject to completion and adjustment upon completion of the close-out process as well as the final auditing process as described in footnote 3 to the following table.

The proposed budget for Fiscal Year 2015/16 is also shown. The District has determined that budget reductions relative to Fiscal Year 2015 will be required in the operating fund for Fiscal Year 2015/16 to support, among other things, salary increases for teachers and increased transportation costs. Staff has identified budget reductions totaling approximately \$101.8 million that will be considered by the School Board in connection with the approval of the proposed Tentative Budget for Fiscal Year 2015/16. At this time, there can be no assurance that the Board will adopt any of the proposed budget reductions.

The District has in place policies that require it to maintain a minimum fund balance in the General Fund. As shown below, in addition to the annual Revenues, the District has used funds in the General Fund and transfers in from other funds for expenditures in prior years and has included such use in its Fiscal Year 2015/16 proposed Tentative Budget. These transfers in from other funds are included in the "Other Financing Sources (Uses) – Transfers In" entries that are shown on the following table. The decreases in Total Ending Fund Balances shown below are within the District's General Fund minimum fund balance policies, and the District has always complied with such policies regarding the General Fund minimum fund balance requirements.

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**School District of Hillsborough County, Florida**  
**Summary of Revenues and Expenses - General Fund**  
**(in thousands)**

|                                                               | Audited            |                    |                    |                    | Pre-<br>Unaudited     | Proposed<br>Budget  |
|---------------------------------------------------------------|--------------------|--------------------|--------------------|--------------------|-----------------------|---------------------|
|                                                               | 2011               | 2012               | 2013               | 2014               | 2015 <sup>(3)</sup>   | 2016 <sup>(4)</sup> |
| <b>Revenues</b>                                               |                    |                    |                    |                    |                       |                     |
| Federal                                                       | \$ 2,139           | \$7,982            | \$2,676            | \$2,660            | \$2,484               | \$2,483             |
| Federal through State                                         | 9,427              | 8,416              | 9,421              | 10,272             | 6,041                 | 8,692               |
| State Sources                                                 | 893,524            | 865,101            | 914,696            | 991,806            | 1,030,577             | 1,080,070           |
| Local                                                         | 482,630            | 496,024            | 498,477            | 500,640            | 500,687               | 533,427             |
| <b>Total Revenues</b>                                         | <b>\$1,387,720</b> | <b>\$1,377,523</b> | <b>\$1,425,270</b> | <b>\$1,505,378</b> | <b>\$1,539,789</b>    | <b>\$1,624,672</b>  |
| <b>Expenditures</b>                                           |                    |                    |                    |                    |                       |                     |
| Current - Education:                                          |                    |                    |                    |                    |                       |                     |
| Instruction                                                   | \$841,930          | \$915,032          | \$927,798          | \$1,005,516        | \$1,092,333           | \$1,083,433         |
| Pupil Personnel                                               | 56,563             | 55,379             | 56,268             | 60,042             | 64,216                | 65,648              |
| Instructional Media                                           | 44,648             | 48,718             | 45,686             | 51,506             | 51,989                | 50,246              |
| Instruction & Curriculum Development                          | 20,700             | 19,214             | 20,295             | 24,089             | 30,522                | 27,325              |
| Instructional Staff Training                                  | 32,069             | 31,154             | 33,913             | 24,367             | 26,863                | 24,076              |
| Board of Education                                            | 1,443              | 1,277              | 1,519              | 2,454              | 1,590                 | 1,500               |
| Gen. Administration                                           | 4,278              | 4,516              | 5,011              | 5,479              | 5,879                 | 6,130               |
| School Administration                                         | 88,684             | 86,554             | 87,260             | 91,821             | 100,264               | 101,408             |
| Fiscal Services                                               | 6,926              | 5,999              | 6,635              | 7,225              | 6,930                 | 6,862               |
| Food Services                                                 | 368                | 281                | 362                | 349                | 537                   | 639                 |
| Central Services                                              | 25,262             | 22,398             | 23,099             | 31,460             | 38,098                | 39,686              |
| Pupil Transportation                                          | 69,053             | 66,274             | 65,362             | 68,446             | 73,191                | 69,834              |
| Operation of Plant                                            | 107,281            | 108,896            | 107,314            | 107,763            | 107,655               | 96,867              |
| Maintenance of Plant                                          | 28,980             | 27,288             | 27,555             | 26,810             | 27,197                | 26,170              |
| Community Services                                            | 33,754             | 40,994             | 42,229             | 44,451             | 42,818                | 42,925              |
| Facilities Acquisition and Construction<br>and Capital Outlay | 19,836             | 8,635              | 7,482              | 7,063              | 1,763                 | 1,715               |
| <b>Total Expenditures &amp; Other Uses</b>                    | <b>\$1,381,775</b> | <b>\$1,442,609</b> | <b>\$1,457,788</b> | <b>\$1,558,841</b> | <b>\$1,671,845</b>    | <b>\$1,644,464</b>  |
| <b>Other Financing Sources (Uses)</b>                         |                    |                    |                    |                    |                       |                     |
| Transfers in                                                  | 11,946             | 2,662              | 3,150              | 13,826             | 54,719 <sup>(5)</sup> | 16,753              |
| <b>Ending Fund Balance</b>                                    |                    |                    |                    |                    |                       |                     |
| Designated <sup>(1)</sup>                                     | -- <sup>(2)</sup>  | -- <sup>(2)</sup>  | -- <sup>(2)</sup>  | -- <sup>(2)</sup>  |                       |                     |
| Undesignated                                                  | -- <sup>(2)</sup>  | -- <sup>(2)</sup>  | -- <sup>(2)</sup>  | -- <sup>(2)</sup>  |                       |                     |
| Nonspendable                                                  | 4,742              | 4,955              | 5,223              | 5,088              | 5,064                 | 5,034               |
| Restricted                                                    | 25,164             | 25,477             | 30,383             | 31,063             | 31,000                | 27,304              |
| Assigned                                                      | 236,055            | 172,409            | 137,867            | 97,685             | 20,435                | 19,239              |
| Unassigned                                                    | 95,100             | 95,796             | 95,796             | 95,796             | 95,796                | 97,497              |
| <b>TOTAL ENDING FUND BALANCE</b>                              | <b>\$361,061</b>   | <b>\$298,637</b>   | <b>\$269,269</b>   | <b>\$229,632</b>   | <b>\$152,295</b>      | <b>\$149,075</b>    |

- (1) Amounts set aside to meet obligations created by the School District in a prior year.
- (2) See Note 12 in "APPENDIX B – COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA FOR THE FISCAL YEAR ENDED JUNE 30, 2014."
- (3) The Fiscal Year 2014/15 ended on June 30, 2015, and the District is in the early stages of its close-out process. The preliminary amounts shown for Fiscal Year 2014/15 are as of July 20, 2015, and are subject to adjustments and finalization as the Board prepares its unaudited Superintendent's Annual Financial Report (ESE 145) (the "AFR") which must be finalized and submitted to the Florida Department of Education no later than September 11, 2015. These amounts are not ready to be submitted for audit, and are expected to change through the close-out process and in the course of preparing the AFR. The Board's auditors will then audit the AFR to prepare the audited financial statements that will be included in the Board's 2015 Comprehensive Annual Financial Report.
- (4) These amounts are preliminary and are as of July 20, 2015 and were submitted to the Board for its consideration on July 28, 2015 at a statutorily required public hearing concerning its Tentative Budget. The Board anticipates that the proposed amounts will change through the Board's budgeting process. Upon completion of the Fiscal Year 2014/15 audit, the Fiscal Year 2015/16 budget will be revised such that the 2016 Beginning Fund Balance will match the 2015 Fund Balance at End of Year. Such reconciliation is expected to occur no later than the 2016 budget final hearing to be held on September 8, 2015.
- (5) Includes \$43,183 (in thousands) remitted from the Workers Compensation Fund to the General Fund that represents funds on deposit therein that exceeded the actuarially estimated amount of outstanding claims and that was required by the Florida Auditor General to be transferred out of the Workers Compensation Fund to the General Fund. In addition, includes \$7,000 (in thousands) remitted from the Capital Projects Fund for capital expenditures.

Sources: Comprehensive Annual Financial Reports of the School District of Hillsborough County, Florida for the Fiscal Years ended June 30, 2011 through June 30, 2014. For pre-unaudited Fiscal Year 2014/15, the School District of Hillsborough County, Florida. For the Proposed Budget for Fiscal Year 2015/16, the Board's District Summary Budget proposed for the July 28, 2015 public hearing.

**School District of Hillsborough County, Florida**  
**Summary of Revenues and Expenses - Capital Projects Funds**  
**(in thousands)**

|                                                                                          | Audited Fiscal Years Ending 6/30 |                   |                   |                   |                   | Pre-<br>Unaudited<br>2015 <sup>(1)</sup> | Proposed<br>Budget<br>2016 <sup>(2)</sup> |
|------------------------------------------------------------------------------------------|----------------------------------|-------------------|-------------------|-------------------|-------------------|------------------------------------------|-------------------------------------------|
|                                                                                          | 2010                             | 2011              | 2012              | 2013              | 2014              |                                          |                                           |
| <b>Revenue</b>                                                                           |                                  |                   |                   |                   |                   |                                          |                                           |
| State Sources                                                                            | \$6,331                          | \$11,538          | \$3,499           | \$3,975           | \$6,492           | \$9,671                                  | \$5,840                                   |
| Local Sources                                                                            | 124,464                          | 111,357           | 113,620           | 114,107           | 125,176           | 130,160                                  | 123,527                                   |
| <b>Total Revenues</b>                                                                    | <u>\$130,795</u>                 | <u>\$122,895</u>  | <u>\$117,119</u>  | <u>\$118,082</u>  | <u>\$131,668</u>  | <u>\$139,831</u>                         | <u>\$129,367</u>                          |
| <b>Expenditures</b>                                                                      |                                  |                   |                   |                   |                   |                                          |                                           |
| Current Education:                                                                       |                                  |                   |                   |                   |                   |                                          |                                           |
| Facilities Acquisition & Construction                                                    | \$138,020                        | \$82,900          | \$105,781         | \$79,894          | \$73,715          | \$91,789                                 | \$53,902                                  |
| <b>Total Expenditures</b>                                                                | <u>\$138,020</u>                 | <u>\$82,900</u>   | <u>\$105,781</u>  | <u>\$79,894</u>   | <u>\$73,715</u>   | <u>\$91,789</u>                          | <u>\$53,902</u>                           |
| <b>Excess (Deficiency) Revenues Over Expenditures</b>                                    | (7,225)                          | 39,995            | 11,338            | 38,188            | 57,953            | 48,042                                   | \$75,465                                  |
| <b>Other Financing Sources (Uses)</b>                                                    |                                  |                   |                   |                   |                   |                                          |                                           |
| Operating Transfers In (Out)                                                             | (66,657)                         | (67,290)          | (69,001)          | (70,939)          | (74,342)          | (78,819)                                 | (78,527)                                  |
| Nonrevenue Sources                                                                       | 693                              | 41,354            | 93                | --                | --                | 3,282                                    | --                                        |
| <b>Total Other Financing Sources (Uses)</b>                                              | <u>\$(65,964)</u>                | <u>\$(25,936)</u> | <u>\$(68,908)</u> | <u>\$(70,939)</u> | <u>\$(74,342)</u> | <u>\$(75,537)</u>                        | <u>\$(78,527)</u>                         |
| <b>Excess (Deficit) of Revenues and Other Sources over Expenditures &amp; Other Uses</b> | \$ (73,189)                      | \$14,059          | \$ (57,570)       | \$ (32,751)       | \$ (16,389)       | \$ (27,495)                              | \$ (3,062)                                |
| Beginning Fund Balance                                                                   | 334,127                          | 260,938           | 274,997           | 217,427           | 184,676           | 168,287                                  | 124,431                                   |
| <b>Fund Balance at End of Year</b>                                                       | <u>\$260,938</u>                 | <u>\$274,997</u>  | <u>\$217,427</u>  | <u>\$184,676</u>  | <u>\$168,287</u>  | <u>\$140,792</u>                         | <u>\$121,369</u>                          |

(1) The Fiscal Year 2014/15 ended on June 30, 2015, and the District is in the early stages of its close-out process. The preliminary amounts shown for Fiscal Year 2014/15 are as of July 20, 2015, and are subject to adjustments and finalization as the Board prepares its unaudited Superintendent's Annual Financial Report (ESE 145) (the "AFR") which must be finalized and submitted to the Florida Department of Education no later than September 11, 2015. These amounts are not ready to be submitted for audit, and are expected to change through the close-out process and in the course of preparing the AFR. The Board's auditors will then audit the AFR to prepare the audited financial statements that will be included in the Board's 2015 Comprehensive Annual Financial Report.

(2) These amounts are preliminary and are as of July 20, 2015 and were submitted to the Board for its consideration on July 28, 2015 at a statutorily required public hearing concerning its Tentative Budget. The Board anticipates that the proposed amounts will change through the Board's budgeting process. Upon completion of the Fiscal Year 2014/15 audit, the Fiscal Year 2015/16 budget will be revised such that the 2016 Beginning Fund Balance will match the 2015 Fund Balance at End of Year. Such reconciliation is expected to occur no later than the 2016 budget final hearing to be held on September 8, 2015.

Sources: Comprehensive Annual Financial Reports of the School District of Hillsborough County, Florida for the Fiscal Years ended June 30, 2010 through June 30, 2014. For the unaudited Fiscal Year 2014/15, the School District of Hillsborough County, Florida.

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## SELECTED FINANCIAL INFORMATION

### School District of Hillsborough County, Florida Ratios of Outstanding Debt by Type Last Ten Fiscal Years

| Fiscal Year | General<br>Obligation<br>Bonds | State Board of<br>Education<br>Bonds | Certificates of<br>Participation | District<br>Revenue<br>Bonds | Premiums/<br>(Discounts)/<br>(Loss on Refunding) <sup>(1)</sup> | Total Primary<br>Government | Personal<br>Income <sup>(2)(3)</sup> | Percentage<br>of Personal<br>Income | Population <sup>(3)</sup> | Per<br>Capita |
|-------------|--------------------------------|--------------------------------------|----------------------------------|------------------------------|-----------------------------------------------------------------|-----------------------------|--------------------------------------|-------------------------------------|---------------------------|---------------|
| 2014        | -                              | \$34,641,000                         | \$827,508,000                    | \$198,469,861                | \$28,191,208                                                    | \$1,088,810,069             | \$51,109,828                         | 2.130%                              | 1,291,578                 | \$843.01      |
| 2013        | -                              | 39,960,000                           | 855,283,000                      | 209,448,592                  | 4,845,256                                                       | 1,109,536,848               | 49,671,035                           | 2.234                               | 1,277,746                 | 868.35        |
| 2012        | -                              | 46,620,000                           | 881,518,000                      | 220,082,159                  | 5,084,377                                                       | 1,153,304,536               | 45,473,079                           | 2.536                               | 1,246,480                 | 925.25        |
| 2011        | -                              | 50,570,000                           | 925,971,000                      | 230,290,971                  | (3,561,048)                                                     | 1,203,270,923               | 45,511,155                           | 2.644                               | 1,238,890                 | 971.25        |
| 2010        | -                              | 50,735,000                           | 912,061,000                      | 240,101,621                  | (3,584,929)                                                     | 1,199,312,692               | 45,779,076                           | 2.620                               | 1,229,226                 | 975.66        |
| 2009        | -                              | 54,530,000                           | 936,491,000                      | 249,560,619                  | (3,607,539)                                                     | 1,236,974,080               | 45,184,510                           | 2.738                               | 1,234,010                 | 1,002.40      |
| 2008        | -                              | 58,400,000                           | 958,151,000                      | 258,698,225                  | (3,063,895)                                                     | 1,272,185,330               | 42,954,586                           | 2.962                               | 1,224,510                 | 1,038.93      |
| 2007        | -                              | 57,025,000                           | 977,486,000                      | 267,728,225                  | (2,743,352)                                                     | 1,299,495,873               | 41,599,322                           | 3.124                               | 1,189,946                 | 1,092.06      |
| 2006        | -                              | 60,580,000                           | 907,121,000                      | 272,568,225                  | (126)                                                           | 1,240,269,099               | 38,422,038                           | 3.228                               | 1,164,022                 | 1,065.50      |
| 2005        | \$9,520,000                    | 61,820,000                           | 835,319,000                      | 224,173,000                  | (1,668)                                                         | 1,130,830,332               | 36,330,438                           | 3.113                               | 1,147,120                 | 985.80        |

<sup>(1)</sup> Effective in 2014, only premiums and discounts are part of the debt totals. Loss on refunding has been moved to deferred outflows due to the implementation of GASB Statement 65. Prior year amounts were not restated.

<sup>(2)</sup> Personal income expressed in thousands.

<sup>(3)</sup> Estimates of population and personal income were obtained from the United States Department of Commerce and the City-County Planning Commission.

Source: Comprehensive Annual Financial Report of the School District of Hillsborough County, Florida for the Fiscal Year ended June 30, 2014.

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**School District of  
Hillsborough County, Florida  
Debt Statement as of June 30, 2014**

| <b>DIRECT AND OVERLAPPING DEBT<sup>(1)</sup></b>                  | <u>General<br/>Obligation Debt</u> | <u>Non-Self<br/>Supporting Debt</u> | <u>Self-<br/>Supporting Debt</u> |
|-------------------------------------------------------------------|------------------------------------|-------------------------------------|----------------------------------|
| <b>DIRECT DEBT OF DISTRICT</b>                                    |                                    |                                     |                                  |
| State of Florida <sup>(2)</sup> :                                 |                                    |                                     |                                  |
| Series 2005-A                                                     |                                    | \$50,000                            |                                  |
| Series 2005-Q                                                     |                                    | 17,555,000                          |                                  |
| Series 2006-A                                                     |                                    | 2,655,000                           |                                  |
| Series 2008-A                                                     |                                    | 4,445,000                           |                                  |
| Series 2009-A                                                     |                                    | 2,410,000                           |                                  |
| Series 2010-A                                                     |                                    | 3,470,000                           |                                  |
| Series 2011-A                                                     |                                    | 1,570,000                           |                                  |
| Series 2014-A                                                     |                                    | 2,486,000                           |                                  |
| District Bonds:                                                   |                                    |                                     |                                  |
| Series 1998 Capital Improvement Revenue, Refunding <sup>(3)</sup> |                                    |                                     | \$1,280,000                      |
| Series 2005 Sales Tax, Refunding <sup>(4)</sup>                   |                                    |                                     | 109,610,000                      |
| Series 2006 Sales Tax <sup>(4)</sup>                              |                                    |                                     | 40,065,000                       |
| Series 2007 Sales Tax, Refunding                                  |                                    |                                     | 47,515,000                       |
| <b>Total Direct Debt</b>                                          |                                    | <u>\$34,641,000</u>                 | <u>\$198,470,000</u>             |
| <b>OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT</b>                   |                                    |                                     |                                  |
| Board of County Commissioners:                                    |                                    |                                     |                                  |
| General Obligation Bonded Debt <sup>(4)</sup>                     | \$68,163,000                       |                                     |                                  |
| <b>Total Overlapping Debt</b>                                     | <u>\$68,163,000</u>                | <u>\$34,641,000</u>                 | <u>\$198,470,000</u>             |
| <b>TOTAL DIRECT AND OVERLAPPING DEBT</b>                          |                                    |                                     |                                  |

- (1) Omits Certificates of Participation. See table entitled "School District of Hillsborough County, Florida Certificates of Participation as of June 30, 2014" below for further information regarding the District's Certificates of Participation. See also "APPENDIX B – COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA FOR THE FISCAL YEAR ENDED JUNE 30, 2014" and specifically Note 7 therein, entitled "Obligations under Lease Purchase Agreement – Certificates of Participation," and Note 8 therein, entitled "Interest Rate Swaps."
- (2) See "AVAILABLE REVENUES FOR CAPITAL OUTLAY PROJECTS – State Sources – Capital Outlay Bonds" herein for a description of the funding sources for these bonds.
- (3) On March 23, 2015, the District issued its Capital Improvement and Refunding Revenue Bonds, Series 2015, in the initial aggregate principal amount of \$6,000,000, which refunded its Capital Improvement Revenue Bonds, Series 1998 and funded additional capital improvement projects; these bonds are not payable from a pledge of Sales Tax Revenues.
- (4) Refunded in part by the Series 2015A Bond issued on July 17, 2015, in the aggregate principal amount of \$53,760,000, and to be further refunded in part by the Series 2015B Bonds. See "PLAN OF REFINANCING" herein.
- (5) Constitutes total county-wide debt payable from ad valorem tax revenues. No other governmental entity in Hillsborough County has General Obligation Debt.

Source: Comprehensive Annual Financial Report of the School District of Hillsborough County, Florida for the Fiscal Year ended June 30, 2014.

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**School District  
of Hillsborough County, Florida  
Certificates of Participation as of June 30, 2014**

| <b><u>Certificates:</u><sup>(1)</sup></b> | <b><u>Balance Outstanding</u><br/><u>(in Thousands)</u><sup>(2)</sup></b> |
|-------------------------------------------|---------------------------------------------------------------------------|
| Series 1998A                              | \$ 43,685                                                                 |
| Series 2001-QZAB                          | 9,600                                                                     |
| Series 2004A                              | 27,305                                                                    |
| Series 2004B                              | 2,270                                                                     |
| Series 2004-QZAB                          | 6,131                                                                     |
| Series 2004C                              | 79,850                                                                    |
| Series 2005A                              | 45,000                                                                    |
| Series 2005-QZAB                          | 3,002                                                                     |
| Series 2006A                              | 73,185                                                                    |
| Series 2006B                              | 63,475                                                                    |
| Series 2007                               | 71,260                                                                    |
| Series 2008A                              | 109,715                                                                   |
| Series 2010A                              | 90,580                                                                    |
| Series 2010-QSCB                          | 37,935                                                                    |
| Series 2012A                              | 124,565                                                                   |
| Series 2014A                              | 37,950                                                                    |
| <b>Total:</b>                             | <b>\$827,508</b>                                                          |

- (1) The Board anticipates refunding all of the Series 2005A Certificates and a portion of the Series 2006A and 2007 Certificates through the issuance of Refunding Certificates of Participation (School Board of Hillsborough County, Florida Master Lease Program), Series 2015A, and further anticipates refunding all of the Series 2004C Certificates through the issuance of Refunding Certificates of Participation (School Board of Hillsborough County, Florida Master Lease Program), Series 2015B. This chart does not reflect these proposed refundings.
- (2) Balance outstanding may not reflect all amounts deposited in the applicable sinking funds for such Certificates.

Source: Comprehensive Annual Financial Report of the School District of Hillsborough County, Florida for the Fiscal Year ended June 30, 2014.

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**School District of Hillsborough County, Florida**  
**Direct and Overlapping Governmental Activities Debt**  
**As of June 30, 2014**

| Jurisdiction                                            | General<br>Obligation<br>Bonds | State Board<br>of<br>Education<br>Bonds | Certificates<br>of<br>Participation | District<br>Revenue<br>Bonds | Premiums/<br>(Discounts) | Direct Debt                                         |                                                 | Direct and Overlapping Debt                           |                                                   |
|---------------------------------------------------------|--------------------------------|-----------------------------------------|-------------------------------------|------------------------------|--------------------------|-----------------------------------------------------|-------------------------------------------------|-------------------------------------------------------|---------------------------------------------------|
|                                                         |                                |                                         |                                     |                              |                          | Percentage<br>Applicable to<br>Governmental<br>Unit | Amount<br>Applicable to<br>Governmental<br>Unit | Percentage<br>Applicable to<br>Hillsborough<br>County | Amount<br>Applicable to<br>Hillsborough<br>County |
| Hillsborough County Board<br>of Bounty<br>Commissioners | \$68,163,000                   | -                                       | -                                   | -                            | -                        | 0%                                                  | -                                               | 100%                                                  | \$68,163,000                                      |
| School District of<br>Hillsborough County               | -                              | \$34,641,000                            | \$827,508,000                       | \$198,469,861                | \$28,191,208             | 100%                                                | \$1,088,810,069                                 | 100%                                                  | 1,088,810,069                                     |
| Totals                                                  | <u>\$68,163,000</u>            | <u>\$34,641,000</u>                     | <u>\$827,508,000</u>                | <u>\$198,469,861</u>         | <u>\$28,191,208</u>      |                                                     | <u>\$1,088,810,069</u>                          |                                                       | <u>\$1,156,973,069</u>                            |

Source: Comprehensive Annual Financial Report of the School District of Hillsborough County, Florida for the Fiscal Year ended June 30, 2014.

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## AVAILABLE REVENUES FOR CAPITAL OUTLAY PROJECTS

The Board derives its revenues for capital outlay projects from certain State and local sources. The major categories of these revenue services are briefly described below. In Fiscal Year 2014/15, excluding proceeds from the issuance of any series of Certificates of Participation and existing fund balances, approximately 7% of the annual revenues for capital improvements were provided by State revenues, approximately 76% were provided by local millage and approximately 17% were provided by investment earnings and other sources. *The information set forth herein is provided for informational purposes only, as the Series 2015B Bonds are secured solely by a pledge of the Pledged Funds, as set forth in the Resolution.*

### State Sources

**Public Education Capital Outlay.** A source of State educational funding contributions to the Board's capital outlay requirements is the Florida Public Education Capital Outlay Program ("PECO"). PECO funds are derived from revenues generated from the gross receipts tax levied on utilities pursuant to Article VII of the Florida Constitution. The vast majority of such revenues are generated from assessments imposed on the sale of telecommunication services and electricity pursuant to Chapter 203, Florida Statutes. The method of allocation of funds to the district school boards is provided by State law based upon a statutory formula, a component of which is the number of full-time equivalent students in the school system. The Commissioner of Education of the State administers PECO and allocates or reallocates funds as authorized by law.

**Capital Outlay and Debt Service Funds.** The State Capital Outlay and Debt Service Funds ("CO&DS") also provide funds for the Board's capital outlay requirements. CO&DS Funds are derived from a portion of the revenues collected from motor vehicle license charges.

**Capital Outlay Bonds.** The State Board of Education Capital Outlay Bonds are serviced entirely by the State using a portion of the District's share of revenue derived from CO&DS funds. The annual sinking fund requirements are determined by the State Board of Administration (the "SBA") and amounts necessary to retire bonds and pay interest are withheld from amounts due to the District. The District has eight series of bonds outstanding under this program in the aggregate principal amount of \$34,641,000 that mature on various dates starting in 2020 through 2030. See the chart entitled "SELECTED FINANCIAL INFORMATION – Debt Statement as of June 30, 2014" herein.

**Other State Sources.** Under the Act, the District may be entitled to receive other State revenues pursuant to other programs if the District achieves certain standards relating to its capital outlay efforts. It is not possible at this time to determine or estimate the amount of such State revenues, if any, that the District may receive in the future.

### Local Sources

Local revenue for school district support is derived almost entirely from real and tangible personal property taxes. There are no local non-property taxes levied specifically for schools. In addition, the Board earns interest on cash invested and collects other miscellaneous revenues.

**Local Property Taxation.** The Board is permitted by State law and the State Constitution to assess property tax through any of five provisions, which are briefly described below. The following information is provided in view of the fact that a large portion of the Board's revenues are derived from ad valorem taxation. **There is no obligation on the part of the Board to levy ad valorem taxes for payment of the Series 2015B Bonds.** In addition, such local sources are subject to change through legislative and/or constitutional amendments.

(1) For operational purposes, the State Legislature requires each school board desiring to participate in the allocation of State funds available to school districts to levy a non-voted millage rate referred to as the "district required local effort. The total amount of the district required local effort is determined annually by the State Legislature. The District's required local effort for Fiscal Year 2013/14 is set forth in the District's audited financials attached as APPENDIX B hereto.

(2) School boards are also authorized to levy an additional non-voted "discretionary millage" for operations, not to exceed an amount established annually by the State Legislature. The District's discretionary millage is set forth in the District's audited financials attached as APPENDIX B hereto.

(3) School boards may levy an additional non-voted millage (the "Local Option Millage Levy") for capital outlay and maintenance purposes, pursuant to Section 1011.71(2), Florida Statutes. Currently, the Local Option Millage Levy may be up to 1.5 mills (each mill represents \$1 of tax assessment per \$1,000 of property value assessment, subject to certain exclusions) and may be used to fund projects and costs as set forth in Section 1011.71(2), Florida Statutes. The Board is not required to levy any millage for capital outlay purposes in the future.

(4) School boards, with the approval of the qualified electorate of the District, may levy an additional millage for current operations and/or capital outlay purposes for a period of not to exceed two years, as provided in Section 1011.73, Florida Statutes. The Board does not currently levy an additional millage for current operations and/or capital outlay purposes.

(5) School Boards may levy taxes for debt service on general obligation bonds may be assessed, with the approval of the qualified electorate of the District. The Board does not currently have any general obligation bonds outstanding and, therefore, does not assess a debt service millage.

The Board's total millages for fiscal years 2011/12, 2012/13, 2013/14 and 2014/15 are 7.913 mills, 7.877 mills, 7.690 mills, and 7.353 mills, respectively, which included a Local Option Millage Levy of 1.5000 mills in each such Fiscal Year. The State Constitution imposes a cap of 10 mills, exclusive of millage levied for the purposes described in paragraphs (4) and (5) above. For additional information about the Board's ad valorem tax revenues in the most recent fiscal year, see APPENDIX B hereto.

## **PENSION AND OTHER POSTEMPLOYMENT BENEFIT PLANS**

### **The Florida Retirement System**

All regular employees of the District are covered by the Florida Retirement System (the "FRS"). The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs. These include a defined benefit pension plan (the "FRS Plan"), a Deferred Retirement Option Program (the "DROP"), and a defined contribution plan, referred to as the Public Employee Optional Retirement Program (the "FRS Investment Plan").

*The FRS Plan.* Essentially all regular employees of participating employers are eligible and must enroll as members of the FRS Plan. Benefits vest at specified numbers of years of service depending upon the employee's classification. Employees enrolled in the FRS Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the FRS Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 years of service. All members enrolled in the FRS 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 credible service except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service. The FRS 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. As described below, the District administers a single-employer retirement program that under certain conditions covers the difference in benefits between normal and early retirement. The FRS Plan provides retirement, disability, and death benefits and annual cost-of-living adjustments, as well as supplements for certain employees to cover social security benefits lost by virtue of retirement system membership. The benefit provisions, contribution rates and all other requirements of the FRS Plan are established by Florida Statutes.

*DROP.* The DROP was established effective July 1, 1998. It permits employees eligible for normal retirement under the FRS Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may participate in the 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 FRS Investment Plan.* Eligible FRS members may elect to participate in the FRS Investment Plan in lieu of the FRS Plan. District employees participating in the DROP are not eligible to participate in the FRS Investment Plan. The FRS Investment Plan is funded by employer contributions that are based on salary and membership class (Regular, Elected County Officers, etc.). Contributions are directed to individual member accounts, and the ultimate benefit depends in part on the performance of investment funds chosen. Employees in the FRS Investment Plan vest after one year of service.

For more information regarding the District's contribution rates and other obligations under the FRS Plan, DROP and the FRS Investment Plan, see "APPENDIX B – COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA FOR THE FISCAL YEAR ENDED JUNE 30, 2014" and specifically Note 17, entitled "State Retirement Programs," and the required supplementary information relating thereto.

### **Early Retirement Program**

As authorized by Section 1012.685, Florida Statutes, the Board implemented an Early Retirement Plan (the "Early Retirement Plan"), effective August 1, 1984. The Early Retirement Plan is a single-employer defined benefit plan. Its purpose is to provide eligible District employees, who elect to retire under the early retirement provisions of the FRS, with a monthly benefit equal to the statutory reduction of the normal retirement benefits when early retirement precedes the normal retirement age of 62. The Board entered into an agreement with Wells Fargo Bank, N.A. (the "Bank"), designating it as the Investment Manager and Custodian for the Early Retirement Plan assets. The Agreement also provides that monthly benefits be paid by the Bank.

The Board approved a measure to eliminate entry of new participants to the Early Retirement Plan on June 30, 2008. Certain employees were eligible to enter the plan before July 1, 2010. As of July 1, 2010, the Early Retirement Plan was closed to new participants. Based on an actuarial report as of June 30, 2014, there were 571 retirees and beneficiaries currently receiving benefits under the Early Retirement Plan. There are no longer any active participants in the Early Retirement Plan.

For more information regarding the District's contributions, net pension liability and other information regarding the Early Retirement Plan, see "APPENDIX B – COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA FOR THE FISCAL YEAR ENDED JUNE 30, 2014" and specifically Note 18, entitled "Early Retirement Program," and the required supplementary information thereto.

## **Post-Employment Health Care**

The Post-employment Health Care Benefits Plan (the "OPEB Plan") is a single-employer defined benefit plan administered by the District. Pursuant to the provisions of Section 112.0801, Florida Statutes, former employees who retire from the District and eligible dependents may continue to participate in the District's health and hospitalization plan for medical, and prescription drug coverage.

Based on the valuation as of July 1, 2013, the District had 26,462 active employees and 1,242 retirees and eligible dependents in the OPEB Plan. The District subsidizes the premium rates paid by retirees by allowing them to participate in the plan at reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. The District via the Board can establish and amend the funding requirements.

For more information regarding the District's funding policy, annual cost and net obligations with respect to the OPEB Plan, see "APPENDIX B – COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA FOR THE FISCAL YEAR ENDED JUNE 30, 2014" and specifically Note 19, entitled "Post Employment Health Care Benefits," and the required supplementary information thereto.

## **LEGAL MATTERS**

Certain legal matters in connection with the issuance of the Series 2015B Bonds are subject to an approving legal opinion of Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Bond Counsel, whose approving opinion (a form of which is attached hereto as APPENDIX E) will be available at the time of delivery of the Series 2015B Bonds. Certain legal matters will be passed on for the Board by Adams and Reese LLP, Tampa, Florida, Counsel to the Board and by GrayRobinson, P.A., Tampa, Florida, Disclosure Counsel. Certain legal matters will be passed upon for the Underwriters by Holland & Knight LLP, Tampa, Florida.

Bond Counsel has not been engaged to, nor has it undertaken to, review (1) the accuracy, completeness or sufficiency of this Official Statement or any other offering material relating to the Series 2015B Bonds except as may be provided in a supplemental opinion of Bond Counsel to the Underwriters (as to which only they may rely) of the Series 2015B Bonds relating to the accuracy of certain statements contained herein under the heading "TAX EXEMPTION" and certain statements which summarize provisions of the Resolution and the Series 2015B Bonds, or (2) the compliance with any federal or state law with regard to the sale or distribution of the Series 2015B Bonds.

The legal opinions to be delivered concurrently with the delivery of the Series 2015B Bonds express the professional judgment of the attorneys rendering the opinions regarding the legal issues expressly addressed therein. By rendering a legal opinion, the opinion giver does not become an insurer or guarantor of the result indicated by that expression of professional judgment, of the transaction on which the opinion is rendered or of the future performance of parties to the transaction, nor does the rendering of an opinion guarantee the outcome of any legal dispute that may arise out of the transaction.

## **INVESTMENT POLICY**

Assets of the District are governed by an investment policy adopted by the Board under the provisions of Sections 1001.42, Florida Statutes, as amended. Furthermore, the investment of certain assets held under the Trust Agreement such as the Lease Payment Fund, the Project Fund, the Prepayment Fund and the Rebate Fund, is also governed by the terms and provisions of the Trust Agreement.

The District's investment policy authorizes the District to invest in the following investments:

- (1) The SBA Investment Pool, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act (Section 163.01, Florida Statutes).
- (2) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency.
- (3) Interest-bearing time deposits or savings accounts in qualified public depositories, as defined in Section 280.02(26), Florida Statutes.
- (4) Direct obligations of the U.S. Treasury.
- (5) Obligations of Federal agencies, government sponsored enterprises, and instrumentalities.
- (6) Securities of, or other interest in, any open-end or closed-end management type investment company or trust registered under the Investment Company Act of 1940, 15 U.S.C. 80a-1.
- (7) Short-term obligations commonly referred to as "money market instruments" including, but not limited to, commercial paper, provided such obligations carry the highest credit ratings from a nationally recognized rating agency.
- (8) Asset-backed securities when (a) the underlying asset is guaranteed by the issuer, or (b) the security carries the highest quality ratings by a nationally recognized rating agency.

The District's investment policy places no limit on the amount the District may invest in any one issuer. The District had no investment, excluding amounts held by the SBA, that made up more than 5% of total investments.

## **LITIGATION**

Concurrently with the delivery of the Series 2015B Bonds, Counsel to the Board will deliver an opinion substantially to the effect that, among other things, there is no litigation or other proceedings pending or, to the best knowledge of the Board, threatened against the District or the Board that seeks to restrain or enjoin the issuance or delivery of the Series 2015B Bonds, or questioning or seeking to restrain the collection by the District of the Sales Tax Revenues, or questioning or affecting the validity of the Series 2015B Bonds or the Resolution or any proceedings of the Board or the District with respect to the authorization, sale, execution or issuance of the Series 2015B Bonds or the transactions contemplated by this Official Statement or the Resolution or any other agreement or instrument to which the Board or District is a party in connection therewith and which is used or contemplated to be used in the transactions contemplated by this Official Statement and neither the creation, organization nor existence of the Board or District is contested.

## **DISCLOSURE REQUIRED BY FLORIDA BLUE SKY REGULATIONS**

Section 517.051, Florida Statutes, and the regulations promulgated thereunder require that the Board make full and fair disclosure of any bonds or other debt obligations of such entity that have been in default as to payment of principal or interest at any time after December 31, 1975. The Board is not and has not since December 31, 1975, been in default as to payment of principal and interest on any bonds or other debt obligations issued or guaranteed by the Board.



## TAX EXEMPTION

**Opinion of Bond Counsel.** In the opinion of Bond Counsel, the form of which is included as APPENDIX E hereto, the interest on the Series 2015B Bonds is excludable from gross income and is not a specific item of tax preference for federal income tax purposes under existing statutes, regulations, rulings and court decisions. However, interest on the Series 2015B Bonds is taken into account in determining adjusted current earnings for purposes of computing the alternative minimum tax imposed on corporations pursuant to the Internal Revenue Code of 1986, as amended (the "Code"). Failure by the Board to comply subsequently to the issuance of the Series 2015B Bonds with certain requirements of the Code, regarding the use, expenditure and investment of bond proceeds and the timely payment of certain investment earnings to the Treasury of the United States, may cause interest on the Series 2015B Bonds to become includable in gross income for federal income tax purposes retroactive to their date of issue. The Board has covenanted in the Resolution to comply with all provisions of the Code necessary to, among other things, maintain the exclusion from gross income of interest on the Series 2015B Bonds for purposes of federal income taxation. In rendering this opinion, Bond Counsel has assumed continuing compliance with such covenants.

**Internal Revenue Code of 1986.** The Code contains a number of provisions that apply to the Series 2015B Bonds, including, among other things, restrictions relating to the use of investment of the proceeds of the Series 2015B Bonds and the payment of certain arbitrage earnings in excess of the "yield" on the Series 2015B Bonds to the Treasury of the United States. Noncompliance with such provisions may result in interest on the Series 2015B Bonds being included in gross income for federal income tax purposes retroactive to their date of issue.

**Collateral Tax Consequences.** Except as described above, Bond Counsel will express no opinion regarding the federal income tax consequences resulting from the ownership of, receipt or accrual of interest on, or disposition of, the Series 2015B Bonds. Prospective purchasers of the Series 2015B Bonds should be aware that the ownership of the Series 2015B Bonds may result in other collateral federal tax consequences. For example, ownership of the Series 2015B Bonds may result in collateral tax consequences to various types of corporations relating to (1) denial of interest deduction to purchase or carry such Series 2015B Bonds, (2) the branch profits tax, and (3) the inclusion of interest on the Series 2015B Bonds in passive income for certain Subchapter S corporations. In addition, the interest on the Series 2015B Bonds may be included in gross income by recipients of certain Social Security and Railroad Retirement benefits.

PURCHASE, OWNERSHIP, SALE OR DISPOSITION OF THE SERIES 2015B BONDS AND THE RECEIPT OR ACCRUAL OF THE INTEREST THEREON MAY HAVE ADVERSE FEDERAL TAX CONSEQUENCES FOR CERTAIN INDIVIDUAL OR CORPORATE BONDHOLDERS, INCLUDING, BUT NOT LIMITED TO, THE CONSEQUENCES DESCRIBED ABOVE. PROSPECTIVE BONDHOLDERS SHOULD CONSULT WITH THEIR TAX SPECIALISTS FOR INFORMATION IN THAT REGARD.

**Other Tax Matters.** Interest on the Series 2015B Bonds may be subject to state or local income taxation under applicable state or local laws in other jurisdictions. Purchasers of the Series 2015B Bonds should consult their tax advisors as to the income tax status of interest on the Series 2015B Bonds in their particular state or local jurisdictions.

During recent years legislative proposals have been introduced in Congress, and in some cases enacted, that altered certain federal tax consequences resulting from the ownership of obligations that are similar to the Series 2015B Bonds. In some cases these proposals have contained provisions that altered these consequences on a retroactive basis. Such alteration of federal tax consequences may have affected the market value of obligations similar to the Series 2015B Bonds. From time to time, legislative

proposals are pending which could have an effect on both the federal tax consequences resulting from ownership of the Series 2015B Bonds and their market value. No assurance can be given that additional legislative proposals will not be introduced or enacted that would or might apply to, or have an adverse effect upon, the Series 2015B Bonds. For example, proposals have been discussed from time to time in connection with deficit spending reduction, job creation and other tax reform efforts that could significantly reduce the benefit of, or otherwise affect the exclusion from gross income of, interest on obligations such as the Series 2015B Bonds. Introduction or enactment of one or more of such proposals could affect the market price or marketability of the Series 2015B Bonds.

***Tax Treatment of Original Issue Discount.*** The initial offering price of the Series 2015B Bonds maturing on October 1, 2026 (the "Discount Bonds") is less than the stated principal amounts thereof. Under the Code, the difference between the principal amount of the Discount Bonds and the initial offering price to the public, excluding bond houses and brokers, at which price a substantial amount of such Discount Bonds of the same maturity was sold, is "original issue discount." Original issue discount represents interest which is excluded from gross income; however, such interest is taken into account for purposes of determining the alternative minimum tax imposed on corporations and accrues actuarially over the term of a Discount Bond at a constant interest rate. A purchaser who acquires a Discount Bond in the initial offering at a price equal to the initial offering price thereof set forth on the inside cover page of this Official Statement will be treated as receiving an amount of interest excludable from gross income for federal income tax purposes equal to the original issue discount accruing during the period such purchaser holds such Discount Bond and will increase its adjusted basis in such Discount Bond by the amount of such accruing discount for the purposes of determining taxable gain or loss on the sale or other disposition of such Discount Bonds. The federal income tax consequences of the purchase, ownership and sale or other disposition of Discount Bonds which are not purchased in the initial offering at the initial offering price may be determined according to rules which differ from those described above. Prospective purchasers of Discount Bonds should consult their own tax advisors with respect to the precise determination for federal income tax purposes of interest accrued upon the sale or other disposition of Discount Bonds and with respect to the state and local tax consequences of owning and disposing of Discount Bonds.

***Tax Treatment of Bond Premium.*** The difference between the principal amount of the Series 2015B Bonds maturing on October 1, 2020 through and including October 1, 2024, and the Series 2015B Bonds maturing on October 1, 2025 and bearing an interest rate of 5.000% (collectively, the "Premium Bonds") and the initial offering price to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters or wholesalers) at which price a substantial amount of such Premium Bonds of the same maturity was sold constitutes to an initial purchaser amortizable bond premium which is not deductible from gross income for Federal income tax purposes. The amount of amortizable bond premium for a taxable year is determined actuarially on a constant interest rate basis over the term of each Premium Bond. For purposes of determining gain or loss on the sale or other disposition of a Premium Bond, an initial purchaser who acquires such obligation in the initial offering to the public at the initial offering price is required to decrease such purchaser's adjusted basis in such Premium Bond annually by the amount of amortizable bond premium for the taxable year. The amortization of bond premium may be taken into account as a reduction in the amount of tax-exempt income for purposes of determining various other tax consequences of owning such Bonds. Owners of the Premium Bonds are advised that they should consult with their own advisors with respect to the state and local tax consequences of owning such Premium Bonds.

## **RATINGS**

Moody's and S&P are expected to assign their municipal bond ratings of "A2" (stable outlook) and "AA" (stable outlook), respectively, to the Series 2015B Bonds, with the understanding that upon delivery of the Series 2015B Bonds, a policy of municipal bond insurance insuring the scheduled

payment of the principal and interest of the Series 2015B Bonds when due will be issued by the Insurer. Moody's and S&P have assigned underlying ratings of "A2" (stable outlook) and "A-" (positive outlook), respectively, to the Series 2015B Bonds, without regard for whether an insurance policy is issued by the Insurer, and Fitch Ratings has assigned a rating of "A-" (stable outlook) to the Series 2015B Bonds. The ratings reflect only the views of said rating agencies and an explanation of the ratings may be obtained only from said rating agencies. There is no assurance that such ratings will continue for any given period of time or that they will not be lowered or withdrawn entirely by the rating agencies, or any of them, if in their judgment, circumstances so warrant. A downward change in or withdrawal of any of such ratings, may have an adverse effect on the market price of the Series 2015B Bonds. An explanation of the significance of the ratings can be received from the rating agencies.

### **FINANCIAL ADVISOR**

The Board has retained Ford & Associates, Inc., Tampa, Florida, as financial advisor in connection with the Board's financing plans and with respect to the authorization and issuance of the Series 2015B Bonds. The Financial Advisor is not obligated to undertake and has not undertaken to make an independent verification or to assume responsibility for the accuracy, completeness, or fairness of the information contained in the Official Statement. The Financial Advisor did not participate in the underwriting of the Series 2015B Bonds.

### **GENERAL PURPOSE FINANCIAL STATEMENTS**

The general purpose financial statements of the District for the Fiscal Year ended June 30, 2014, included in this Official Statement have been audited by KPMG LLP, independent certified public accountants, as stated in their report appearing in APPENDIX B. Such report is included as a public record and KPMG LLP was not requested to and has not conducted any review or performed any services in connection with the issuance of the Series 2015B Bonds.

### **UNDERWRITING**

The Series 2015B Bonds are being purchased by the underwriters set forth on the cover page hereof (the "Underwriters") at a price of \$75,251,047.12 (which represents the par amount of the Series 2015B Bonds less an Underwriters' Discount of \$214,019.58 plus a net bond premium of \$10,270,066.70). The Underwriters' obligations are subject to certain conditions precedent, and they will be obligated to purchase all of the Series 2015B Bonds if any Series 2015B Bonds are purchased. The Series 2015B Bonds may be offered and sold to certain dealers (including dealers depositing such Series 2015B Bonds into investment trusts) at prices lower than such public offering prices, and such public offering prices may be changed, from time to time, by the Underwriters.

J.P. Morgan Securities LLC ("JPMS"), one of the Underwriters of the Series 2015B Bonds, has entered into negotiated dealer agreements (each, a "Dealer Agreement") with each of Charles Schwab & Co., Inc. ("CS&Co.") and LPL Financial LLC ("LPL") for the retail distribution of certain securities offerings at the original issue prices. Pursuant to each Dealer Agreement, each of CS&Co. and LPL may purchase Series 2015B Bonds from JPMS at the original issue price less a negotiated portion of the selling concession applicable to any Series 2015B Bonds that such firm sells.

Citigroup Global Markets Inc., an underwriter of the Series 2015B Bonds, has entered into a retail distribution agreement with each of TMC Bonds L.L.C. ("TMC") and UBS Financial Services Inc. ("UBSFS"). Under these distribution agreements, Citigroup Global Markets Inc. may distribute municipal securities to retail investors through the financial advisor network of UBSFS and the electronic primary offering platform of TMC. As part of this arrangement, Citigroup Global Markets Inc. may compensate

TMC (and TMC may compensate its electronic platform member firms) and UBSFS for their selling efforts with respect to the Series 2015B Bonds.

### **ENFORCEABILITY OF REMEDIES**

The remedies available to the owners of the Series 2015B Bonds upon an event of default under the Resolution and any policy of insurance referred to herein are in many respects dependent upon judicial actions which are often subject to discretion and delay. Under existing constitutional and statutory law and judicial decisions, including specifically the federal bankruptcy code, the remedies specified by the Resolution, the Series 2015B Bonds, and any policy of insurance referred to herein may not be readily available or may be limited. The various legal opinions to be delivered concurrently with the delivery of the Series 2015B Bonds (including Bond Counsel's approving opinion) will be qualified, as to the enforceability of the remedies provided in the various legal instruments, by limitations imposed by bankruptcy, reorganization, insolvency or other similar laws affecting the rights of creditors enacted before or after such delivery.

### **CONTINGENT FEES**

The Board has retained Bond Counsel, Counsel to the Board, Disclosure Counsel, the Financial Advisor, and the Underwriters (who in turn retained Underwriters' Counsel) with respect to the authorization, sale, execution and delivery of the Series 2015B Bonds. Payment of each fee of such professionals is each contingent upon the issuance of the Series 2015B Bonds.

### **CONTINUING DISCLOSURE**

The Board has agreed and undertaken for the benefit of Series 2015B Bond Owners, to provide certain financial information and operating data relating to the District and the Series 2015B Bonds in each year (the "Annual Report"), and to provide notices of the occurrence of certain enumerated events, if material. Such undertaking shall only apply so long as the Series 2015B Bonds remain Outstanding under the Resolution. The covenant shall also terminate upon the termination of the continuing disclosure requirements of S.E.C. Rule 15c2-12(b)(5) (the "Rule") by legislative, judicial or administrative action. The Annual Report will be filed annually by the Board or its dissemination agent pursuant to the undertaking with the Municipal Securities Rule Making Bond's Electronic Municipal Market Access system ("EMMA") as described in the Disclosure Dissemination Agent Agreement. The notices of material events will be filed by the dissemination agent with EMMA. The specific nature of the information to be contained in the Annual Report and the notices of material events are described in the Disclosure Dissemination Agent Agreement, a form of which is attached hereto as APPENDIX F.

In connection with the issuance of the Refunded Bonds and certain other debt obligations of the Board, the Board entered into prior undertakings to provide certain continuing disclosure information on an annual basis pursuant to the Rule (the "Prior Undertakings"). During the 2010 calendar year, the Board failed to file material event notices for certain rating downgrades (other than for recalibrations) with respect to certain obligations of the Board and the District. Such failures have been remedied. The Board retained Digital Assurance Certification, L.L.C. in 2009 as its dissemination agent in order to ensure ongoing and future compliance with its obligations under the Rule and believes that it is current in all material respects with its obligations under the Rule. The Board intends to fully comply with all of its Prior Undertakings and future continuing disclosure undertakings, including its undertaking with respect to the Series 2015B Bonds.

## **ACCURACY AND COMPLETENESS OF OFFICIAL STATEMENT**

The references, excerpts and summaries of all documents, statutes and information concerning the Board and certain reports and statistical data referred to herein do not purport to be complete, comprehensive and definitive, and each such summary and reference is qualified in its entirety by reference to each such document for full and complete statements of all matters of fact relating to the Series 2015B Bonds, the security for the payment of the Series 2015B Bonds and the rights and obligations of the owners thereof and to each such statute, report or instrument.

Any statements made in this Official Statement involving matters of opinion or of estimates, whether or not so expressly stated are set forth as such and not as representations of fact and no representation is made that any of the estimates will be realized. Neither this Official Statement nor any statement that may have been made verbally or in writing is to be construed as a contract with the owners of the Series 2015B Bonds.

The Appendices hereto are integral parts of this Official Statement and must be read in their entirety together with all foregoing statements.

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## AUTHORIZATION OF OFFICIAL STATEMENT

The execution and delivery of this Official Statement has been duly authorized and approved by the Board. At the time of delivery of the Series 2015B Bonds, the undersigned will furnish a certificate to the effect that nothing has come to their attention which would lead them to believe that the Official Statement (excluding information related to DTC and its book-entry only system and the Insurer and its Insurance Policy and Surety Bond), as of its date and as of the date of delivery of the Series 2015B Bonds, contains an untrue statement of a material fact or omits to state a material fact which should be included therein for the purposes for which the Official Statement is intended to be used, or which is necessary to make the statements contained therein, in the light of the circumstances under which they were made, not misleading.

SCHOOL BOARD OF HILLSBOROUGH COUNTY,  
FLORIDA

By: /s/ Susan L. Valdes  
Chair

By: /s/ Jeff Eakins  
Superintendent

## **APPENDIX A**

### **GENERAL INFORMATION RELATING TO HILLSBOROUGH COUNTY, FLORIDA**

THE FOLLOWING INFORMATION CONCERNING HILLSBOROUGH COUNTY, FLORIDA (THE "COUNTY") AND THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA (THE "DISTRICT") IS INCLUDED ONLY FOR THE PURPOSE OF PROVIDING GENERAL BACKGROUND INFORMATION. THE INFORMATION HAS BEEN COMPILED ON BEHALF OF THE DISTRICT AND SUCH COMPILATION INVOLVED ORAL AND WRITTEN COMMUNICATIONS WITH THE VARIOUS SOURCES INDICATED HEREIN. THE INFORMATION IS SUBJECT TO CHANGE, ALTHOUGH EFFORTS HAVE BEEN MADE TO UPDATE THE INFORMATION WHERE PRACTICABLE. CERTAIN OF THE TABLES THAT FOLLOW IN THIS APPENDIX HAVE BEEN DERIVED FROM THE STATISTICAL SECTION OF THE COUNTY'S COMPREHENSIVE ANNUAL FINANCIAL REPORT FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2014.

#### **The County**

The County was established on January 25, 1834. Hillsborough County's boundaries of 1834 included the present-day counties of Pasco, Charlotte, Desoto, Hardee, Pinellas, Sarasota, Manatee and Polk.

The County is located on central Florida's western coast, nestled between Tampa Bay on the west and Polk County on the east. The County is bounded to the north by Pasco County and to the south by Manatee County. In area, it is the seventh largest county in the State of Florida. The County covers a total area of 1,266 square miles, of which 215 square miles is water area. The County is part of a four-county Metropolitan Statistical Area (MSA) referred to as the Tampa, St. Petersburg-Clearwater MSA.

Tampa, Plant City and Temple Terrace are the three incorporated cities in the County. Tampa, the largest of the three incorporated cities in the County is the County seat and also a center of international, national, and intrastate commerce. The Tampa International Airport and the Port of Tampa connect the County to other major cities in the nation and major markets throughout the world.

#### **Government**

The County operates under a home-rule charter enacted by the voters on September 20, 1983. Under the charter, the Board of County Commissioners (the "BOCC") consists of seven Commissioners; three elected county-wide and four elected from single member districts. As a result of this charter, each voter has a chance to influence the election of a majority of board members. The BOCC is restricted to performing the legislative functions of government and developing policy for the management of the County. The County Administrator, appointed by the BOCC, together with his staff, is responsible for implementing these policies throughout the County.

In addition to the members of the BOCC, there are five elected Constitutional Officers: the Clerk of Circuit Court, Property Appraiser, Sheriff, Supervisor of Elections, and Tax Collector.

The County provides a variety of services characteristic of local multi-purpose governments including law enforcement, maintenance of roads and bridges, animal services, social services programs, planning and growth management, environmental protection, fire protection and emergency rescue, consumer protection, parks and recreation programs, mosquito control, employment services, emergency disaster preparedness, traffic control, water/wastewater utilities, solid waste disposal, medical examiner services, agricultural cooperative extension services, children's services, indigent health care, public assistance programs, aging services programs, emergency medical services, and library services.

In addition to their legislative duties, members of the BOCC serve as the County's Environmental Protection Commission. Individual members of the BOCC also take turns serving on various boards, authorities, commissions and private non-profits such as the Children's Board, Tampa Bay Regional Planning Council, Metropolitan Planning Organization, Hillsborough County Tourist Development Council, Tampa Bay Water, Tampa Port Authority, Hillsborough County Aviation Authority, Hillsborough Area Regional Transit Authority, Hillsborough County Public Transportation Commission, Tampa-Hillsborough County Expressway Authority, Tampa Sports Authority, Arts Council of Hillsborough County, Value Adjustment Board, Hillsborough County Hospital Authority, Council of Governments and the Tampa Hillsborough Economic Development Corporation.

## Population

The County is the fourth most populous county in the state of Florida. The County's population in 2014 was estimated to be 1,301,887, an increase of 5.9% from 2010. A majority of the County's 2014 population (872,600) resides in the unincorporated part of the County. Population in unincorporated County grew 4.6% from 2010. Communities in southern unincorporated County saw the biggest increases in population growth. The median age for the County in 2014 was 36 years.

|                     | Population | Increase |
|---------------------|------------|----------|
| 1950 <sup>(a)</sup> | 249,894    | -        |
| 1960 <sup>(a)</sup> | 397,788    | 59.2%    |
| 1970 <sup>(a)</sup> | 490,265    | 23.2     |
| 1980 <sup>(a)</sup> | 646,960    | 32.0     |
| 1990 <sup>(a)</sup> | 834,054    | 28.9     |
| 2000 <sup>(a)</sup> | 998,948    | 19.8     |
| 2010 <sup>(a)</sup> | 1,229,226  | 23.1     |
| 2011 <sup>(b)</sup> | 1,238,951  | 0.8      |
| 2012 <sup>(b)</sup> | 1,256,118  | 1.4      |
| 2013 <sup>(b)</sup> | 1,276,410  | 1.6      |
| 2014 <sup>(b)</sup> | 1,301,887  | 2.0      |

<sup>(a)</sup> U.S. Census Bureau.

<sup>(b)</sup> Florida Office of Economic Demographics & Research database

*Source: Hillsborough County, Florida, Comprehensive Annual Report for Fiscal Year ended September 30, 2014.*



**Hillsborough County, State of Florida, United States Population  
2005-2010**

|                                    | 2005        | 2006        | 2007        | 2008        | 2009        | 2010        |
|------------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Hillsborough County <sup>(a)</sup> | 1,131,546   | 1,164,425   | 1,192,861   | 1,200,541   | 1,196,892   | 1,229,226   |
| State of Florida <sup>(a)</sup>    | 17,918,227  | 18,349,132  | 18,680,367  | 18,807,219  | 18,748,925  | 18,801,310  |
| United States <sup>(b)</sup>       | 296,507,061 | 299,398,484 | 301,621,157 | 306,160,744 | 307,006,550 | 311,591,917 |

Sources: <sup>(a)</sup> Florida Research & Economic Database.  
<sup>(b)</sup> U.S. Census Bureau

**Hillsborough County, State of Florida, United States Population by Age**

**2000**

| Age       | Hillsborough County | Florida    | United States |
|-----------|---------------------|------------|---------------|
| 0 – 14    | 212,554             | 3,034,565  | 60,253,375    |
| 15 – 24   | 133,655             | 1,942,377  | 39,183,891    |
| 25 – 44   | 316,603             | 4,569,347  | 85,040,251    |
| 45 – 64   | 216,463             | 3,628,492  | 61,952,636    |
| 65 & over | 119,673             | 2,807,597  | 34,991,753    |
| Total     | 998,948             | 15,982,378 | 281,421,906   |

**2010**

| Age       | Hillsborough County | Florida    | United States |
|-----------|---------------------|------------|---------------|
| Under 18  | 294,208             | 4,002,091  | 74,181,467    |
| 18 – 64   | 789,781             | 11,539,617 | 194,296,087   |
| 65 & over | 145,237             | 3,259,602  | 40,267,984    |
| Total     | 1,229,226           | 18,801,310 | 308,745,538   |

Source: Bureau of the Census.

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## Employment Indicators

The County has a diversified economic base, including large services, manufacturing and retail trade sectors. Hillsborough County's largest industrial sectors include: education and health services; trade, transportation and utilities; professional and business services; leisure and hospitality; and wholesale and retail trade. The principal employers serving the county are the Hillsborough County School Board and the Hillsborough County Government. The vast majority of the County's labor force was employed in non-agricultural jobs in 2014.

| <b>Employment By Industry</b>      | <b>Employees</b> |
|------------------------------------|------------------|
| Natural Resources and Mining       | 10,322           |
| Construction                       | 31,094           |
| Manufacturing                      | 25,606           |
| Wholesale trade                    | 28,594           |
| Retail trade                       | 70,395           |
| Utilities                          | 2,724            |
| Transportation and warehousing     | 15,235           |
| Information                        | 16,108           |
| Financial Activities               | 61,543           |
| Professional and Business Services | 109,458          |
| Educational and Health Services    | 83,548           |
| Leisure and Hospitality            | 68,974           |
| Other Services                     | 17,374           |
| Federal Government                 | 14,085           |
| State Government                   | 12,319           |
| Local Government                   | 49,636           |
| Unclassified                       | 257              |
| Total                              | 617,272          |

*Source: Hillsborough County, Florida, Comprehensive Annual Report for Fiscal Year ended September 30, 2014.*

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The following table shows the average civilian (non-military) labor force, the average number of individuals employed and related unemployment statistics for the County:

| Calendar Year | Hillsborough County |                 |                   |                   | Florida           | National          |
|---------------|---------------------|-----------------|-------------------|-------------------|-------------------|-------------------|
|               | Labor Force         | Number Employed | Number Unemployed | Unemployment Rate | Unemployment Rate | Unemployment Rate |
| 2004          | 565,184             | 540,761         | 24,423            | 4.3               | 4.7               | 5.5               |
| 2005          | 565,617             | 544,731         | 20,886            | 3.7               | 3.8               | 5.1               |
| 2006          | 578,731             | 559,983         | 18,748            | 3.2               | 3.3               | 4.6               |
| 2007          | 597,472             | 573,816         | 23,656            | 4.0               | 4.0               | 4.6               |
| 2008          | 598,657             | 560,753         | 37,904            | 6.3               | 6.3               | 5.8               |
| 2009          | 597,220             | 534,961         | 62,259            | 10.4              | 10.4              | 9.3               |
| 2010          | 604,896             | 535,621         | 69,275            | 11.5              | 11.3              | 9.6               |
| 2011          | 620,466             | 557,138         | 63,328            | 10.2              | 10.3              | 8.9               |
| 2012          | 629,444             | 576,055         | 53,389            | 8.5               | 8.6               | 8.1               |
| 2013          | 634,531             | 589,954         | 44,577            | 7.0               | 7.2               | 7.4               |

*Source: Hillsborough County, Florida, Comprehensive Annual Report for Fiscal Year ended September 30, 2014.*

### Banking and Finance

A total of 309 commercial and savings bank offices were located in Hillsborough County as of June 30, 2014. The following table presents commercial bank and savings institutions deposits for each year since 2005:

| Calendar Year | Commercial Bank Deposits | Savings Bank Deposits | Total Deposits   |
|---------------|--------------------------|-----------------------|------------------|
| 2005          | \$16,163,000,000         | \$715,000,000         | \$16,878,000,000 |
| 2006          | 17,282,000,000           | 843,000,000           | 18,125,000,000   |
| 2007          | 16,326,000,000           | 1,074,000,000         | 17,400,000,000   |
| 2008          | 19,319,000,000           | 885,000,000           | 20,204,000,000   |
| 2009          | 20,319,000,000           | 884,000,000           | 21,203,000,000   |
| 2010          | 20,346,000,000           | 1,093,000,000         | 21,439,000,000   |
| 2011          | 22,524,000,000           | 556,000,000           | 23,080,000,000   |
| 2012          | 23,079,000,000           | 433,000,000           | 23,512,000,000   |
| 2013          | 25,193,000,000           | 474,000,000           | 25,667,000,000   |
| 2014          | 25,149,000,000           | 451,000,000           | 25,600,000,000   |

*Source: Hillsborough County, Florida, Comprehensive Annual Report for Fiscal Year ended September 30, 2014.*

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## **Medical Facilities**

There are seventeen general, specialty, and military hospitals in Hillsborough County with approximately 4,152 hospital beds and 3,932 nursing home beds. The County's medical resources include more than 4,478 physicians, with specialists in all types of medicine and surgery, as well as 835 dentists.

*Source: Hillsborough County, Florida, Comprehensive Annual Report for Fiscal Year ended September 30, 2014*

## **Transportation**

Tampa International Airport ("TIA") is a major airport for the west central region of Florida serving primarily Hillsborough, Pinellas (which includes the cities of St. Petersburg and Clearwater), Pasco, and Hernando Counties.

TIA is one of four FAA-coded large hub airports in the State of Florida. TIA occupies approximately 3,400 acres and is primarily an origination-destination airport with a total of 59 gates. It is located five miles from downtown Tampa, and is served by most major airlines which provide non-stop daily service to more than 56 national and international destinations, including London, Toronto, Halifax, Panama City, Ottawa, San Juan, Zurich and Grand Cayman. Passenger enplanements at TIA for the fiscal year ended September 30, 2014, totaled 8,673,747, an increase of 2.1% from the prior fiscal year. For fiscal year 2014, the top three airlines, in terms of market share were: Southwest with 30.9%, Delta with 17.3%, and US Airways with 11.1%.

Three general aviation airports serve as reliever airports, primarily to accommodate light and medium weight aircraft in the general aviation category. These include Peter O. Knight Airport, a 139-acre facility located six miles southeast of TIA; Plant City Airport, a 199-acre facility located 22 miles east of TIA; and Tampa Executive Airport (formerly Vandenberg Airport), a 407-acre facility located 12 miles east of TIA. In addition, there are two full service general aviation executive terminals located at this airport.

AMTRAK provides passenger rail service to major cities throughout the United States. This rail service is provided by the Palmetto and Silver Service Trains (the Silver Meteor and the Silver Star) which offer service between Florida, Georgia, and New York City. The restored Tampa Union Station has seven northbound and seven southbound departures on AMTRAK weekly.

Freight rail service is provided to the County by CSX Transportation Systems. CSX rail units possess some of the world's most technologically advanced terminal equipment and operate on regular schedules throughout the network. Major transports include coal, wood products, phosphate, chemicals, construction materials, semi-tractor trailers, automobiles, and automobile products.

The Hillsborough Area Regional Transit Authority (HART) is Hillsborough County's public transportation system. HART offers local and express routes for residents and visitors alike. Local service seven days a week provides access to area shopping malls, businesses, government buildings, attractions and recreational facilities. An estimated eleven million riders use the system annually.

The County is also served by numerous intrastate and interstate motor common carriers, moving goods between Tampa, other points in Florida, and markets throughout the United States. Tampa is the transportation hub of the west coast of Florida with major trucking firms maintaining terminals serving Florida and major southern cities.

Three interstates and seven other major highways serve the County. All parts of Florida and bordering states to the north and west can be reached within one day of travel by truck or automobile.

*Source: Hillsborough County, Florida, Comprehensive Annual Report for Fiscal Year ended September 30, 2014*

### **Port Facilities**

The Port of Tampa is Florida's largest and most diverse seaport, handling 35 million tons of cargo and 875,611 cruise passengers during FY 2011. The Port of Tampa has an economic impact of \$15 billion and 100,000 jobs on the Tampa Bay economy. The development of a new container terminal with three gantry cranes, along with substantial room for expansion, has made the deepwater Port of Tampa well-positioned as a gateway for the growing markets of Florida and the Southeast U.S. The Port offers CSX rail service and over one million square feet of warehouse/cold storage space. The Port also contains one of the premier ship repair facilities in the Southeast U.S.

Seventy-five percent of Port cargo is inbound, and with its location on the west end of Florida's Interstate 4 corridor, the Port is ideally located to supply in-state demands for construction materials, commodities and consumer products.

*Source: Hillsborough County, Florida, Comprehensive Annual Report for Fiscal Year ended September 30, 2014*

### **Military Facilities**

MacDill Air Force Base is located eight miles south of downtown Tampa on the Southwestern tip of the Interbay Peninsula on the west coast of Florida. The host organization is the 6th Air Mobility Fueling Wing, which uses KC-135 Stratotankers and C-37A Gulfstream aircraft to conduct its air mobility mission. It is headquarters for two non-aviation units: the United States Central Command and the United States Special Operations Command. It is also home to the National Oceanic and Atmospheric Administration.

*Source: Hillsborough County, Florida, Comprehensive Annual Report for Fiscal Year ended September 30, 2014.*

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## Communication

Six television stations, along with twenty-seven radio stations serve the County. Daily newspapers include La Gaceta, The Tampa Tribune, Tampa Bay Times, and tbt\*. There are also three other weekly newspapers. Verizon and Brighthouse Networks are the primary providers for telecommunications and cable services, respectively. There are 38 Post Offices in Hillsborough County and 14 internet access or DSL providers.

*Source: Hillsborough County, Florida, Comprehensive Annual Report for Fiscal Year ended September 30, 2014*

## Housing (Permits Issued)

Building permit activity in the County is shown in the table below.

### Hillsborough County New Residential Units 2008-2013

| Year | Single Family<br>Detached | Single Family<br>Attached | Apartments | Mobile<br>Homes | Total |
|------|---------------------------|---------------------------|------------|-----------------|-------|
| 2008 | 2,391                     | 1,192                     | 2,845      | 111             | 6,539 |
| 2009 | 2,029                     | 600                       | 1,003      | 54              | 3,686 |
| 2010 | 2,360                     | 800                       | 982        | 52              | 4,194 |
| 2011 | 2,377                     | 640                       | 871        | 24              | 3,912 |
| 2012 | 3,268                     | 729                       | 2,812      | 39              | 6,848 |
| 2013 | 4,107                     | 622                       | 2,396      | 33              | 7,158 |

*Source: Hillsborough County City-County Planning Commission.*

**APPENDIX B**

**COMPREHENSIVE ANNUAL FINANCIAL REPORT OF THE SCHOOL DISTRICT OF  
HILLSBOROUGH COUNTY, FLORIDA FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

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# COMPREHENSIVE ANNUAL FINANCIAL REPORT



Hillsborough County  
PUBLIC SCHOOLS  
*Excellence in Education*

SCHOOL DISTRICT  
OF  
HILLSBOROUGH COUNTY, FLORIDA

FISCAL YEAR ENDED  
JUNE 30, 2014

MaryEllen Elia  
Superintendent of Schools

|                        |                                 |                  |
|------------------------|---------------------------------|------------------|
| Susan L. Valdes, Chair | Doretha W. Edgecomb, Vice Chair |                  |
| April Griffin          | Sally A. Harris                 | Carol W. Kurdell |
| Melissa Snively        | Cindy Stuart                    |                  |

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COMPREHENSIVE ANNUAL  
FINANCIAL REPORT

of

The School District of  
Hillsborough County, Florida

For the

Fiscal Year Ended June 30, 2014



Issued by:

MaryEllen Elia, Superintendent of Schools

Prepared by:

Division of Business  
Gretchen Saunders, Chief Business Officer  
Ed Nicholson, Manager of District Accounting

The School District of Hillsborough County  
901 East Kennedy Boulevard  
Tampa, Florida 33601



Hillsborough County  
PUBLIC SCHOOLS  
*Excellence in Education*

**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
SCHOOL DISTRICT OF HILLSBOROUGH COUNTY  
For the Fiscal Year Ended June 30, 2014**

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# Introductory Section



Hillsborough County  
PUBLIC SCHOOLS  
*Excellence in Education*

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**School Board**

Susan L. Valdes, Chair  
Doretha W. Edgecomb, Vice Chair  
April Griffin  
Sally A Harris  
Carol W. Kurdell  
Melissa Snively  
Cindy Stuart

**Superintendent of Schools**

MaryEllen Elia

**Deputy Superintendents**

Jeff Eakins  
Cathy L. Valdes

**Chief Business Officer**

Gretchen Saunders

**BUSINESS DIVISION**

December 9, 2014

Dear Chair Valdes and School Board Members:

The Comprehensive Annual Financial Report (CAFR) of the School District of Hillsborough County, Florida, (the District) for the fiscal year ended June 30, 2014, is hereby submitted. These financial statements are presented in conformity with generally accepted accounting principles (GAAP) and are audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in "Government Auditing Standards" issued by the Comptroller General of the United States by a firm of licensed certified public accountants.

Responsibility for both the accuracy of the data and completeness and fairness of the presentation, including all disclosures, rests with the District's management. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with GAAP. The District's comprehensive framework of internal controls has been designed to provide more than reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that to the best of our knowledge and belief, this financial report is complete and reliable in all material respects. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The District's financial statements have been audited by KPMG LLP, a firm of licensed certified public accountants. The objective of the independent audit is to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2014, are free of material misstatements. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the District's financial statements for the fiscal year ended June 30, 2014, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

GAAP requires that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A), which should be read in conjunction with the financial statements. The District's MD&A can be found immediately following the report of the independent auditors.

## **Profile of the Government**

The District and its governing board (School Board) were created pursuant to Section 4, Article IX of the Constitution of the State of Florida. The District is an independent taxing and reporting entity managed, controlled, operated, administered and supervised by District school officials in accordance with Chapter 1001, Florida Statutes. The School Board consists of seven elected officials. The appointed Superintendent serves as chief executive officer of the school system and is responsible for the administration and management of district schools. The District and Superintendent are required by Section 1010.01, Florida Statutes to maintain financial records and accounts as prescribed by law and rules of the State Board of Education.

The CAFR contains the audited financial statements for all operations over which the School Board is financially accountable. Various potential component units were evaluated to determine whether they should be considered as part of the District's reporting entity. Accordingly, the financial statements include the Hillsborough School Board Leasing Corporation (the Corporation) reported as a blended component unit. The Corporation was formed by the School Board solely for the purpose of acting as lessor, with the School Board acting as lessee, to finance the acquisition and/or construction of certain facilities, vehicles and equipment to be used in district operations. The members of the School Board serve as the Board of Directors of the Corporation. In addition, included in the reporting entity are the Hillsborough Education Foundation (the Foundation), a broadly based, non-profit direct-support organization of the School Board, and the Charter Schools that are separate not for profit corporations organized under Section 1002.33, Florida Statutes. Both the Foundation and the Charter Schools are included as discretely presented component units in the accompanying financial statements. Additional information on these component units can be found in the notes to the financial statements.

The District provides a full range of educational programs in Hillsborough County. These include early childhood, kindergarten through 12<sup>th</sup> grade, basic and enriched programs, and exceptional student education. The District also provides vocational and adult programs.

The District's geographic boundaries correspond with those of Hillsborough County. The District is the 3<sup>rd</sup> largest school district in Florida and the 8<sup>th</sup> largest in the United States with over 201,300 K-12 students.

The annual budget serves as the foundation for the District's financial planning and control. The District establishes and maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the School Board. Activities of the General Fund, Special Revenue Funds, Debt Service Funds and Capital Projects Funds are included in the annual appropriations budget. Although project length financial plans are adopted for the Capital Project Funds, the funding is contingent upon the annual budget adoption. Budgetary control is maintained for individual accounts or group of accounts within each school or department through the use of an encumbrance accounting system. This process tests for availability of funds, which precludes a requisition for services, equipment, supplies or materials from becoming a purchase order if the account would be overspent.

## **Factors Affecting Financial Condition**

The information presented in the financial statements is perhaps best understood when it is considered from the broader perspective of the specific environment within which the District operates.

**Economy.** While the District is heavily reliant upon state funding for the core of the educational programs within the District, and while the economic conditions of the nation and state interact with state funding adequacy and availability, the economic outlook for the District is consistent with the national situation. The State of Florida is dependent upon sales tax collections and tourism. In addition, the community within the District is wholly supportive of the educational program, as evidenced by the contribution of money, time and effort. Any funding fluctuations will mean that new programs, innovative initiatives and educational enhancements may not be available within the desired time frames, but the positive improvements will continue to occur.

In addition, the Board, Superintendent, and staff are acutely aware of the perils of interrupted revenue receipts. Prudent business practices, accompanied by statutes mandating balanced budgets, result in a continual review of the financial condition of the District.

**Long-Term Financial Planning.** The District continues to maintain adequate fund balances and top debt ratings by careful management of its financial resources. The District continues to implement budget saving initiatives to maintain fund balances without making cuts to the classrooms or necessitating layoffs of employees.

## **Major Initiatives**

**Class Size Reduction Amendment** - In November 2002, the voters of Florida amended the State Constitution to limit class size. The amendment established the maximum number of students in core-curricula courses assigned to a teacher in each of the following three grade groupings: (1) pre-kindergarten through grade 3, 18 students; (2) grades 4 through 8, 22 students; and (3) grades 9 through 12, 25 students. Based on the annual review for the 2013-2014 fiscal year conducted by the Florida Department of Education, our district continues to meet the constitutional maximums at our schools and classrooms.

**Transportation Plan** – In June 2014, our School Board accepted and approved a 15 year school bus purchasing plan. Starting in the fiscal year 2013-2014 through fiscal year 2027-2028 our district will be purchasing 100 school buses every year. This plan will continue to cycle in new buses and lower our maintenance expense for older vehicles.

## **Awards and Acknowledgements.**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its CAFR for the fiscal year ended June 30, 2013. This was the thirteenth consecutive year that the District received this prestigious award. In order to be awarded a Certificate of Achievement, the District must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program's requirements and are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this CAFR could not have been accomplished without the efficient and dedicated services of the staff of the Accounting Office. We would like to express our appreciation to all members of the Business Division who assisted and contributed to its preparation.

Sincerely,

MaryEllen Elia  
Superintendent

Gretchen Saunders  
Chief Business Officer  
Business Division

Ed Nicholson  
Manager of District Accounting

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA**

**Principal Officials - Elected**

**Board Members – Terms of Office  
As of December 9, 2014**

|                                   |                |
|-----------------------------------|----------------|
| Susan L. Valdes, Chair            |                |
| Member from District 1            |                |
| Present term began                | November, 2012 |
| Present term expires              | November, 2016 |
| Began as a Board member           | November, 2004 |
| <br>                              |                |
| Doretha W. Edgecomb, Vice Chair   |                |
| Member from District 5            |                |
| Present term began                | November, 2012 |
| Present term expires              | November, 2016 |
| Began as a Board member           | November, 2004 |
| <br>                              |                |
| April Griffin                     |                |
| Member from District 6 (at large) |                |
| Present term began                | November, 2014 |
| Present term expires              | November, 2018 |
| Began as a Board member           | November, 2006 |
| <br>                              |                |
| Sally A. Harris                   |                |
| Member from District 2            |                |
| Present term began                | November, 2014 |
| Present term expires              | November, 2018 |
| Began as a Board member           | November, 2014 |
| <br>                              |                |
| Carol W. Kurdell                  |                |
| Member from District 7 (at large) |                |
| Present term began                | November, 2012 |
| Present term expires              | November, 2016 |
| Began as a Board member           | November, 1992 |
| <br>                              |                |
| Melissa Snively                   |                |
| Member from District 4            |                |
| Present term began                | November, 2014 |
| Present term expires              | November, 2018 |
| Began as a Board member           | November, 2014 |
| <br>                              |                |
| Cindy Stuart                      |                |
| Member from District 3            |                |
| Present term began                | November, 2012 |
| Present term expires              | November, 2016 |
| Began as a Board member           | November, 2012 |

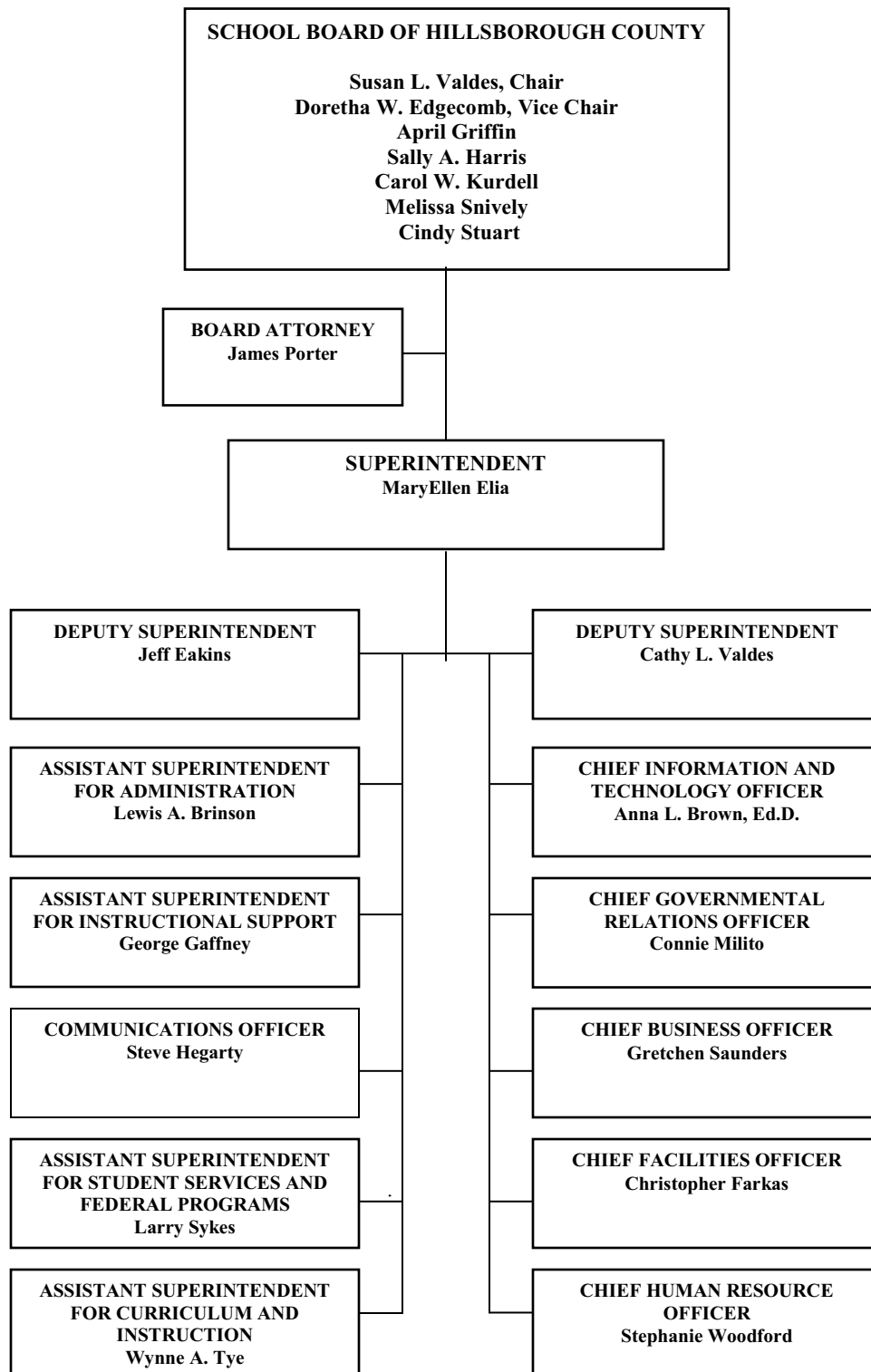
**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA**

**Other Principal Officials - Appointed  
As of December 9, 2014**

| <b><u>Name</u></b>   | <b><u>Title</u></b>                                                |
|----------------------|--------------------------------------------------------------------|
| MaryEllen Elia       | Superintendent of Schools                                          |
| Jeff Eakins          | Deputy Superintendent                                              |
| Cathy L. Valdes      | Deputy Superintendent                                              |
| Lewis A Brinson      | Assistant Superintendent for Administration                        |
| Anna L. Brown, Ed.D. | Chief Information and Technology Officer                           |
| Christopher Farkas   | Chief Facilities Officer                                           |
| George Gaffney       | Assistant Superintendent of Student Services                       |
| Steve Hegarty        | Communications Officer                                             |
| Connie Milito        | Chief Governmental Relations Officer                               |
| Gretchen Saunders    | Chief Business Officer                                             |
| Larry Sykes          | Assistant Superintendent for Academic Support and Federal Programs |
| Wynne A. Tye         | Assistant Superintendent for Curriculum and Instruction            |
| Stephanie Woodford   | Chief Human Resource Officer                                       |



**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA**  
**ORGANIZATIONAL CHART**  
**AS OF DECEMBER 9, 2014**





Government Finance Officers Association

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

Presented to

**School District of Hillsborough County  
Florida**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2013**

Executive Director/CEO

---

# Financial Section



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**KPMG LLP**  
Suite 1700  
100 North Tampa Street  
Tampa, FL 33602

## **Independent Auditors' Report**

Honorable Chairperson and Members of the School Board  
School District of Hillsborough County, Florida

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the School District of Hillsborough County, Florida (the District), as of and for the year ended June 30, 2014, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

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

### ***Auditors' Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the aggregate discretely presented component units. Those statements were audited by other auditors whose reports have been furnished to us and our opinion, insofar as it relates to the amounts included for the discretely presented component units, is based on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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



### ***Opinions***

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the School District of Hillsborough County, Florida, as of June 30, 2014, and the respective changes in financial position, and where applicable, cash flows thereof and the respective budgetary comparison for the general fund and contracted services funds for the year then ended in accordance with U.S. generally accepted accounting principles.

### ***Emphasis of Matter***

As discussed in note 1.N. to the financial statements, the District adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 65, *Items Previously Reported as Assets and Liabilities*, and GASB No. 67, *Financial Reporting for Pension Plans*.

### ***Other Matters***

#### ***Required Supplementary Information***

U.S. generally accepted accounting principles require that the management's discussion and analysis, the schedule of net pension liability, the schedules of employer contributions, the schedule of changes in net pension liability, the schedule of investment returns, the schedules of funding progress on pages 5 – 12 and 72 – 78, respectively be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

#### ***Supplementary and Other Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, other supplementary information, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The other supplementary information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the other supplementary information is fairly stated in all material respects in relation to the basic financial statements as a whole.

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



### **Other Reporting Required by Government Auditing Standards**

In accordance with *Government Auditing Standards*, we have also issued our report dated December 1, 2014 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

KPMG LLP

December 1, 2014  
Certified Public Accountants



Hillsborough County  
PUBLIC SCHOOLS  
*Excellence in Education*



THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2014

The School District of Hillsborough County's (the "District") management's discussion and analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the District's financial activity, (c) identify changes in the District's financial position (its ability to address the next and subsequent year challenges), (d) identify any material deviations from the financial plan (the approved budget), and (e) identify individual fund issues or concerns.

Since the Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities, resulting changes and currently known facts, please read it in conjunction with the District's financial statements (beginning on page 13). All amounts unless otherwise indicated, are expressed in thousands of dollars.

**Overview of the Financial Statements**

This MD&A is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements have three components: 1) government-wide financial statements, 2) fund financial statements and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

**Government-wide Financial Statements**

The government-wide financial statements are designed to provide the reader with a broad overview of the District's finances in a manner similar to the corporate private sector. Governmental and business-type activities are consolidated into columns which add to a total for the Primary Government.

The Statement of Net Position details information on all of the District's assets, deferred outflows and liabilities, with the assets plus deferred outflows minus liabilities being reported as net position. This statement combines governmental fund's current financial resources (short-term spendable resources) with capital assets and long term obligations. Over time, increases and decreases in net position may serve as a useful indicator of whether the financial position of the District has changed.

The Statement of Activities presents information showing how the District's net position changed during the most recent fiscal year. All changes in net position are reported when the underlying obligation/event giving rise to the change occurs, regardless of the timing of the related cash flows. This statement is intended to summarize and simplify the user's analysis of the cost of various governmental services and/or subsidy to various business-type activities and/or component units.

The government-wide financial statements include not only the District but its component units as well. The Hillsborough School Board Leasing Corporation, although legally separate, functions for all practical purposes, as a department of the District, and therefore has been included as an integral part of the primary government. The Hillsborough County Education Foundation and several separate public charter schools are included as discretely presented component units.

The government wide-financial statement can be found on pages 13 - 15 of this report.

THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2014

**Fund Financial Statements**

Traditional users of governmental financial statements will find the Fund Financial Statements presentation more familiar. 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. Funds are established for various purposes and the Fund Financial Statements allow for the demonstration of sources and uses and/or budgetary compliance associated therewith (beginning on page 16). All funds of the District can be divided into three major categories: governmental funds, proprietary funds, and fiduciary funds.

**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, the governmental funds focus on the sources and uses of liquid resources and balances of spendable resources available at the end of the fiscal year.

This is the manner in which the financial plan (the budget) is typically developed. The flow and availability of liquid resources is a clear and appropriate focus of any analysis of a government. Because the focus is narrower than that of government-wide financial statements, it is useful to compare it to the information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term financial decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Reconciliation between the government-wide and the governmental fund financial information is necessary because of the different measurement focus (current financial resources versus total economic resources); such reconciliation is reflected on the page following each statement (see pages 19 and 25). The flow of current financial resources reflects bond proceeds and interfund transfers as other financing sources as well as capital expenditures and bond principal payments as expenditures. The reconciliation eliminates these transactions and incorporates the capital assets and long-term obligations (bonds and others) into the governmental activities column in the government-wide statements.

The District maintains nine individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances for the General Fund, Contracted Services Fund, Other Debt Service Fund, Local Capital Improvement Fund and Other Capital Projects Fund that are considered to be major funds. Data from the other four governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The District adopts an annual appropriated budget for all of its governmental funds.

THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2014

**Proprietary Funds**

The District maintains an internal service fund as its only proprietary fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the District's various functions. The District uses internal service funds to account for its group health, workers compensation, and liability self-insurance activities.

The basic proprietary fund statements can be found on pages 30 – 32.

**Fiduciary Funds**

The District is the trustee, or fiduciary, for its employee pension plans. It is also responsible for other assets that, because of a trust agreement, can be used only for the trust beneficiaries. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the District's fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. The District excludes these activities from the government-wide financial statements because the District cannot use these assets to finance any of its ongoing operations.

The basic fiduciary fund statements can be found on pages 33 -34.

**Notes to the Financial Statements**

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on page 35 – 71 of this report.

**Government-wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of an entities financial position. In the case of the District, assets plus deferred outflows exceeded liabilities by \$1,634,903 at the end of the current fiscal year.

THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2014

By far the largest portion of the District's net position (77 percent) reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The District uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

|                                   | <b>Governmental<br/>Activities<br/>2014</b> | <b>Governmental<br/>Activities<br/>2013<br/>(Restated)*</b> |
|-----------------------------------|---------------------------------------------|-------------------------------------------------------------|
| Current and other assets          | \$ 729,878                                  | \$ 780,436                                                  |
| Capital assets                    | <u>2,325,407</u>                            | <u>2,363,607</u>                                            |
| Total assets                      | <u>3,055,285</u>                            | <u>3,144,043</u>                                            |
| Deferred outflows                 | <u>43,557</u>                               | <u>46,406</u>                                               |
| Long-term liabilities outstanding | 1,337,077                                   | 1,356,559                                                   |
| Other liabilities                 | <u>126,862</u>                              | <u>117,155</u>                                              |
| Total liabilities                 | <u>1,463,939</u>                            | <u>1,473,714</u>                                            |
| Net position:                     |                                             |                                                             |
| Net investment in capital assets  | 1,260,998                                   | 1,266,015                                                   |
| Restricted                        | 325,925                                     | 326,545                                                     |
| Unrestricted                      | <u>47,980</u>                               | <u>124,175</u>                                              |
| Total Net Position                | \$ <u>1,634,903</u>                         | \$ <u>1,716,735</u>                                         |

\*Prior year amounts have been restated for the Districts' implementation of GASB Statement No. 65.

An additional portion of the District net position represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position is \$47,980. Unrestricted net position may be used to meet the Districts ongoing obligations to citizens and creditors.

The District's net position decreased by \$81,832 from last year, due to current year operations. During the current year unrestricted net position decreased by \$76,195. This decrease was primarily due to salary increases.

THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2014

**Governmental Activities**

Governmental activities decreased the District's net position by \$81,832. Key elements of this decrease are as follows:

|                                                              | <b>Governmental<br/>Activities<br/><u>2014</u></b> | <b>Governmental<br/>Activities<br/><u>2013</u><br/><u>Restated*</u></b> |
|--------------------------------------------------------------|----------------------------------------------------|-------------------------------------------------------------------------|
| Revenues:                                                    |                                                    |                                                                         |
| Program revenues:                                            |                                                    |                                                                         |
| Charges for services                                         | \$ 51,278                                          | \$ 50,666                                                               |
| Operating grants and contributions                           | 82,478                                             | 74,682                                                                  |
| Capital grants and contributions                             | 7,658                                              | 7,747                                                                   |
| General revenues:                                            |                                                    |                                                                         |
| Property taxes, levied for operational purposes              | 418,313                                            | 408,137                                                                 |
| Property taxes, levied for capital projects                  | 101,322                                            | 96,078                                                                  |
| Local sales taxes                                            | 25,880                                             | 24,661                                                                  |
| Grants and contributions not restricted to specific programs | 1,220,399                                          | 1,132,298                                                               |
| Investment earnings                                          | 2,454                                              | 6,176                                                                   |
| Miscellaneous                                                | 80,024                                             | 77,203                                                                  |
| Total revenues                                               | <u>1,989,806</u>                                   | <u>1,877,648</u>                                                        |
| Expenses:                                                    |                                                    |                                                                         |
| Instructional services                                       | 1,114,285                                          | 1,032,881                                                               |
| Instructional support services                               | 232,838                                            | 219,710                                                                 |
| Pupil transportation services                                | 72,786                                             | 70,806                                                                  |
| Operation and maintenance of plant                           | 139,024                                            | 139,205                                                                 |
| Non-capitalizable facilities acquisition and construction    | 118,081                                            | 111,836                                                                 |
| School administration                                        | 96,080                                             | 91,712                                                                  |
| General administration                                       | 62,875                                             | 47,052                                                                  |
| Food services                                                | 105,851                                            | 95,897                                                                  |
| Community services and other                                 | 85,307                                             | 83,642                                                                  |
| Interest on long term debt                                   | 44,214                                             | 45,857                                                                  |
| Unallocated depreciation                                     | 297                                                | 344                                                                     |
| Total expenses                                               | <u>2,071,638</u>                                   | <u>1,938,942</u>                                                        |
| Decrease in net position                                     | (81,832)                                           | (61,294)                                                                |
| Net position beginning of year –                             |                                                    |                                                                         |
| Restated due to GASB Statement 65                            | 1,716,735                                          | 1,778,029                                                               |
| Net position end of year                                     | <u>\$ 1,634,903</u>                                | <u>\$ 1,716,735</u>                                                     |

\*Prior year amounts have been restated for the District's implementation of GASB Statement No. 65.

The increase in unrestricted grants and contributions revenue of \$88,101 is the result of an increase in Florida Education Finance Program (FEFP) funding and property taxes increased during the year as a result of an increase in assessed values.

For the most part, the increase in expenses was due to the increase in OPEB, compensated absences, increase in salaries due to the implementation of the empowering effective teacher's evaluation system and an increase in retirement costs.

**Financial Analysis of the District's Funds**

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related requirements.

THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2014

**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. In particular, unassigned fund balance may serve as a useful measure of the District's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$542,853, a decrease of \$45,050 as compared to the prior year.

The General Fund is the chief operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$95,796, while the total fund balance was \$229,632. The fund balance of the District's General Fund decreased by \$39,637 during the current fiscal year. As a measure of the General Fund's liquidity, it may be useful to compare both unassigned fund balance and total fund balance to total fund expenditures. Unassigned fund balance represents approximately six percent of total general fund expenditures, while total fund balance represents approximately fifteen percent of that same amount. The fund balance decrease of \$39,637 in the current year was due in part to:

Additional expenditures required for common core training and the required materials;

Computers/technology and infrastructure for the upcoming State Accountability Standards along with escalating online testing requirements;

The Legislative mandate for the "Additional Hour of Intensive Reading" each instructional day for the One Hundred Lowest Performing Elementary Schools in the State (based on the State Reading Assessment). This mandate requires an additional hour of intensive reading instruction beyond the normal school day for all students in these schools. Our district had 11 schools included in this category;

Increased instructional materials expense due to the state-mandated Math Textbook Adoption and alignment to state standards and digital content requirements;

Increased expenditures due to more than 1,400 aging school buses. As the capital dollars have diminished in the last seven years the general fund was responsible for paying these expenditures;

Additionally, services for our exceptional students have grown and the funding for these programs has not kept pace with the expenditure increases;

Student funding remains below pre-recession levels. At the start of the 2007-2008 school year, funding per unweighted student was \$7,123.18. In FY 2013-2014 our funding per unweighted student was \$6,750.20. This loss of \$372.98 per student plus 9,971 new students equals \$3,719,103 in funding we didn't receive.

The state-wide proration (reduction of funds) was \$51,655,306; of that amount Hillsborough County Public Schools share was \$3,890,308.

Increased school security measures in response to the tragic events on school campuses across the country.

The Contracted Services Fund had a decrease in revenue due to the funding cuts in ARRA stimulus grants.

THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2014

The Other Debt Service Fund shows nearly the same fund balance as the prior year because the debt service payments are approximately equal over the years.

The Local Capital Improvement Fund's ending fund balance of \$103,650 dropped \$23,978 from the prior year. Taxes for capital outlay were \$5,244 more this year and expenditures for various projects were \$12,321 higher than last year due to additional maintenance of schools.

Other Capital Projects Fund includes the Certificates of Participation funds. Overall there was an increase of \$8,680 in fund balance from \$54,021 to \$62,701. The increase was due to the reduction of ongoing capital projects expenditures.

### General Fund Budgetary Highlights

During the fiscal year, the District revised its budget and brought amendments to the Board on a monthly basis. These amendments were needed to adjust to actual revenues and direct resources where needed. The Board approves the final amendment to the budget after year-end.

Budgeted expenditures increased \$113.4 million from the original budget to the final amended budget. The increases were due in part to the increase in salaries due to the implementation of the empowering effective teacher's evaluation system.

Actual expenditures were \$140.3 million below the final amended expenditure budget. Unexpended appropriations of \$140.3 million were composed of the following: (1) \$31.1 million in restricted programs, (2) \$97.7 million in other earmarked assigned funds and (3) \$11.5 million in other unexpended budget items. The \$11.5 million reflects less than 1.0% of the final budget. In the normal course of business, some of the budget is left unspent, primarily due to temporarily unfilled positions.

### Capital Assets and Debt Administration

#### Capital Assets

The District's investment in capital assets for its governmental activities as of June 30, 2014, amounts to \$2,325,407 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, construction in progress, improvements other than buildings, buildings and systems, furniture, fixtures and equipment, motor vehicles, and computer equipment.

|                                   | <b>Governmental<br/>Activities<br/>2014</b> | <b>Governmental<br/>Activities<br/>2013</b> |
|-----------------------------------|---------------------------------------------|---------------------------------------------|
| Land                              | \$ 160,441                                  | \$ 154,608                                  |
| Land improvements                 | 90,256                                      | 90,067                                      |
| Construction in progress          | 33,205                                      | 16,452                                      |
| Improvements other than buildings | 82,212                                      | 83,824                                      |
| Buildings and systems             | 1,915,878                                   | 1,966,016                                   |
| Furniture, fixtures and equipment | 32,015                                      | 35,989                                      |
| Motor vehicles                    | 9,947                                       | 13,937                                      |
| Audio visual materials            | 2                                           | -                                           |
| Computer software                 | 1,451                                       | 2,714                                       |
| Total capital assets              | <u>\$ 2,325,407</u>                         | <u>\$ 2,363,607</u>                         |

THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2014

This year's additions of \$53,120 included several renovation projects. The total of capital assets decreased due to the fact that deletions and depreciation charges were higher than additions.

See note 5 to the financial statements for more information on the District's capital assets.

### Long Term Debt

At the end of the current fiscal year the District had total borrowed and bonded debt outstanding of \$1,088,810, which includes unamortized bond premiums of (\$28,191).

|                               | <u>2014</u>         | <u>2013</u>         |
|-------------------------------|---------------------|---------------------|
| Bonds payable                 | 238,226             | 255,056             |
| Certificates of participation | 850,584             | 879,958             |
| Total long term debt          | \$ <u>1,088,810</u> | \$ <u>1,135,014</u> |

The District's total borrowed and bonded debt decreased by \$46,204 (net of repayment of principal on outstanding debt) during the current fiscal year. The decrease is approximately equal to the payment of principal (\$86,509) offset by the issuance of new refunding debt (\$42,436).

The District has been given the following bond ratings:

|                  |                                      |                   |
|------------------|--------------------------------------|-------------------|
|                  | <u>Sales Tax Revenue Bonds</u>       |                   |
|                  | <u>Insured</u>                       | <u>Underlying</u> |
| Moody's          | A2                                   | A2                |
| Standard & Poors | AA/BBB+                              | BBB               |
| Fitch IBCA       |                                      | BBB+              |
|                  | <u>Certificates of Participation</u> |                   |
|                  | <u>Insured</u>                       | <u>Underlying</u> |
| Moody's          | Aa2                                  | Aa2               |
| Standard & Poors | AA-                                  | AA-               |
| Fitch IBCA       |                                      | AA                |

See notes 7-11 to the financial statements for more information on the District's long-term debt.

### Requests for Information

This financial report is designed to provide a general overview of the School District of Hillsborough County's finances for all those with an interest in the District's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Accounting Department, 901 E. Kennedy Blvd. Tampa, Florida, 33602 or call 813-272-4292.





## **BASIC FINANCIAL STATEMENTS**



Hillsborough County  
PUBLIC SCHOOLS  
*Excellence in Education*

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**STATEMENT OF NET POSITION**

**JUNE 30, 2014**

(amounts expressed in thousands)

|                                                           | <b>Primary Government</b>          |                        |
|-----------------------------------------------------------|------------------------------------|------------------------|
|                                                           | <b>Governmental<br/>Activities</b> | <b>Component Units</b> |
| <b>ASSETS</b>                                             |                                    |                        |
| Cash                                                      | \$ 207,995                         | 29,663                 |
| Investments                                               | 465,759                            | 5,961                  |
| Accounts receivable, net                                  | 11,118                             | 2,265                  |
| Due from other governmental agencies                      | 39,081                             | 674                    |
| Inventories                                               | 5,925                              | -                      |
| Other Assets                                              | -                                  | 464                    |
| Prepaid items                                             | -                                  | 4,386                  |
| Capital Assets (net of accumulated depreciation):         |                                    |                        |
| Land                                                      | 160,441                            | 8,049                  |
| Land improvements                                         | 90,256                             | 250                    |
| Construction in progress                                  | 33,205                             | 1,105                  |
| Improvements other than buildings                         | 82,212                             | 701                    |
| Buildings and systems                                     | 1,915,878                          | 53,673                 |
| Furniture, fixtures and equipment                         | 32,015                             | 4,281                  |
| Motor vehicles                                            | 9,947                              | 14                     |
| Property under capital leases                             | -                                  | 156                    |
| Audio visual materials                                    | 2                                  | 1                      |
| Computer software                                         | 1,451                              | -                      |
| Total assets                                              | <u>3,055,285</u>                   | <u>111,643</u>         |
| <b>DEFERRED OUTFLOWS</b>                                  |                                    |                        |
| Accumulated decrease in fair value of hedging derivatives | 19,156                             | 121                    |
| Deferred charge on refunding                              | 24,401                             | -                      |
|                                                           | <u>43,557</u>                      | <u>121</u>             |
| <b>LIABILITIES</b>                                        |                                    |                        |
| Accounts payable                                          | \$ 55,657                          | 14,947                 |
| Construction retainage payable                            | 2,019                              | -                      |
| Salaries and wages payable                                | 1,145                              | 3,405                  |
| Accrued payroll taxes and withholdings                    | 3,099                              | 10                     |
| Accrued interest                                          | 16,340                             | -                      |
| Due to other governmental agencies                        | 6,574                              | 30                     |
| Deposits payable                                          | 56                                 | 44                     |
| Advanced revenue                                          | 14,954                             | 291                    |
| Derivative instrument - liability                         | 27,018                             | 121                    |
| Noncurrent liabilities:                                   |                                    |                        |
| Due within one year                                       | 68,862                             | 2,324                  |
| Due in more than one year                                 | 1,268,215                          | 72,249                 |
| Total liabilities                                         | <u>1,463,939</u>                   | <u>93,421</u>          |
| <b>NET POSITION</b>                                       |                                    |                        |
| Net investment in capital assets                          | 1,260,998                          | (5,194)                |
| Restricted for:                                           |                                    |                        |
| Categorical carryover programs                            | 13,474                             | -                      |
| Debt service                                              | 93,075                             | 1,440                  |
| Capital outlay                                            | 166,268                            | 38                     |
| Non categorical carryover programs                        | 35,519                             | -                      |
| Other purposes                                            | 17,589                             | 7,312                  |
| Unrestricted                                              | 47,980                             | 14,747                 |
| Total net position                                        | <u>\$ 1,634,903</u>                | <u>18,343</u>          |

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

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**STATEMENT OF ACTIVITIES**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

(amounts expressed in thousands)

| <u>Functions/Programs</u>                                 | <u>Expenses</u>     | <u>Charges for Services</u> |
|-----------------------------------------------------------|---------------------|-----------------------------|
| <b>Primary government:</b>                                |                     |                             |
| Governmental activities:                                  |                     |                             |
| Instructional services                                    | \$ 1,114,285        | \$ 23,451                   |
| Instructional support services                            | 232,838             | -                           |
| Pupil transportation services                             | 72,786              | 2,805                       |
| Operation and maintenance of plant                        | 139,024             | -                           |
| Non capitalizable facilities acquisition and construction | 118,081             | -                           |
| School administration                                     | 96,080              | -                           |
| General administration                                    | 62,875              | -                           |
| Food services                                             | 105,851             | 25,022                      |
| Community services and other                              | 85,307              | -                           |
| Interest on long-term debt                                | 44,214              | -                           |
| Unallocated depreciation expense                          | 297                 | -                           |
| Total governmental activities and primary government      | <u>\$ 2,071,638</u> | <u>\$ 51,278</u>            |
| <b>Component units:</b>                                   |                     |                             |
| Foundation and charter schools                            | \$ 114,966          | \$ 4,577                    |
| Total component units                                     | <u>\$ 114,966</u>   | <u>\$ 4,577</u>             |

General Revenues:

Property taxes, levied for operational purposes

Property taxes, levied for capital projects

Local sales taxes

Grants and contributions not restricted  
to specific programs

Investment earnings

Miscellaneous

Total general revenues

Change in net position

Net position - beginning - Restated

See notes 1-N and 1-A

Net position - ending

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

| Program Revenues                         |                                        | Net (Expense) Revenue and<br>Changes in Net Position |                    |
|------------------------------------------|----------------------------------------|------------------------------------------------------|--------------------|
| Operating<br>Grants and<br>Contributions | Capital<br>Grants and<br>Contributions | Primary<br>Government<br>Governmental<br>Activities  | Component<br>Units |
| \$ -                                     | \$ -                                   | \$ (1,090,834)                                       | \$ -               |
| -                                        | -                                      | (232,838)                                            | -                  |
| -                                        | -                                      | (69,981)                                             | -                  |
| -                                        | -                                      | (139,024)                                            | -                  |
| -                                        | 850                                    | (117,231)                                            | -                  |
| -                                        | -                                      | (96,080)                                             | -                  |
| -                                        | -                                      | (62,875)                                             | -                  |
| 82,478                                   | -                                      | 1,649                                                | -                  |
| -                                        | -                                      | (85,307)                                             | -                  |
| -                                        | 6,808                                  | (37,406)                                             | -                  |
| -                                        | -                                      | (297)                                                | -                  |
| <u>\$ 82,478</u>                         | <u>\$ 7,658</u>                        | <u>\$ (1,930,224)</u>                                | <u>\$ -</u>        |
| <br>\$ 5,035                             | <br>\$ 4,311                           | <br>-                                                | <br>(101,043)      |
| <u>\$ 5,035</u>                          | <u>\$ 4,311</u>                        | <u>-</u>                                             | <u>(101,043)</u>   |
|                                          |                                        | 418,313                                              | -                  |
|                                          |                                        | 101,322                                              | -                  |
|                                          |                                        | 25,880                                               | -                  |
|                                          |                                        | 1,220,399                                            | 99,223             |
|                                          |                                        | 2,454                                                | 498                |
|                                          |                                        | 80,024                                               | 5,682              |
|                                          |                                        | <u>1,848,392</u>                                     | <u>105,403</u>     |
|                                          |                                        | (81,832)                                             | 4,360              |
|                                          |                                        | 1,716,735                                            | 13,983             |
|                                          |                                        | <u>\$ 1,634,903</u>                                  | <u>\$ 18,343</u>   |

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**BALANCE SHEET**

**GOVERNMENTAL FUNDS**

**JUNE 30, 2014**

(amounts expressed in thousands)

|                                      | General           | Contracted<br>Services | Other<br>Debt<br>Service |
|--------------------------------------|-------------------|------------------------|--------------------------|
| <b>ASSETS</b>                        |                   |                        |                          |
| Cash                                 | \$ 197,194        | \$ 68                  | \$ 4                     |
| Investments                          | 31,059            | -                      | 101,577                  |
| Accounts receivable                  | 10,652            | 5                      | -                        |
| Due from other governmental agencies | 8,637             | 18,259                 | 4,037                    |
| Due from other funds                 | 12,782            | 137                    | 3,918                    |
| Inventories                          | 5,088             | -                      | -                        |
| Total assets                         | <u>\$ 265,412</u> | <u>\$ 18,469</u>       | <u>\$ 109,536</u>        |
| <b>LIABILITIES AND FUND BALANCES</b> |                   |                        |                          |
| Liabilities:                         |                   |                        |                          |
| Accounts payable                     | \$ 19,962         | \$ 6,192               | \$ 2,747                 |
| Salaries and wages payable           | 1,141             | -                      | -                        |
| Payroll deductions and withholdings  | 3,099             | -                      | -                        |
| Due to other funds                   | 563               | 11,756                 | -                        |
| Due to other governmental agencies   | 6,574             | -                      | -                        |
| Deposits payable                     | -                 | -                      | 56                       |
| Advanced revenue                     | 4,441             | 521                    | -                        |
| Total liabilities                    | <u>35,780</u>     | <u>18,469</u>          | <u>2,803</u>             |
| Fund balances:                       |                   |                        |                          |
| Nonspendable                         | 5,088             | -                      | -                        |
| Restricted for:                      |                   |                        |                          |
| Federal programs                     | 181               | -                      | -                        |
| State programs                       | 21,828            | -                      | -                        |
| Local programs                       | 9,054             | -                      | -                        |
| Debt service                         | -                 | -                      | 106,733                  |
| Capital projects                     | -                 | -                      | -                        |
| Assigned for District operations     | 97,685            | -                      | -                        |
| Unassigned                           | 95,796            | -                      | -                        |
| Total fund balances                  | <u>229,632</u>    | <u>-</u>               | <u>106,733</u>           |
| Total liabilities and fund balances  | <u>\$ 265,412</u> | <u>\$ 18,469</u>       | <u>\$ 109,536</u>        |

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| Local<br>Capital<br>Improvement | Other<br>Capital<br>Projects | Nonmajor<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|---------------------------------|------------------------------|-----------------------------------|--------------------------------|
| \$ 6,011                        | \$ -                         | \$ 76                             | \$ 203,353                     |
| 110,443                         | 60,008                       | 40,255                            | 343,342                        |
| -                               | -                            | 261                               | 10,918                         |
| 920                             | 5,666                        | 977                               | 38,496                         |
| 497                             | -                            | 254                               | 17,588                         |
| -                               | -                            | 837                               | 5,925                          |
| <u>\$ 117,871</u>               | <u>\$ 65,674</u>             | <u>\$ 42,660</u>                  | <u>\$ 619,622</u>              |

|               |              |              |               |
|---------------|--------------|--------------|---------------|
| \$ 9,858      | \$ 2,611     | \$ 955       | \$ 42,325     |
| -             | -            | 4            | 1,145         |
| -             | -            | -            | 3,099         |
| 4,363         | 362          | 544          | 17,588        |
| -             | -            | -            | 6,574         |
| -             | -            | -            | 56            |
| -             | -            | 1,020        | 5,982         |
| <u>14,221</u> | <u>2,973</u> | <u>2,523</u> | <u>76,769</u> |

|                   |                  |                  |                   |
|-------------------|------------------|------------------|-------------------|
| -                 | -                | 837              | 5,925             |
| -                 | -                | 34,683           | 34,864            |
| -                 | -                | -                | 21,828            |
| -                 | -                | -                | 9,054             |
| -                 | -                | 2,681            | 109,414           |
| 103,650           | 62,701           | 1,936            | 168,287           |
| -                 | -                | -                | 97,685            |
| -                 | -                | -                | 95,796            |
| <u>103,650</u>    | <u>62,701</u>    | <u>40,137</u>    | <u>542,853</u>    |
| <u>\$ 117,871</u> | <u>\$ 65,674</u> | <u>\$ 42,660</u> | <u>\$ 619,622</u> |



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**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

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**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
(amounts expressed in thousands)**

|                                                                                                                                                                                                                                                                   |                |           |                         |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|-----------|-------------------------|
| <b>Total Fund Balances - Governmental Funds</b>                                                                                                                                                                                                                   |                | <b>\$</b> | <b>542,853</b>          |
| Amounts reported for governmental activities in the statement of net position are different because:                                                                                                                                                              |                |           |                         |
| Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.                                                                                                                                           |                |           | 2,325,407               |
| Deferred outflows are not available to pay for current period expenditures and therefore are not recorded in the funds.                                                                                                                                           |                |           | 43,557                  |
| Derivative instrument liability is not due and payable in the current period and therefore is not reported in the funds.                                                                                                                                          |                |           | (27,018)                |
| Internal service funds are used by management to charge the costs of certain activities such as insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position. |                |           | 88,316                  |
| Long-term liabilities, including unamortized bonds premiums, are not due and payable in the current period and therefore, are not reported in the funds.                                                                                                          |                |           |                         |
| Post Employment Benefits                                                                                                                                                                                                                                          | 95,449         |           |                         |
| Compensated Absences Payable                                                                                                                                                                                                                                      | 135,594        |           |                         |
| Certificates of Participation                                                                                                                                                                                                                                     | 850,584        |           |                         |
| Bonds Payable                                                                                                                                                                                                                                                     | <u>238,226</u> |           | (1,319,853)             |
| Accrued interest on long-term liabilities is not due and payable in the current period and therefore, is not reported in the funds.                                                                                                                               |                |           | (16,340)                |
| Accrued retainage payable is not due and payable in the current period and therefore, is not reported in the funds.                                                                                                                                               |                |           | <u>(2,019)</u>          |
| <b>Total Net Position - Governmental Activities</b>                                                                                                                                                                                                               |                | <b>\$</b> | <b><u>1,634,903</u></b> |

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

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
(amounts expressed in thousands)**

|                                                 | General    | Contracted<br>Services | Other<br>Debt<br>Service |
|-------------------------------------------------|------------|------------------------|--------------------------|
| <b>REVENUES</b>                                 |            |                        |                          |
| Local sources:                                  |            |                        |                          |
| Ad valorem taxes                                | \$ 418,313 | \$ -                   | \$ -                     |
| Local sales tax                                 | -          | -                      | 21,880                   |
| Food services                                   | -          | -                      | -                        |
| Interest income                                 | 1,159      | -                      | 633                      |
| Other                                           | 81,168     | 469                    | -                        |
| Total local sources                             | 500,640    | 469                    | 22,513                   |
| State sources:                                  |            |                        |                          |
| Florida education finance program               | 696,124    | -                      | -                        |
| Categorical programs                            | 263,615    | -                      | -                        |
| Workforce development                           | 28,708     | -                      | -                        |
| Food services                                   | -          | -                      | -                        |
| Other                                           | 3,359      | 791                    | -                        |
| Total state sources                             | 991,806    | 791                    | -                        |
| Federal sources:                                |            |                        |                          |
| Food services                                   | -          | -                      | -                        |
| Federal grants direct                           | 2,660      | 16,231                 | -                        |
| Federal grants through state                    | 10,272     | 140,927                | -                        |
| Federal grants through local                    | -          | 51,623                 | -                        |
| Total federal sources                           | 12,932     | 208,781                | -                        |
| Total revenues                                  | 1,505,378  | 210,041                | 22,513                   |
| <b>EXPENDITURES</b>                             |            |                        |                          |
| Current:                                        |            |                        |                          |
| Instructional services:                         |            |                        |                          |
| Basic programs                                  | 794,606    | 61,833                 | -                        |
| Exceptional child programs                      | 159,660    | 17,005                 | -                        |
| Adult and vocational technical programs         | 51,250     | 4,363                  | -                        |
| Total instructional services                    | 1,005,516  | 83,201                 | -                        |
| Instructional support services:                 |            |                        |                          |
| Pupil personnel services                        | 60,042     | 20,063                 | -                        |
| Instructional media services                    | 20,421     | 2,512                  | -                        |
| Instruction and curriculum development services | 24,089     | 24,498                 | -                        |
| Instructional staff training services           | 24,367     | 18,019                 | -                        |
| Instructional related technology                | 31,085     | 1,870                  | -                        |
| Total instructional support services            | 160,004    | 66,962                 | -                        |
| Pupil transportation services                   | 68,446     | 1,001                  | -                        |
| Operation and maintenance of plant:             |            |                        |                          |
| Operation of plant                              | 107,763    | 194                    | -                        |
| Maintenance of plant                            | 26,810     | -                      | -                        |
| Total operation and maintenance of plant        | 134,573    | 194                    | -                        |
| School administration                           | 91,821     | 2,197                  | -                        |
| General administration:                         |            |                        |                          |
| Central services                                | 31,460     | 5,666                  | -                        |
| Board of education                              | 2,454      | -                      | -                        |
| General administration                          | 4,479      | 7,466                  | -                        |
| Fiscal services                                 | 7,225      | 489                    | -                        |
| Administrative technology services              | 1,000      | -                      | -                        |
| Total general administration                    | 46,618     | 13,621                 | -                        |

| Local<br>Capital<br>Improvement | Other<br>Capital<br>Projects | Nonmajor<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|---------------------------------|------------------------------|-----------------------------------|--------------------------------|
| \$ 101,322                      | \$ -                         | \$ -                              | \$ 519,635                     |
| -                               | 4,000                        | -                                 | 25,880                         |
| -                               | -                            | 25,022                            | 25,022                         |
| 226                             | 49                           | 48                                | 2,115                          |
| 1,572                           | 18,004                       | 60                                | 101,273                        |
| 103,120                         | 22,053                       | 25,130                            | 673,925                        |
| -                               | -                            | -                                 | 696,124                        |
| -                               | -                            | -                                 | 263,615                        |
| -                               | -                            | -                                 | 28,708                         |
| -                               | -                            | 1,419                             | 1,419                          |
| -                               | 5,756                        | 7,990                             | 17,896                         |
| -                               | 5,756                        | 9,409                             | 1,007,762                      |
| -                               | -                            | 81,060                            | 81,060                         |
| -                               | -                            | -                                 | 18,891                         |
| -                               | -                            | -                                 | 151,199                        |
| -                               | -                            | -                                 | 51,623                         |
| -                               | -                            | 81,060                            | 302,773                        |
| 103,120                         | 27,809                       | 115,599                           | 1,984,460                      |
| -                               | -                            | -                                 | 856,439                        |
| -                               | -                            | -                                 | 176,665                        |
| -                               | -                            | -                                 | 55,613                         |
| -                               | -                            | -                                 | 1,088,717                      |
| -                               | -                            | -                                 | 80,105                         |
| -                               | -                            | -                                 | 22,933                         |
| -                               | -                            | -                                 | 48,587                         |
| -                               | -                            | -                                 | 42,386                         |
| -                               | -                            | -                                 | 32,955                         |
| -                               | -                            | -                                 | 226,966                        |
| -                               | -                            | -                                 | 69,447                         |
| -                               | -                            | -                                 | 107,957                        |
| -                               | -                            | -                                 | 26,810                         |
| -                               | -                            | -                                 | 134,767                        |
| -                               | -                            | -                                 | 94,018                         |
| -                               | -                            | -                                 | 37,126                         |
| -                               | -                            | -                                 | 2,454                          |
| -                               | -                            | -                                 | 11,945                         |
| -                               | -                            | -                                 | 7,714                          |
| -                               | -                            | -                                 | 1,000                          |
| -                               | -                            | -                                 | 60,239                         |

(Continued)

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**
**STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
(amounts expressed in thousands)**

|                                                              | General    | Contracted<br>Services | Other<br>Debt<br>Service |
|--------------------------------------------------------------|------------|------------------------|--------------------------|
| Facilities acquisition and construction                      | 1,254      | 23                     | -                        |
| Food services                                                | 349        | -                      | -                        |
| Community services and other                                 | 44,451     | 40,728                 | -                        |
| Debt Service:                                                |            |                        |                          |
| Principal retirement                                         | -          | -                      | 39,110                   |
| Interest                                                     | -          | -                      | 44,749                   |
| Dues, fees and other                                         | -          | -                      | 852                      |
| Capital outlay:                                              |            |                        |                          |
| Facilities acquisition and construction                      | 267        | 391                    | -                        |
| Other capital outlay                                         | 5,542      | 1,750                  | -                        |
| Total expenditures                                           | 1,558,841  | 210,068                | 84,711                   |
| Excess (deficiency) of revenues<br>over (under) expenditures | (53,463)   | (27)                   | (62,198)                 |
| <b>OTHER FINANCING SOURCES (USES):</b>                       |            |                        |                          |
| Refunding bonds issued                                       | -          | -                      | -                        |
| Premium on sale of refunding bonds                           | -          | -                      | -                        |
| Refunding certificates of participation                      | -          | -                      | 39,950                   |
| Payments to refunded bond escrow agent                       | -          | -                      | (40,262)                 |
| Transfers in                                                 | 13,853     | 27                     | 68,660                   |
| Transfers out                                                | (27)       | -                      | (75)                     |
| Total other financing sources and uses                       | 13,826     | 27                     | 68,273                   |
| Net change in fund balances                                  | (39,637)   | -                      | 6,075                    |
| Fund balances - beginning                                    | 269,269    | -                      | 100,658                  |
| Fund balances - ending                                       | \$ 229,632 | \$ -                   | \$ 106,733               |

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

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| Local<br>Capital<br>Improvement | Other<br>Capital<br>Projects | Nonmajor<br>Governmental<br>Funds | Total<br>Governmental<br>Funds |
|---------------------------------|------------------------------|-----------------------------------|--------------------------------|
| 28,367                          | 61                           | 1,710                             | 31,415                         |
| -                               | -                            | 102,524                           | 102,873                        |
| -                               | -                            | -                                 | 85,179                         |
| -                               | -                            | 5,169                             | 44,279                         |
| -                               | -                            | 2,118                             | 46,867                         |
| -                               | -                            | 136                               | 988                            |
| 33,524                          | 9,933                        | 116                               | 44,231                         |
| -                               | -                            | 1,597                             | 8,889                          |
| 61,891                          | 9,994                        | 113,370                           | 2,038,875                      |
| 41,229                          | 17,815                       | 2,229                             | (54,415)                       |
| -                               | -                            | 2,486                             | 2,486                          |
| -                               | -                            | 397                               | 397                            |
| -                               | -                            | -                                 | 39,950                         |
| -                               | -                            | (2,158)                           | (42,420)                       |
| -                               | -                            | 856                               | 83,396                         |
| (65,207)                        | (9,135)                      | -                                 | (74,444)                       |
| (65,207)                        | (9,135)                      | 1,581                             | 9,365                          |
| (23,978)                        | 8,680                        | 3,810                             | (45,050)                       |
| 127,628                         | 54,021                       | 36,327                            | 587,903                        |
| \$ 103,650                      | \$ 62,701                    | \$ 40,137                         | \$ 542,853                     |



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**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
(amounts expressed in thousands)**

---

**Net Change in Fund Balances - Total Governmental Funds** \$ (45,050)

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlays (\$53,120) were less than depreciation expense (\$97,160) during the current period. (44,040)

The statement of activities reflects only the gain/loss on the sale of assets, whereas the governmental funds include all proceeds from these sales. Thus, the change in net position differs by the cost of assets sold. (395)

Revenues reported in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 5,328

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 are expenditures in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount by which payments of bond principal (\$44,279) and payments to refunding agent (\$42,420) was more than the proceeds of (\$42,436) in the current year. 44,263

Governmental funds report costs associated with certain bond transaction as resources or uses. However, in the statement of activities these transactions are reported over the life of the debt as expenses (\$397) bond premium. (397)

Expenses in the statement of activities that do not require the use of current financial resources are not reported in the governmental funds:

Postemployment health care benefits (20,316)

Interest expense 1,506

Compensated absences (5,306)

Amortization of bond discount and premium 1,261

Amortization of investment derivative 874

Internal service funds are used by management to charge the cost of certain activities, such as insurance, to individual funds. The net revenue of internal service funds is reported with governmental activities. (19,560)

**Change in Net Position of Governmental Activities** \$ (81,832)

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

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
(amounts expressed in thousands)**

|                                                 | Budgeted Amounts |            |            | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|-------------------------------------------------|------------------|------------|------------|-----------------------------------------------------------|
|                                                 | Original         | Final      | Actual     |                                                           |
| <b>REVENUES</b>                                 |                  |            |            |                                                           |
| Local sources:                                  |                  |            |            |                                                           |
| Ad valorem taxes                                | \$ 414,288       | \$ 418,313 | \$ 418,313 | \$ -                                                      |
| Interest income                                 | 1,100            | 1,162      | 1,159      | (3)                                                       |
| Other                                           | 76,522           | 86,371     | 81,168     | (5,203)                                                   |
| Total local sources                             | 491,910          | 505,846    | 500,640    | (5,206)                                                   |
| State sources:                                  |                  |            |            |                                                           |
| Florida education finance program               | 623,429          | 696,124    | 696,124    | -                                                         |
| Categorical programs                            | 260,872          | 264,861    | 263,615    | (1,246)                                                   |
| Workforce development                           | 28,417           | 28,708     | 28,708     | -                                                         |
| Other                                           | 68,406           | 3,421      | 3,359      | (62)                                                      |
| Total state sources                             | 981,124          | 993,114    | 991,806    | (1,308)                                                   |
| Federal sources:                                |                  |            |            |                                                           |
| Federal grants direct                           | 4,264            | 2,660      | 2,660      | -                                                         |
| Federal grants through state                    | 8,976            | 10,272     | 10,272     | -                                                         |
| Total federal sources                           | 13,240           | 12,932     | 12,932     | -                                                         |
| Total revenues                                  | 1,486,274        | 1,511,892  | 1,505,378  | (6,514)                                                   |
| <b>EXPENDITURES</b>                             |                  |            |            |                                                           |
| Current:                                        |                  |            |            |                                                           |
| Instructional services:                         |                  |            |            |                                                           |
| Basic programs                                  | 817,604          | 842,217    | 794,606    | 47,611                                                    |
| Exceptional child programs                      | 155,549          | 160,232    | 159,660    | 572                                                       |
| Adult and vocational technical programs         | 59,048           | 60,826     | 51,250     | 9,576                                                     |
| Total instructional services                    | 1,032,201        | 1,063,275  | 1,005,516  | 57,759                                                    |
| Instructional support services:                 |                  |            |            |                                                           |
| Pupil personnel services                        | 63,070           | 61,977     | 60,042     | 1,935                                                     |
| Instructional media services                    | 21,463           | 20,992     | 20,421     | 571                                                       |
| Instruction and curriculum development services | 22,849           | 25,618     | 24,089     | 1,529                                                     |
| Instructional staff training services           | 37,752           | 29,044     | 24,367     | 4,677                                                     |
| Instructional related technology                | 29,649           | 36,414     | 31,085     | 5,329                                                     |
| Total instructional support services            | 174,783          | 174,045    | 160,004    | 14,041                                                    |
| Pupil transportation services                   | 66,050           | 69,650     | 68,446     | 1,204                                                     |
| Operation and maintenance of plant:             |                  |            |            |                                                           |
| Operation of plant                              | 103,816          | 118,873    | 107,763    | 11,110                                                    |
| Maintenance of plant                            | 29,063           | 35,474     | 26,810     | 8,664                                                     |
| Total operation and maintenance of plant        | 132,879          | 154,347    | 134,573    | 19,774                                                    |
| School administration                           | 96,463           | 92,283     | 91,821     | 462                                                       |
| General administration:                         |                  |            |            |                                                           |
| Central services                                | 22,783           | 43,067     | 31,460     | 11,607                                                    |
| Board of education                              | 1,526            | 2,801      | 2,454      | 347                                                       |
| General administration                          | 4,813            | 6,258      | 4,479      | 1,779                                                     |
| Fiscal services                                 | 7,165            | 30,260     | 7,225      | 23,035                                                    |
| Administrative technology services              | 714              | 1,005      | 1,000      | 5                                                         |
| Total general administration                    | 37,001           | 83,391     | 46,618     | 36,773                                                    |



**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
(amounts expressed in thousands)**

|                                                              | Budgeted Amounts |           | Actual     | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|--------------------------------------------------------------|------------------|-----------|------------|-----------------------------------------------------------|
|                                                              | Original         | Final     |            |                                                           |
| Facilities acquisition and construction                      | 2,301            | 2,607     | 1,254      | 1,353                                                     |
| Food services                                                | 463              | 349       | 349        | -                                                         |
| Community services and other                                 | 43,650           | 53,433    | 44,451     | 8,982                                                     |
| Capital outlay:                                              |                  |           |            |                                                           |
| Facilities acquisition and construction                      | -                | 267       | 267        | -                                                         |
| Other capital outlay                                         | -                | 5,542     | 5,542      | -                                                         |
| Total expenditures                                           | 1,585,791        | 1,699,189 | 1,558,841  | 140,348                                                   |
| Excess (deficiency) of revenues<br>over (under) expenditures | (99,517)         | (187,297) | (53,463)   | 133,834                                                   |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                  |           |            |                                                           |
| Transfers in                                                 | 3,000            | 13,853    | 13,853     | -                                                         |
| Transfers out                                                | (33)             | (29)      | (27)       | 2                                                         |
| Total other financing sources and uses                       | 2,967            | 13,824    | 13,826     | 2                                                         |
| Net change in fund balances                                  | (96,550)         | (173,473) | (39,637)   | 133,836                                                   |
| Fund balances - beginning                                    | 269,269          | 269,269   | 269,269    | -                                                         |
| Fund balances - ending                                       | \$ 172,719       | \$ 95,796 | \$ 229,632 | \$ 133,836                                                |

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

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**MAJOR SPECIAL REVENUE FUND - CONTRACTED SERVICES**

**STATEMENT OF REVENUES, EXPENDITURES,**

**AND CHANGES IN FUND BALANCES -**

**BUDGET AND ACTUAL**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

(amounts expressed in thousands)

|                                                 | Budgeted Amounts |         |         | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|-------------------------------------------------|------------------|---------|---------|-----------------------------------------------------------|
|                                                 | Original         | Final   | Actual  |                                                           |
| <b>REVENUES</b>                                 |                  |         |         |                                                           |
| Local sources:                                  |                  |         |         |                                                           |
| Other                                           | \$ 364           | \$ 833  | \$ 469  | \$ (364)                                                  |
| Total local sources                             | 364              | 833     | 469     | (364)                                                     |
| State sources:                                  |                  |         |         |                                                           |
| Other                                           | 987              | 2,299   | 791     | (1,508)                                                   |
| Total state sources                             | 987              | 2,299   | 791     | (1,508)                                                   |
| Federal sources:                                |                  |         |         |                                                           |
| Federal grants direct                           | 12,018           | 31,547  | 16,231  | (15,316)                                                  |
| Federal grants through state                    | 121,614          | 181,496 | 140,927 | (40,569)                                                  |
| Federal grants through local                    | 50,408           | 56,309  | 51,623  | (4,686)                                                   |
| Total federal sources                           | 184,040          | 269,352 | 208,781 | (60,571)                                                  |
| Total revenues                                  | 185,391          | 272,484 | 210,041 | (62,443)                                                  |
| <b>EXPENDITURES</b>                             |                  |         |         |                                                           |
| Current:                                        |                  |         |         |                                                           |
| Instructional services:                         |                  |         |         |                                                           |
| Basic programs                                  | 61,068           | 78,826  | 61,833  | 16,993                                                    |
| Exceptional child programs                      | 19,822           | 25,586  | 17,005  | 8,581                                                     |
| Adult and vocational technical programs         | 5,000            | 6,453   | 4,363   | 2,090                                                     |
| Total instructional services                    | 85,890           | 110,865 | 83,201  | 27,664                                                    |
| Instructional support services:                 |                  |         |         |                                                           |
| Pupil personnel services                        | 14,715           | 22,632  | 20,063  | 2,569                                                     |
| Instructional media services                    | 2,308            | 3,973   | 2,512   | 1,461                                                     |
| Instruction and curriculum development services | 19,787           | 28,026  | 24,498  | 3,528                                                     |
| Instructional staff training services           | 13,598           | 30,014  | 18,019  | 11,995                                                    |
| Instructional related technology                | 1,544            | 2,934   | 1,870   | 1,064                                                     |
| Total instructional support services            | 51,952           | 87,579  | 66,962  | 20,617                                                    |
| Pupil transportation services                   | 1,121            | 1,849   | 1,001   | 848                                                       |
| Operation and maintenance of plant:             |                  |         |         |                                                           |
| Operation of plant                              | 142              | 233     | 194     | 39                                                        |
| Maintenance of plant                            | 1                | -       | -       | -                                                         |
| Total operation and maintenance of plant        | 143              | 233     | 194     | 39                                                        |
| School administration                           | 2,492            | 2,359   | 2,197   | 162                                                       |
| General administration:                         |                  |         |         |                                                           |
| Central services                                | 6,807            | 13,126  | 5,666   | 7,460                                                     |
| Board of education                              | 1,851            | -       | -       | -                                                         |
| General administration                          | 4,024            | 10,723  | 7,466   | 3,257                                                     |
| Fiscal services                                 | 595              | 492     | 489     | 3                                                         |
| Administrative technology services              | -                | 176     | -       | 176                                                       |
| Total general administration                    | 13,277           | 24,517  | 13,621  | 10,896                                                    |

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY****MAJOR SPECIAL REVENUE FUND - CONTRACTED SERVICES****STATEMENT OF REVENUES, EXPENDITURES,****AND CHANGES IN FUND BALANCES -****BUDGET AND ACTUAL****FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

(amounts expressed in thousands)

|                                                              | Budgeted Amounts |         | Actual  | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|--------------------------------------------------------------|------------------|---------|---------|-----------------------------------------------------------|
|                                                              | Original         | Final   |         |                                                           |
| Facilities acquisition and construction                      | 373              | 468     | 23      | 445                                                       |
| Community services and other                                 | 30,176           | 42,502  | 40,728  | 1,774                                                     |
| Capital outlay:                                              |                  |         |         |                                                           |
| Facilities acquisition and construction                      | -                | 391     | 391     | -                                                         |
| Other capital outlay                                         | -                | 1,750   | 1,750   | -                                                         |
| Total expenditures                                           | 185,424          | 272,513 | 210,068 | 62,445                                                    |
| Excess (deficiency) of revenues<br>over (under) expenditures | (33)             | (29)    | (27)    | 2                                                         |
| <b>OTHER FINANCING SOURCES (USES)</b>                        |                  |         |         |                                                           |
| Transfers in                                                 | 33               | 29      | 27      | (2)                                                       |
| Total other financing sources and uses                       | 33               | 29      | 27      | (2)                                                       |
| Net change in fund balances                                  | -                | -       | -       | -                                                         |
| Fund balances - beginning                                    | -                | -       | -       | -                                                         |
| Fund balances - ending                                       | \$ -             | \$ -    | \$ -    | \$ -                                                      |

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

***THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY***

**STATEMENT OF NET POSITION**

**PROPRIETARY FUNDS**

**JUNE 30, 2014**

**(amounts expressed in thousands)**

|                                      | <b>Internal Service<br/>Funds</b> |
|--------------------------------------|-----------------------------------|
| <hr/>                                |                                   |
| <b>ASSETS</b>                        |                                   |
| Current assets:                      |                                   |
| Cash                                 | \$ 4,642                          |
| Investments                          | 122,417                           |
| Accounts receivable                  | 200                               |
| Due from other governmental agencies | 585                               |
| Total assets                         | <hr/> 127,844 <hr/>               |
|                                      |                                   |
| <b>LIABILITIES</b>                   |                                   |
| Current liabilities:                 |                                   |
| Accounts payable                     | 13,332                            |
| Advanced revenue                     | 8,972                             |
| Estimated liability for claims       | 8,421                             |
| Total current liabilities            | <hr/> 30,725 <hr/>                |
| Noncurrent liabilities:              |                                   |
| Estimated liability for claims       | <hr/> 8,803                       |
| Total noncurrent liabilities         | <hr/> 8,803                       |
| Total liabilities                    | <hr/> 39,528 <hr/>                |
|                                      |                                   |
| <b>NET POSITION</b>                  |                                   |
| Unrestricted                         | 88,316                            |
| Total net position                   | <hr/> \$ 88,316 <hr/>             |

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

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY****STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
(amounts expressed in thousands)**

|                                  | <b>Internal Service<br/>Funds</b> |
|----------------------------------|-----------------------------------|
| <b>OPERATING REVENUES:</b>       |                                   |
| Premium revenue from other funds | \$ 157,216                        |
| Other revenue                    | 1,470                             |
| Total operating revenues         | <u>158,686</u>                    |
| <b>OPERATING EXPENSES:</b>       |                                   |
| Salaries                         | 453                               |
| Benefits                         | 155                               |
| Purchased services               | 309                               |
| Claims, premiums and other       | 168,716                           |
| Total operating expenses         | <u>169,633</u>                    |
| Operating income (loss)          | <u>(10,947)</u>                   |
| <b>NON-OPERATING REVENUE:</b>    |                                   |
| Interest                         | 339                               |
| Total non-operating revenue      | <u>339</u>                        |
| Loss before transfers            | (10,608)                          |
| <b>TRANSFERS IN</b>              | 3,080                             |
| <b>TRANSFERS OUT</b>             | <u>(12,032)</u>                   |
| Change in net position           | (19,560)                          |
| Total net position - beginning   | <u>107,876</u>                    |
| Total net position - ending      | <u><u>\$ 88,316</u></u>           |

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

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY****STATEMENT OF CASH FLOWS****PROPRIETARY FUNDS****FOR THE FISCAL YEAR ENDED JUNE 30, 2014****(amounts expressed in thousands)**

|                                                                                           | <b>Internal Service<br/>Funds</b> |
|-------------------------------------------------------------------------------------------|-----------------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>                                              |                                   |
| Receipts from interfund services provided                                                 | \$ 157,126                        |
| Payment to suppliers                                                                      | (167,667)                         |
| Payment to employees                                                                      | (608)                             |
| Other receipts                                                                            | 1,448                             |
| Net cash used in operating activities                                                     | <u>(9,701)</u>                    |
| <b>CASH FLOWS FROM NON CAPITAL AND<br/>RELATED FINANCING ACTIVITIES:</b>                  |                                   |
| Transfers from other funds                                                                | 3,080                             |
| Transfers to other funds                                                                  | <u>(12,032)</u>                   |
| Net cash used in noncapital and<br>related financing activities                           | <u>(8,952)</u>                    |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>                                              |                                   |
| Proceeds from sales and maturities of investments                                         | 19,519                            |
| Purchase of investments                                                                   | (353)                             |
| Interest and dividends earned on investments                                              | 339                               |
| Net cash provided by investing activities                                                 | <u>19,505</u>                     |
| Net increase in cash                                                                      | 852                               |
| Cash - Beginning of year                                                                  | <u>3,790</u>                      |
| Cash - End of year                                                                        | <u><u>\$ 4,642</u></u>            |
| <b>Reconciliation of operating loss<br/>to net cash used in<br/>operating activities:</b> |                                   |
| Operating loss                                                                            | \$ (10,947)                       |
| Adjustments to reconcile operating loss to<br>net cash used in operating activities:      |                                   |
| Change in assets and liabilities:                                                         |                                   |
| (Increase) decrease in accounts receivable                                                | (5)                               |
| (Increase) decrease in due from other governmental agencies                               | 39                                |
| Increase (decrease) in accounts payable                                                   | 219                               |
| Increase (decrease) in estimated liability for long-term claims                           | 1,100                             |
| Increase (decrease) in deferred revenue                                                   | <u>(107)</u>                      |
| Total adjustments                                                                         | <u>1,246</u>                      |
| Net cash used in operating activities                                                     | <u><u>\$ (9,701)</u></u>          |

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

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY****STATEMENT OF FIDUCIARY NET POSITION****FIDUCIARY FUNDS****JUNE 30, 2014****(amounts expressed in thousands)**

|                                           | <b>Pension<br/>Trust<br/>Fund</b> | <b>Agency<br/>Funds</b> |
|-------------------------------------------|-----------------------------------|-------------------------|
| <b>ASSETS</b>                             |                                   |                         |
| Cash                                      | \$ -                              | \$ 15,896               |
| Investments, at fair value:               |                                   |                         |
| State Board of Administration             | -                                 | 37,291                  |
| U.S. Government securities                | 12,971                            | -                       |
| Total investments                         | 12,971                            | 37,291                  |
| Accounts receivable, net                  | 31                                | -                       |
| Inventory                                 | -                                 | 161                     |
| Total assets                              | 13,002                            | 53,348                  |
| <b>LIABILITIES</b>                        |                                   |                         |
| Accounts payable                          | -                                 | 1,452                   |
| Due to student organizations              | -                                 | 16,859                  |
| Payroll deductions                        | -                                 | 35,037                  |
| Total liabilities                         | -                                 | 53,348                  |
| <b>NET POSITION</b>                       |                                   |                         |
| Assets held in trust for pension benefits | 13,002                            | -                       |
| Total net position                        | \$ 13,002                         | \$ -                    |

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

***THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY***

**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**

**FIDUCIARY FUNDS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

**(amounts expressed in thousands)**

|                                           | <b>Pension<br/>Trust<br/>Fund</b> |
|-------------------------------------------|-----------------------------------|
| <b>ADDITIONS</b>                          |                                   |
| Contributions received from employer      | <u>\$ 1,356</u>                   |
| Investment income:                        |                                   |
| Interest income                           | 107                               |
| Net increase in fair value of investments | <u>6</u>                          |
| Total investment earnings                 | 113                               |
| Less investment expense                   | <u>33</u>                         |
| Net investment income                     | 80                                |
| Total additions                           | <u>1,436</u>                      |
| <b>DEDUCTIONS</b>                         |                                   |
| Benefit payments                          | 2,023                             |
| Administrative expenses                   | <u>13</u>                         |
| Total deductions                          | <u>2,036</u>                      |
| Net decrease in net position              | (600)                             |
| Net position - beginning                  | <u>13,602</u>                     |
| Net position - ending                     | <u><u>\$ 13,002</u></u>           |

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



SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2014

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The School District of Hillsborough County, Florida (District) has direct responsibility for the operation, control, and supervision of the District schools and is considered a primary government for financial reporting purposes. The District is a part of the Florida system of public education. The governing body of the school district is the Hillsborough County District School Board (Board) that is composed of seven (7) elected members. The appointed Superintendent of Schools is the executive officer of the Board. Geographic boundaries of the District correspond with those of Hillsborough County.

The accompanying financial statements present the activities of the Board and its component units. Criteria for determining if other entities are potential component units, which should be reported within the District's financial statements, are identified and described in Governmental Accounting Standards Board (GASB) Statement No. 14, The Financial Reporting Entity, as amended by GASB Statement No. 39, Determining Whether Certain Organizations Are Component Units and GASB Statement No. 61, The Financial Reporting Entity - Omnibus. The application of these criteria provide for identification of any entities for which the Board is financially accountable and other organizations for which the nature and significance of their relationship with the School Board are such that exclusion would cause the District's financial statements to be misleading or incomplete.

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

Blended Component Unit

The Hillsborough School Board Leasing Corporation (Corporation) was formed to facilitate financing for the acquisition of facilities and equipment as further discussed in note 7. Due to the substantive economic relationship between the Hillsborough County District School Board and the Corporation, the financial activities of the Corporation are included in the accompanying financial statements of the School Board in the Other Capital Projects Fund. Separate financial statements of the Corporation are not published.

Discretely Presented Component Units

The component unit's column in the government wide financial statements include the financial data of the District's other component units for the fiscal year ended June 30, 2014. These component units consist of the Hillsborough Education Foundation, Inc. (the Foundation) and the District's Charter Schools. Both the Foundation and the Charter Schools are reported in a separate column to emphasize that they are legally separate from the District School Board. While the District's officials are not financially accountable for the Foundation or the Charter Schools, it would be misleading to exclude them from the District's financial statements. None of the individual component units are considered to be major.

The Hillsborough Education Foundation, Inc., is a separate not-for-profit corporation organized and operated as a direct-support organization under Section 1001.453, Florida Statutes, to receive, hold, invest, and administer property and to make expenditures to, or for the benefit of, the District.

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2014

A. Reporting Entity (continued)

Complete financial statements of the Foundation can be obtained from their administrative office at:

Hillsborough Education Foundation  
2306 N. Howard Ave.  
Tampa, Florida 33607

The Charter Schools are separate not for-profit corporations organized under Section 1002.33, Florida Statutes to operate as public (as opposed to private) schools and are held responsible for prudent use of the public funds they receive. Each Charter School is a separate component unit that operates under a charter approved by their sponsor, the School Board. There are forty (40) Charter Schools operating in the School District of Hillsborough County that meet the criteria for presentation as a discretely presented component unit.

The individual Charter Schools are listed below. Further, complete audited financial statements of the individual component units can be obtained from their administrative offices. These schools include:

|                                                                                                |                                                                                           |
|------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|
| Advantage Academy of Hillsborough<br>350 West Prosser St.<br>Plant City, Fl 33563              | Advantage Academy Middle School<br>350 West Prosser St.<br>Plant City, Fl 33563           |
| Bell Creek Academy<br>132210 Boyette Road<br>Riverview, Fl 33569                               | Bell Creek Academy High School<br>132210 Boyette Road<br>Riverview, Fl 33569              |
| Brooks DeBartolo Collegiate High School<br>11602 N. 15 <sup>th</sup> Street<br>Tampa, Fl 33612 | Channelside Academy of Math & Science<br>1029 E. Twiggs St.<br>Tampa, Fl 33602            |
| Channelside Academy Middle School<br>1029 E. Twiggs St.<br>Tampa, Fl 33602                     | Community Charter Middle School of Excellence<br>10948 N. Central Ave.<br>Tampa, Fl 33612 |
| Community Charter School of Excellence<br>10948 N. Central Ave.<br>Tampa, Fl 33612             | Florida Autism Charter School of Excellence<br>6400 East Charles St.<br>Tampa, Fl 33610   |
| Focus Academy<br>304 Druid Hills Road<br>Temple Terrace, Fl 33592                              | Henderson Hammock<br>10322 Henderson Rd.<br>Tampa, Fl 33625                               |
| Hillsborough Academy of Math & Science<br>9659 W. Waters Ave.<br>Tampa, Fl 33635               | Kid's Community School<br>10544 Lake St. Charles<br>Riverview, Fl 33578                   |

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2014

A. Reporting Entity (continued)

Kid's Community Middle School  
6528 U S Hwy. 301 #114  
Riverview, Fl 33578

Kid's Community School Southeast  
3526 US Highway 301 South  
Riverview, Fl 33578

Kings Kid Academy of Health Sciences  
1924 E. Comanche Ave.  
Tampa, Fl 33610

Learning Gate Charter School  
16215 Hanna Road  
Lutz, Fl 33549

Legacy Preparatory Academy, Inc.  
2002 Rome Ave.  
Tampa, Fl 33607

Literacy/Leadership Technology  
Academy MS  
6771 Madison Ave.  
Tampa, Fl 33619

Lutz Preparatory School  
17951 North U. S. Hwy 41  
Lutz, Fl 33618

New Springs Elementary School  
2410 E. Busch Blvd.  
Tampa, Fl 33612

New Springs Middle School  
2410 E. Busch Blvd.  
Tampa, Fl 33612

Pepin Academies  
3916 E. Hillsborough Ave.  
Tampa, Fl 33610

Pepin Transitional School  
3916 E. Hillsborough Ave.  
Tampa, Fl 33610

Pivot Charter School  
3020 Faulkenburg Road  
Riverview, Fl 33578

Richardson Academy Charter School  
68150 N. Roam Ave.  
Tampa, Fl 33604

Seminole Heights Charter High School  
400 North Florida Ave.  
Tampa, Fl 33603

Shiloh Elementary Charter School  
905 West Terrace St.  
Plant City, Fl 33563

Shiloh Middle Charter School  
905 West Terrace St.  
Plant City, Fl 33563

Tampa Charter School  
5429 Beaumont Center  
Tampa, Fl 33634

Terrace Community Charter School  
4801 E. Fowler Ave.  
Tampa, Fl 33617

Trinity School for Children  
2402 W. Osborne Ave.  
Tampa, Fl 33603

Valrico Lake Advantage Academy  
1653 Bloomingdale Ave.  
Valrico, Fl 33596

The Village of Excellence Charter School  
8718 North 46<sup>th</sup> St.  
Temple Terrace, Fl 33617

Walton Academy Charter School  
4817 N. Florida Ave.  
Tampa, Fl 33603

W. E. Phillips Learning Academy  
2508 S. Parson Ave.  
Seffner, Fl 33584

West University Charter High School  
11602 N. 15<sup>th</sup> Street  
Tampa, Fl 33612

Withrop Charter School  
6204 Scholars Hill Lane  
Riverview, Fl 33578

Woodmont Charter School  
10402 N 56<sup>th</sup> St.  
Temple Terrace, Fl 33617

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2014

A. Reporting Entity (continued)

The Charter Schools implemented GASB Statement Number 65, Items Previously Reported as Assets and Liabilities for fiscal year ended June 30, 2014

As a result the beginning net position of component units as a whole has been adjusted by \$(404) from \$14,387 previously reported to \$13,983.

B. Basis of Presentation

The basic financial statements include the government-wide financial statements and fund financial statements.

Government-wide Financial Statements – Government-wide financial statements include a Statement of Net Position and a Statement of Activities that display information about the primary government (District School Board) and its component units. These financial statements include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double counting of internal service fund activities. The effect of interfund activities has not been eliminated in the Statement of Activities.

The Statement of Activities reports expenses and revenues in a format that focuses on the cost of each of the District School Board's functions. The expense of individual functions is compared to the revenues generated by the function (for instance, through user charges or intergovernmental grants). Direct expenses are those that are specifically associated with a program or function and, therefore, are clearly identifiable to a particular function.

Program revenues include (a) fees, fines, and charges paid by the recipients of goods or services offered by the programs and (b) grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues, including all taxes, are presented as general revenues.

Proprietary funds distinguish operating revenues and expenses from non operating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's internal service funds are charges to other funds and to employees for workers compensation and insurance. Operating expenses for the internal service funds include the cost of services and administrative costs. All revenues and expenses not meeting this definition are reported as non operating revenues and expenses.

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2014

B. Basis of Presentation (continued)

Fund Financial Statements – The fund financial statements provide information about the District School Board's funds, including its fiduciary funds and blended component units. Separate statements for each fund category – governmental 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 non-major funds. Because the focus of the governmental fund financial statements differs from the focus of the government-wide financial statements, a reconciliation is presented with each of the governmental fund financial statements.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as investment earnings, result from non-exchange transactions or ancillary activities.

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.

Contracted Services - to account for funds from the State or Federal Government which are restricted for Federal programs.

Other Debt Service – Accounts for and reports on the payments of principal and interest for outstanding bonds and Certificates of Participation.

Local Capital Improvement – Accounts for and reports on the revenues generated from the local capital outlay property taxes.

Other Capital Projects Fund – Accounts for and reports on other miscellaneous funds from various sources including Certificates of Participation.

Additionally, the District reports the following fund types:

Internal Service Funds – to account for the District's workers' compensation, general and automobile liability self-insurance programs and the employee health insurance program.

Pension Trust Fund – to account for resources used to finance the early retirement program.

Agency Funds – to account for resources held by the District as custodian for others primarily for the benefit of various schools and their activity funds.

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2014

C. Measurement Focus and Basis of Accounting

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

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

Governmental Fund Financial Statements – Governmental funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under this method, revenues are recognized when measurable and available. The District considers all revenues, other than grant funds, reported in the governmental funds to be available if the revenues are collected within sixty days after year-end. Grant funds are considered available if collection is expected in the upcoming fiscal year. Property taxes, sales taxes, and interest are considered to be susceptible to accrual. Expenditures are recorded when the related fund liability is incurred, except for principal and interest on general long term debt, claims and judgments, and compensated absences, which are recognized as expenditures to the extent they have matured.

General capital asset acquisitions are reported as expenditures in governmental funds. Proceeds of general long-term debt and acquisitions under capital leases are reported as other financing sources.

Under the terms of grant agreements, the District funds certain programs by a combination of specific cost reimbursement grants, categorical block grants, and general revenues. Thus, when program expenses are incurred, there are both restricted and unrestricted assets available to finance the program. It is the District's policy to first apply cost reimbursement grant resources to such programs, followed by categorical block grants, and then by general revenues.

D. Cash

Cash consists of petty cash funds and deposits held by banks qualified as public depositories under Florida law. All deposits are fully insured by Federal depository insurance and a multiple financial institution collateral pool required by Chapter 280 Florida Statutes. The statement of cash flows for the Proprietary Funds considers cash as those accounts used as demand deposit accounts.

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2014

E. Investments

Investments of the general government consist of amounts placed with the State Board of Administration for participation in the State investment pool, those made by the State Board of Administration from the District's bond proceeds held and administered by the State Board of Education, and those made locally.

District monies placed with the State Board of Administration for participation in the State investment pool represent an interest in the pool rather than ownership of specific securities. The District does not own specific investments but an interest in the pool. Such investments are stated at fair value. Investments of the early retirement program are reported at fair value.

Types and amounts of investments held at year-end are further described in note 3 on investments.

F. Inventory

Inventories consist of expendable supplies and equipment held for consumption in the course of District operations. Inventories at the central warehouse, maintenance, textbook depository and the bus garage are stated at cost based on a moving average. Food service inventories are stated at cost based on the first-in, first-out basis, except that United States Department of Agriculture surplus commodities 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 Health and Rehabilitative Services, Food Distribution Center. All other inventories are stated at cost on the last invoice price method, which approximates the first-in, first-out basis. The cost of inventories is recorded as expenditures when used rather than purchased.

G. 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 recorded at cost in the government-wide statement of net position but are not reported in the governmental fund financial statements. Capital assets purchased after July 1, 2004 are defined as those costing more than \$1,000 and having a useful life of more than one year; those purchased before July 1, 2004 are defined as those costing more than \$750 and having a useful life of more than one year. Donated assets are recorded at fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

Interest costs incurred during construction are not capitalized as part of the cost of construction.

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

| <u>Asset Class Description</u>               | <u>Estimated Useful Lives</u> |
|----------------------------------------------|-------------------------------|
| Buildings                                    | 15-50 years                   |
| Improvements other than buildings            | 10-25 years                   |
| Building improvements                        | 10-25 years                   |
| Furniture, Fixtures and Equipment            | 5-20 years                    |
| Motor Vehicles                               | 4-10 years                    |
| Audio Visual Materials and Computer Software | 3-5 years                     |

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2014

H. Long-Term Liabilities

Long-term obligations that will be financed from resources to be received in the future by governmental funds are reported in the government-wide statement of net position. Bond premiums, discounts and losses on refunding issuances, are deferred and amortized over the life of the bonds using the straight line method which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Losses on refunding issuances are reported as deferred outflows.

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

The liability for compensated absences reported in the government-wide financial statements consists of unpaid, accumulated annual vacation and sick leave balances. The liability has been calculated using the vesting method, in which leave amounts for both employees who currently are eligible to receive termination payments and other employees who are expected to become eligible in the future to receive such payments upon termination are included.

Changes in long-term debt for the current year are reported in note 11.

I. State Revenue Sources

Revenues from State sources for current operations are primarily from the Florida Education Finance Program (FEFP) administered by the Florida Department of Education (Department) under the provisions of Section 1011.62, Florida Statutes. In accordance with this law, the Board determines and reports the number of full-time equivalent (FTE) students and related data to the Department. The Department performs certain edit checks on the reported number of FTE and related data and calculates the allocation of funds to the District. The District is permitted to amend its original reporting for a period of nine (9) months following the date of original reporting. Such amendments may impact funding allocations for subsequent years. The Department may also adjust subsequent fiscal period allocations based upon an audit of the District's compliance in determining and reporting FTE and related data. Normally, such adjustments are treated as reductions of or additions to revenues in the year when the adjustments are made.

The District receives revenue from the State to administer certain categorical educational programs. State Board of Education rules require that revenue earmarked for these programs be expended only for the program for which the money is provided. The money not expended or encumbered as of the close of the fiscal year is usually carried forward into the following year to be expended for the same programs. The Department requires that categorical educational program revenues be accounted for in the General Fund. A portion of the fund balance of the General Fund is restricted for the balance of categorical educational program resources.



SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2014

J. 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 taxes are assessed by the Hillsborough County Property Appraiser and are collected by the Hillsborough County Tax Collector.

The School Board adopted the 2013 tax levy for the 2014 fiscal year on September 10, 2013. Tax bills are mailed in October; and taxes are payable between November 1 of the year assessed and March 31 of the following year with discounts of up to four percent for early payment.

Taxes become delinquent on April 1 of the year following the 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. These procedures result in the collection of essentially all taxes prior to June 30 of the year following the assessment.

Property tax revenues are recognized in the government-wide financial statements in the fiscal year for which the Board adopts the tax levy. Property tax revenues are recognized in the governmental fund financial statements when the taxes are received by the District, except that revenue is accrued for taxes collected by the Hillsborough County Tax Collector at fiscal year end which have not yet been remitted to the District. Because any delinquent taxes collected after June 30 would not be material, delinquent taxes receivable are not accrued.

Millages and taxes levied for the current year are presented in note 16.

K. Federal Revenue Sources

The District receives Federal financial assistance for the enhancement of various educational programs. This assistance is generally received based on applications submitted to and approved by various granting agencies. For Federal financial assistance 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.

L. Deferred Outflows

In the government-wide financial statements the District records deferred outflows which represent the consumption of net position by the District that is applicable to a future reporting period. At June 30, 2014 deferred outflows represent activity associated with various swap agreements, as discussed in note 8, and the deferred charge on refunding.

M. Use of Estimates

The preparation of the financial statements requires management of the District to make a number of assumptions relating to the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. Actual results could differ from those estimates.

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2014

N. Accounting Standards

The District implemented GASB Statement Number 65, Items Previously Reported as Assets and Liabilities for fiscal year ended June 30, 2014. This resulted in a reduction of beginning net position of \$8,431 from \$1,725,166 to \$1,716,735 due to the removal of deferred charges. Also due to the implementation of GASB 65, the carrying amount of debt refunding has been reclassified from long term debt to deferred outflows on the Statement of Net Position.

The District also implemented GASB Statement Number 67, Financial Reporting for Pension Plans. This required additional notes and required supplemental information to be included in the financial statements.

2. BUDGET COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

The School Board follows the procedures established by State statutes and State Board of Education rules in establishing final budget balances reported in the financial statements:

1. Budgets are prepared, public hearings are held, and original budgets are adopted annually for all governmental fund types in accordance with procedures and time intervals prescribed by law and State Board of Education rules. Original budgets are submitted to the State Commissioner of Education for approval.
2. The budget is prepared by fund, function, object and department. Management may make transfers of appropriations between departments and object. The functional level is the legal level of budgetary control and may only be amended by resolution of the Board at any Board meeting prior to the due date for the Superintendent's Annual Financial Report (State Report). Budgetary disclosure in the accompanying financial statements reflects the original and final budget including all amendments approved for the fiscal year through September 9, 2014.
3. Budgets are prepared using the modified accrual basis as is used to account for actual transactions in the governmental funds.
4. 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 year-end and encumbrances outstanding are honored from the subsequent year's appropriations.

All budget amounts presented in the basic statements and the accompanying supplementary information reflect the original budget and the final amended budget (which has been adjusted for legally authorized revisions of the annual budget during the year).

At the governmental fund level, outstanding encumbrances are re-appropriated in the subsequent year. Encumbrances outstanding at year-end do not represent GAAP expenditures or liabilities but represent budgetary accounting controls.

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2014

3. CASH AND INVESTMENTS

At June 30, 2014, the District's deposits were entirely covered by federal depository insurance or by collateral pledged with the State Treasurer pursuant to Chapter 280, Florida Statutes. Under this Chapter, in the event of default by a participating financial institution (a qualified public depository), all participating institutions are obligated to reimburse the governmental entity for the loss.

As of June 30, 2014, the District had the following investments and maturities (amounts in thousands):

| <u>Investment</u>                   | <u>Maturities</u>       | <u>Fair Value</u> |
|-------------------------------------|-------------------------|-------------------|
| United States Treasuries            | 10/31/2014 – 05/31/2020 | \$ 7,525          |
| United States Agencies              | 08/27/2014 – 05/15/2020 | 10,093            |
| State Board of Administration       |                         |                   |
| Florida PRIME                       | 40.0 Days               | 446,434           |
| Pool B                              | 2.86 Years              | 1,644             |
| Debt Service Account                | 40.0 Days               | 1,576             |
| Certificates of Deposit             | 07/18/2014 – 05/11/2015 | 40,430            |
| Wells Fargo Advantage Treasury Plus |                         |                   |
| Money Market                        | N/A                     | 237               |
| Bank Investment Contract            | 11/06/2015              | <u>8,082</u>      |
| Total Investments Reporting Entity  |                         | <u>\$ 516,021</u> |

Investments are reflected in the financial statements as follows (amounts in thousands):

|                          |                  |
|--------------------------|------------------|
| Governmental funds       | \$343,342        |
| Internal service funds   | 122,417          |
| Fiduciary funds          |                  |
| Pension trust            | 12,971           |
| Agency                   | <u>37,291</u>    |
| Total Primary Government | <u>\$516,021</u> |

Interest Rate Risk

The District has a formal investment policy that the investment objectives are safety of capital, liquidity of funds, and investment income, in that order. The performance measurement objective shall be to exceed the State Board of Administration's Florida PRIME yield. The policy limits the type of investments and the length of investments of idle funds. The weighted average duration of the investment portfolio shall not exceed five years.

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2014

3. CASH AND INVESTMENTS (continued)

Credit Risk

Section 218.415(17) Florida Statutes, limits the types of investments that the District can use. The District policy authorizes the following investments:

- (a) The State Board of Administration (SBA) Investment Pool, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act as provided by F. S. 163.01.
- (b) Securities and Exchange Commission registered money market funds with the highest credit quality rating from a nationally recognized rating agency.
- (c) Interest-bearing time deposits or savings accounts in qualified public depositories, as defined in Section 280.02(26), Florida Statutes.
- (d) Direct obligations of the U.S. Treasury.
- (e). Obligations of Federal agencies, government sponsored enterprises, and instrumentalities.
- (f) Securities of, or other interest in, any open-end or closed-end management type investment company or trust registered under the Investment Company Act of 1940, 15 U.S. C. 80a-1.
- (g) Short-term obligations commonly referred to as "money market instruments" including but not limited to commercial paper, provided such obligations carry the highest credit rating from a nationally recognized rating agency.
- (h) Asset-backed securities when either a) the underlying asset is guaranteed by the issuer or b) the security carries the highest quality rating by a nationally recognized rating agency.

The District's investments in the SBA consist of Florida PRIME and Fund B Surplus Funds Trust Funds (Fund B).

Florida PRIME is an external investment pool that is not registered with the Securities Exchange Commission (SEC), but does operate in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. Rule 2a7 allows funds to use amortized cost to maintain a constant net asset value (NAV) of \$1.00 per share. Accordingly, the District's investment in the Florida PRIME is reported at the account balance which is considered fair value. Florida PRIME is rated AAAM by Standard & Poors.

The Fund B is accounted for as a fluctuating NAV pool. With a fluctuating NAV pool the fair value approximates market value. The SBA provides a fair value factor to use on the Fund B account balance to determine market value or fair value. As of June 30, 2014 the fair value factor was 184.44%. Fund B is not rated by a nationally recognized statistical rating agency. Currently participants are unable to withdraw funds from Fund B. Rather as cash becomes available in Fund B from interest receipts, maturities, or sales, it is distributed to participant accounts in the Florida PRIME according to each participant's pro rata share of Fund B. All such distributions from Fund B to Florida PRIME will be 100% available for withdrawal upon transfer.

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2014

3. CASH AND INVESTMENTS (continued)

Credit Risk (continued)

The District's investments in United States Agencies or Treasuries for the Pension Trust Fund were rated either AA+ by Standard and Poors or Aaa by Moody's Investors Services. The remaining government securities were rated either AA+/A-1 by Standard and Poors or Aaa by Moody's Investors Services.

The District's investments in Certificates of Deposits were in qualified public depositories.

Investments in the State Board of Administration Debt Service Account totaling \$1,576,337 are to provide for debt service payments on bonded debt issued by the State Board of Administration for the benefit of the District. These investments consist of United States Treasury securities, with maturity dates of six months or less and are reported at fair value. The District has no formal policy for managing interest rate risk or credit risk for this account, but relies on policies developed by the State Board of Administration.

Custodial Credit Risk

The District's investment policy requires that securities purchased or otherwise acquired by the District shall be properly designated as an asset of the District. Also, Florida Statute, Section 218.415(18) requires every security purchased under this section on behalf of the District to be properly earmarked and:

1. If registered with the issuer or its agents, must be immediately placed for safekeeping in a location that protects the District's interest in the security;
2. If in book entry form, must be held for the credit of the District by a depository chartered by the Federal Government, the state, or any other state or territory of the United States which has a branch or principal place of business in Florida as defined in Section 658.12, or by a national association organized and existing under the laws of the United States which is authorized to accept and execute trusts and which is doing business in Florida, and must be kept by the depository in an account separate and apart from the assets of the financial institution; or
3. If physically issued to the holder but not registered with the issuer or its agents, must be immediately placed for safekeeping in a secured vault.

Of The District's investments, \$7,524,762 of U. S. Treasuries and \$10,092,660 of U.S. Agencies are not registered in the name of the District, but are held by the counterparty's trust department or agent and are not insured.

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2014

3. CASH AND INVESTMENTS (continued)

Concentration of Credit Risk

The District places no limit on the amount the District may invest in any one issuer. The District had no investment, excluding amounts held with the State Board of Administration that made up more than 5% of total investments.

Foreign Currency Risk

The District has no investments which are exposed to foreign currency risk at June 30, 2014. The District does not have a formal investment policy that limits its investment in foreign currency.

4. DUE FROM OTHER GOVERNMENTAL AGENCIES

Amounts due from other governmental agencies as of June 30, 2014 are shown below (amounts in thousands):

|                                                                                       | General<br>Fund | Contracted<br>Services<br>Fund | Other<br>Debt<br>Service<br>Fund | Local<br>Capital<br>Improve-<br>ment<br>Fund | Other<br>Capital<br>Projects<br>Fund | Non-<br>Major<br>and<br>Other<br>Funds | Total            |
|---------------------------------------------------------------------------------------|-----------------|--------------------------------|----------------------------------|----------------------------------------------|--------------------------------------|----------------------------------------|------------------|
| Federal<br>Government:<br>Miscellaneous                                               | \$ 423          | \$ 7,065                       | \$ -                             | \$ -                                         | \$ -                                 | \$ -                                   | \$ 7,488         |
| State<br>Government:<br>Food<br>Reimbursement                                         | -               | -                              | -                                | -                                            | -                                    | 977                                    | 977              |
| Miscellaneous                                                                         | 3,440           | 485                            | -                                | -                                            | -                                    | 585                                    | 4,510            |
| Local<br>Government:<br>Hillsborough<br>County<br>Board of<br>County<br>Commissioners | 3,922           | 10,555                         | 4,037                            | 920                                          | 5,662                                | -                                      | 25,096           |
| Miscellaneous                                                                         | 852             | 154                            | -                                | -                                            | 4                                    | -                                      | 1,010            |
| Total:                                                                                | <u>\$ 8,637</u> | <u>\$ 18,259</u>               | <u>\$ 4,037</u>                  | <u>\$ 920</u>                                | <u>\$ 5,666</u>                      | <u>\$ 1,562</u>                        | <u>\$ 39,081</u> |

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2014

5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2014 was as follows (amounts in thousands):

| <u>Description</u>                                      | <u>Beginning<br/>Balances</u> | <u>Additions</u>  | <u>Deletions</u> | <u>Ending<br/>Balances</u> |
|---------------------------------------------------------|-------------------------------|-------------------|------------------|----------------------------|
| <u>Capital Assets Not Being<br/>Depreciated:</u>        |                               |                   |                  |                            |
| Land                                                    | \$ 154,608                    | \$ 5,895          | \$ 62            | \$ 160,441                 |
| Land Improvements-Non<br>Depreciable                    | 90,067                        | 189               | -                | 90,256                     |
| Construction in Progress                                | <u>16,452</u>                 | <u>45,639</u>     | <u>28,886</u>    | <u>33,205</u>              |
| <b>Total Capital Assets<br/>Not Being Depreciated</b>   | <u>261,127</u>                | <u>51,723</u>     | <u>28,948</u>    | <u>283,902</u>             |
| <u>Capital Assets Being Depreciated:</u>                |                               |                   |                  |                            |
| Improvements Other<br>Than Buildings                    | 206,522                       | 5,252             | 1,203            | 210,571                    |
| Buildings and Systems                                   | 2,646,501                     | 23,491            | 6,795            | 2,663,197                  |
| Furniture, Fixtures and<br>Equipment                    | 167,675                       | 8,178             | 15,870           | 159,983                    |
| Motor Vehicles                                          | 97,343                        | 282               | 966              | 96,659                     |
| Audio Visual Materials                                  | 40                            | 3                 | 8                | 35                         |
| Computer Software                                       | <u>25,640</u>                 | <u>574</u>        | <u>2,453</u>     | <u>23,761</u>              |
| <b>Total Capital Assets<br/>Being Depreciated</b>       | <u>3,143,721</u>              | <u>37,780</u>     | <u>27,295</u>    | <u>3,154,206</u>           |
| Less Accumulated<br>Depreciation for:                   |                               |                   |                  |                            |
| Improvements Other<br>Than Buildings                    | 122,698                       | 6,831             | 1,170            | 128,359                    |
| Buildings & Systems                                     | 680,485                       | 73,420            | 6,586            | 747,319                    |
| Furniture, Fixtures<br>And Equipment                    | 131,686                       | 11,520            | 15,238           | 127,968                    |
| Motor Vehicles                                          | 83,406                        | 4,272             | 966              | 86,712                     |
| Audio Visual Materials                                  | 40                            | 1                 | 8                | 33                         |
| Computer Software                                       | <u>22,926</u>                 | <u>1,116</u>      | <u>1,732</u>     | <u>22,310</u>              |
| Total Accumulated<br>Depreciation                       | <u>1,041,241</u>              | <u>97,160</u>     | <u>25,700</u>    | <u>1,112,701</u>           |
| <b>Total Capital Assets<br/>Being Depreciated (Net)</b> | <u>2,102,480</u>              | <u>(59,380)</u>   | <u>1,595</u>     | <u>2,041,505</u>           |
| Governmental Activities<br>Capital Assets (Net)         | <u>\$ 2,363,607</u>           | <u>\$ (7,657)</u> | <u>\$ 30,543</u> | <u>\$ 2,325,407</u>        |

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2014

5. CAPITAL ASSETS (continued)

Depreciation expense was charged to governmental functions as follows (amounts in thousands):

|                                                           |                 |
|-----------------------------------------------------------|-----------------|
| Instructional Services                                    | \$ 5,798        |
| Instructional Support Services                            | 2,189           |
| Pupil Transportation Services                             | 783             |
| Operation and Maintenance of Plant                        | 597             |
| Non Capitalizable Facilities Acquisition and Construction | 86,578          |
| School Administration                                     | 227             |
| General Administration                                    | 171             |
| Food Services                                             | 496             |
| Community Services and Other                              | 24              |
| Un-Allocated Depreciation                                 | <u>297</u>      |
| Total Depreciation Expense                                | <u>\$97,160</u> |

6. LINE OF CREDIT

Pursuant to the provisions of Section 1011.13, Florida Statutes, on May 21, 2013 the Board authorized the Superintendent to establish a Line of Credit Tax Anticipation Note for fiscal year 2014, in the amount of \$80,000,000 with Wells Fargo Bank of Florida. The outstanding principal amount of the Note shall bear interest at one month London Interbank Offered Rate (LIBOR) plus 80 basis points adjusted monthly. This line-of-credit allows the Board to borrow funds if established revenues (cash) are lagging behind expenditures such as weekly payrolls and weekly vendor payments. The Note is secured by a pledge of anticipated ad valorem tax proceeds. This Note would be repaid in full in ninety days from the first draw. The Note shall not exceed \$80,000,000 at any time. For the year ended June 30, 2014, no funds had been borrowed or utilized under this line-of-credit, and therefore no amounts are outstanding at June 30, 2014.

On April 20, 2014 the Board authorized the Superintendent to establish a Line of Credit Tax Anticipation Note for fiscal year 2015, with the same terms as described above.

7. OBLIGATIONS UNDER LEASE PURCHASE AGREEMENT – CERTIFICATES OF PARTICIPATION

The District entered into various financing arrangements each of which was characterized as a lease-purchase agreement, with the Hillsborough School Board Leasing Corporation (Corporation), whereby the District secured financing of various education facilities through the issuance of Certificates of Participation to be repaid from the proceeds of rents paid by the School District.

As a condition of the financing arrangement, the District has given ground leases on District property to the Hillsborough School Board Leasing Corporation, with a rental fee of \$10 per year. The properties covered by the ground leases are, together with the improvements constructed thereon from the financing proceeds, leased back to the District. If the District fails to renew the leases and to provide for the rent payments through to term, the District may be required to surrender the sites included under the Ground Lease Agreements to the Trustee for the benefit of the securers of the Certificates to the end of the ground lease term.



SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2014

7. OBLIGATIONS UNDER LEASE PURCHASE AGREEMENT – CERTIFICATES OF PARTICIPATION

Certificates of Participation that are still part of the District's debt obligation are as follows (amounts in thousands):

| Certificates              | Date of<br>Certificates | Original<br>Amount of<br>Certificates | Remaining<br>Amount of<br>Certificates | Ground<br>Lease Term<br>Expiration |
|---------------------------|-------------------------|---------------------------------------|----------------------------------------|------------------------------------|
| Series 1998 Project (A)   | March 1, 1998           | \$ 336,930                            | \$ 43,685                              | June 30, 2017                      |
| Series 2001QZAB Project   | November 6, 2001        | 9,600                                 | 9,600                                  | November 6, 2015                   |
| Series 2004A Project      | February 19, 2004       | 27,305                                | 27,305                                 | June 30, 2017                      |
| Series 2004B Project      | February 19, 2004       | 56,715                                | 2,270                                  | June 30, 2026                      |
| Series 2004 QZAB Project  | June 8, 2004            | 6,131                                 | 6,131                                  | June 30, 2020                      |
| Series 2004C Project      | November 4, 2004        | 89,750                                | 79,850                                 | June 30, 2030                      |
| Series 2005A Project      | February 25, 2005       | 48,915                                | 45,000                                 | June 30, 2026                      |
| Series 2005 QZAB Project  | December 20, 2005       | 3,002                                 | 3,002                                  | December 20, 2020                  |
| Series 2006A Project      | January 31, 2006        | 86,435                                | 73,185                                 | June 30, 2031                      |
| Series 2006B Project      | January 26, 2007        | 77,900                                | 63,475                                 | June 30, 2026                      |
| Series 2007 Project       | April 24, 2007          | 84,685                                | 71,260                                 | June 30, 2031                      |
| Series 2008A Projects     | July 1, 2008            | 109,830                               | 109,715                                | June 23, 2023                      |
| Series 2010A Projects     | April 15, 2010          | 97,545                                | 90,580                                 | June 30, 2025                      |
| Series 2010 QSCB Projects | December 21, 2010       | 37,935                                | 37,935                                 | December 1, 2028                   |
| Series 2012A Projects     | April 3, 2012           | 124,565                               | 124,565                                | June 30, 2029                      |
| Series 2014A Projects     | April 2, 2014           | 39,950                                | 39,950                                 | June 30, 2026                      |
| Totals                    |                         | <u>\$ 1,237,193</u>                   | <u>\$ 827,508</u>                      |                                    |

The Series 1998 Certificates of Participation were issued, in part, in order to provide the funds necessary to advance refund the Series 1994 and the Series 1995 Certificates of Participation and refinance the Series 1994 and Series 1995 facilities which the School Board has acquired, constructed and installed from the proceeds of the Series 1994 and Series 1995. The Series 2004A Certificates of Participation were issued in order to provide funds necessary to advance refund the Series 1996 Certificates of Participation and refinance the Series 1996 facilities that the School Board has acquired, constructed and installed from the proceeds of the Series 1996. The Series 2005A Certificates of Participation were issued in order to provide the funds necessary to partially refund the Series 2000 Certificates of Participation and refinance the Series 2000 facilities that the School Board has acquired, constructed and installed from the proceeds of the Series 2000. The Series 2006B Certificates of Participation were issued in order to provide the funds necessary to partially refund the Series 1998B and 2001B Certificates of Participation and refinance the Series 1998B and 2001B facilities that the School Board has acquired, constructed and installed from the proceeds of the Series 1998B and 2001B. On May 23, 2008 the District remarketed the Series 2004C Certificates of Participation in order to change the auction interest rate to a daily adjustable rate. The Series 2008A Certificates of Participation were issued in order to provide the funds necessary to partially refund the Series 1998A Certificates of Participation and refinance the Series 1998A facilities that the School Board has acquired, constructed and installed from the proceeds of the Series 1998A. The Series 2010A Certificates of Participation were issued in order to provide the funds necessary to partially refund the Series 2001A Certificates of Participation and refinance the Series 2001A facilities that the School Board has acquired, constructed and installed from the proceeds of the Series 2001A. The Series 2012A Certificates of Participation

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2014

7. OBLIGATIONS UNDER LEASE PURCHASE AGREEMENT – CERTIFICATES OF PARTICIPATION

were issued in order to provide funds necessary to partially advance refund the Series 2002 Certificates of Participation and fully refund the Series 2003B Certificates of Participation and refinance the Series 2002 and Series 2003B facilities that the School Board has acquired, constructed and installed from the proceeds of the Series 2002 and Series 2003B. The Series 2014A Certificates of Participation were issued in order to provide funds necessary to fully advance refund the Series 2002 Certificates of Participation and partially advance refund the Series 2004B Certificates of Participation and refinance the Series 2002 and Series 2004B facilities that the School Board has acquired, constructed and installed from the proceeds of the Series 2002 and Series 2004B. See Note 10.

Due to the economic substance of the issuances of the Certificates of Participation as a financing arrangement on behalf of the Board, the financial activities of the Corporation have been blended in with the financial statements of the District. For accounting purposes, due to the blending of the Corporation within the District's financial statements, basic lease payments are reflected as debt service expenditures when payable to Certificate holders. During the year ended June 30, 2014, \$137,425 was expended for capital outlay in the Certificates of Participation Funds as part of the Other Capital Projects Funds.

The lease payments for the Series 1998, Series 2004A, Series 2004B, Series 2005A, Series 2006A, Series 2006B, Series 2007, Series 2010A, Series 2012A and Series 2014A Certificates are payable by the District, semi-annually, on July 1 and January 1 at interest rates of 3.60 to 5.50 percent, 5.25 percent, 2.00 percent to 5.09 percent, 2.375 to 5.00 percent, 3.50 to 5.00 percent, 3.50 to 5.00 percent, 3.75 to 5.00 percent, 3.00 to 5.00 percent, 4.00 to 5.00 and 2.56% percent, respectively. The lease payments for the Series 2004C and the Series 2008A Certificates are payable by the District semi-annually on July 1 and January 1. The interest is paid monthly based on a daily rate set by the remarketing agent that is expected to approximate the Securities Industry and Financial Markets Associations (SIFMA) Municipal Swap index over the life of the Bonds. The lease payments for the Series 2001-QZAB, 2004-QZAB, 2005-QZAB and 2010-QSCB Certificates are due November 6, 2015, June 30, 2020, December 20, 2020 and December 1, 2028, respectively. There is no interest to be paid on the QZABs or QSCB, as the certificate holders receive Federal Tax Credits in lieu of interest payments. The District is required to reserve a portion of the lease payments each year. The following is a schedule by years of future minimum lease payments under the lease agreements as of June 30 (amounts in thousands):

|                              | Total              | Principal         | Interest          |
|------------------------------|--------------------|-------------------|-------------------|
| 2015                         | \$ 63,562          | \$ 29,645         | \$ 33,917         |
| 2016                         | 73,799             | 41,020            | 32,779            |
| 2017                         | 64,276             | 32,990            | 31,286            |
| 2018                         | 64,624             | 34,855            | 29,769            |
| 2019                         | 64,659             | 36,525            | 28,134            |
| 2020 – 2024                  | 329,357            | 218,138           | 111,219           |
| 2025 – 2029                  | 353,107            | 292,220           | 60,887            |
| 2030 – 2032                  | 148,854            | 142,115           | 6,739             |
| Total Minimum Lease Payments | <u>\$1,162,238</u> | <u>\$ 827,508</u> | <u>\$ 334,730</u> |

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2014

8. INTEREST RATE SWAPS

| Item | Type                         | Objective                                           | Notional Amount | Effective Date | Maturity Date | Fair Value  | Cash Flow     |
|------|------------------------------|-----------------------------------------------------|-----------------|----------------|---------------|-------------|---------------|
| A    | Pay fixed interest rate swap | Hedge in changes in cash flows on Series 2004C COPS | \$29,750,000    | 12/7/04        | 12/7/14       | \$(486,447) | \$(1,093,354) |

The terms of this pay fixed interest rate swap provide for paying a fixed rate of 3.736% and receiving a variable rate of the bond market association municipal swap index (BMA index).

|   |                              |                                                     |               |        |        |                |               |
|---|------------------------------|-----------------------------------------------------|---------------|--------|--------|----------------|---------------|
| B | Pay fixed interest rate swap | Hedge in changes in cash flows on Series 2008A COPS | \$109,830,000 | 7/1/08 | 7/1/23 | \$(26,531,550) | \$(5,386,315) |
|---|------------------------------|-----------------------------------------------------|---------------|--------|--------|----------------|---------------|

As it relates to derivative B the District entered into a swaption contract on February 19, 2003 that provided the District an up-front payment of \$5,006,500. This payment was reduced by \$1,800,000 at which time the swaption was amended on April 19, 2005 to reduce the original notional amount from \$177,195,000 to \$109,830,000. The swaption was exercised on July 1, 2008 commencing a pay-fixed interest rate swap that provided for payment of a fixed rate of 4.97% and receiving a variable rate of municipal swap index (defined as the bond market association municipal swap index). Prior to the exercise date, the swaption was considered an investment derivative instrument. Accordingly, the negative fair value at the exercise date in the amount of \$13,102,591 is being amortized as an increase to the deferred outflow balance and a decrease to interest expense over the remaining life of the swap agreement. Such amortization amounted to \$873,506 for the year ended June 30, 2014.

The fair values of the interest rate swaps are estimated using the zero coupon method. This method calculates the future net settlement payments required by the swap, assuming the current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero coupon bonds due on the date of each future net settlement on the swaps. The fair values of the derivative instrument were recorded as derivative instrument – liability in the Statement of Net Position at June 30, 2014.

During the year ended June 30, 2014 the change in the fair value of the derivative instruments, which were recorded as decreases to deferred outflows in the Statement of Net Position, were as follows:

|                         |                |
|-------------------------|----------------|
| Derivative instrument A | \$ (1,021,076) |
| Derivative instrument B | \$ (1,624,646) |

**Risks**

Credit risk – Both of the District's derivative instruments are held with different counterparties. The credit rating for the counterparty of Derivative A is A by Standard and Poors and for the counterparty of Derivative B is AA- by Standard and Poors.

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2014

8. INTEREST RATE SWAPS (continued)

Interest rate risk – The District is exposed to interest rate risk on its pay fixed, receive variable interest rate swaps. As the municipal swap index decreases, the District's net payment on the swap increases.

Termination risk – The District or the counterparties may terminate a derivative instrument if the other party fails to perform under the terms of the contract.

9. BONDS PAYABLE

Bonds payable at June 30, 2014 were as follows (amounts in thousands):

| <u>Bond Type</u>                                                 | <u>Amount<br/>Outstanding</u> | <u>Interest<br/>Rates<br/>(Percent)</u> | <u>Annual<br/>Maturity<br/>To</u> |
|------------------------------------------------------------------|-------------------------------|-----------------------------------------|-----------------------------------|
| State School Bonds:                                              |                               |                                         |                                   |
| Series 2005-A                                                    | 50                            | 3.0 – 5.0                               | 2015                              |
| Series 2005-Q                                                    | 17,555                        | 3.5 – 5.0                               | 2020                              |
| Series 2006-A                                                    | 2,655                         | 5.5                                     | 2026                              |
| Series 2008-A                                                    | 4,445                         | 3.25 – 5.0                              | 2028                              |
| Series 2009-A                                                    | 2,410                         | 2.0 – 5.0                               | 2029                              |
| Series 2010-A                                                    | 3,470                         | 3.0 – 5.0                               | 2030                              |
| Series 2011-A                                                    | 1,570                         | 3.5 – 5.0                               | 2023                              |
| Series 2014-A                                                    | 2,486                         | 2.0 – 5.0                               | 2025                              |
| District Revenue Bonds:                                          |                               |                                         |                                   |
| Series 1998 Capital Improvement &<br>Racetrack Revenue Refunding | 1,280                         | 3.5 - 5.35                              | 2028                              |
| Series 2005 Sales Tax Refunding                                  | 109,610                       | 2.25 – 5.00                             | 2023                              |
| Series 2006 Sales Tax                                            | 40,065                        | 4.0 – 4.25                              | 2026                              |
| Series 2007 Sales Tax                                            | <u>47,515</u>                 | 3.5 – 5.0                               | 2026                              |
| Total Bonds Payable                                              | <u>\$233,111</u>              |                                         |                                   |

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

STATE SCHOOL BONDS

These bonds are issued by the State Board of Education (SBE) on behalf of the District. The bonds mature serially and are secured by a pledge of part of the District's portion of State-assessed motor vehicle license tax. The State's full faith and credit is also pledged as security for these issues. 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.

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2014

9. BONDS PAYABLE (continued)

DISTRICT REVENUE BONDS

Capital Improvement and Racetrack Revenue Refunding Bonds of 1998

These bonds are authorized by Chapter 71-680, Laws of Florida, which authorized the Board to pledge all of the portion of racetrack funds accruing annually to Hillsborough County, under the provisions of Chapters 550 and 551, Florida Statutes, as allocated to the Board pursuant to law, and Chapter 132, Florida Statutes, which authorized the refunding of the District Revenue Bonds of 1985. As required by the bond resolution the Board established the sinking fund and reserve account and has accumulated and maintained adequate resources in the sinking fund and reserve account.

Sales Tax Revenue Bonds, Series, 2005, 2006 and 2007

These bonds are authorized by the Constitution and Laws of the State of Florida, including, particularly Chapter 1010, Florida Statutes, Chapter 212, Part I, Florida Statutes and other applicable provisions of law. The bonds are secured by a pledge of the proceeds received pursuant to the Interlocal Agreement from the levy and collection by the County of the one-half cent local infrastructure sales surtax.

Annual requirements to amortize all bonded debt outstanding as of June 30, 2014, are as follows (amounts in thousands):

TOTAL SBE BONDS

| Fiscal Year Ending June 30  | <u>Total</u>     | <u>Principal</u> | <u>Interest</u> |
|-----------------------------|------------------|------------------|-----------------|
| 2015                        | \$ 6,908         | \$ 5,253         | \$ 1,655        |
| 2016                        | 6,917            | 5,504            | 1,413           |
| 2017                        | 6,924            | 5,781            | 1,143           |
| 2018                        | 6,950            | 6,093            | 857             |
| 2019                        | 2,141            | 1,588            | 553             |
| 2020 – 2024                 | 8,297            | 6,530            | 1,767           |
| 2025 – 2029                 | 4,159            | 3,707            | 452             |
| 2030                        | <u>192</u>       | <u>185</u>       | <u>7</u>        |
| Total Debt Service Payments | <u>\$ 42,488</u> | <u>\$ 34,641</u> | <u>\$ 7,847</u> |

TOTAL DISTRICT REVENUE BONDS

| Fiscal Year Ending June 30  | <u>Total</u>     | <u>Principal</u> | <u>Interest</u>  |
|-----------------------------|------------------|------------------|------------------|
| 2015                        | \$ 20,333        | \$ 11,410        | \$ 8,923         |
| 2016                        | 20,330           | 11,915           | 8,415            |
| 2017                        | 20,294           | 12,425           | 7,869            |
| 2018                        | 20,181           | 12,962           | 7,219            |
| 2019                        | 20,169           | 13,573           | 6,596            |
| 2020 – 2024                 | 100,654          | 77,962           | 22,692           |
| 2025 – 2029                 | <u>62,808</u>    | <u>58,223</u>    | <u>4,585</u>     |
| Total Debt Service Payments | <u>\$264,769</u> | <u>\$198,470</u> | <u>\$ 66,299</u> |

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2014

10. DEFEASED DEBT

On April 2, 2014 the District issued \$39,950,000 Certificates of Participation, Series 2014A with an interest rate of 2.56%. The proceeds were used to fully refund \$2,195,000 principal amount of the District's Series 2002 Certificates of Participation and to refund \$37,235,000 principal amount of the District's then outstanding \$39,505,000 of the Series 2004B Certificates of Participation. \$40,262,012 of the net proceeds (after payment of \$113,718 of issuance costs) were placed in an irrevocable trust to provide for future debt service payment of the refunded amount of the Series 2002 and 2004B Certificates of Participation.

As a result \$2,195,000 of the Series 2002 and \$37,235,000 of the Series 2004B are considered defeased and the liability for these certificates have been removed from long term debt. Accordingly the trust account assets and liability for that portion of the Series 2002 and 2004B are not included in the District's financial statements.

As a result of the refunding, the District reduced its total debt service requirements by \$4,271,207 which resulted in an economic gain (difference between the present value of debt service payment on the old and new debt) of \$3,841,087.

On May 22, 2014 the State Board of Education issued Series 2014A SBE Refunding Bonds in the amount of \$2,486,000 at a premium, with an interest rate of 2.0% to 5.0%, on behalf of the District. The proceeds were used to fully refund \$2,105,000 of the Series 2004A SBE bonds and advance refund \$695,000 principal amount of the then outstanding \$745,000 Series 2005A SBE bonds. The net proceeds (after payment of \$17,083 in underwriter's fees and other issuance costs) were placed in an irrevocable trust account to refund the 2005A bonds that mature on or after January 1, 2016 and are scheduled to be called on January 1, 2015.

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2014

11. CHANGES IN LONG TERM DEBT

The following is a summary of changes in general long-term debt (amounts in thousands):

|                                             | Balance<br>July 1, 2013 | Additions         | Deletions         | Balance<br>June 30, 2014 | Due in One<br>Year |
|---------------------------------------------|-------------------------|-------------------|-------------------|--------------------------|--------------------|
| Estimated Liability for Long<br>Term Claims | \$ 16,124               | \$ 11,936         | \$ 10,836         | \$ 17,224                | \$ 8,421           |
| Post Employment Benefits                    | 75,133                  | 24,534            | 4,218             | 95,449                   | -                  |
| Compensated<br>Absences Payable             | 130,288                 | 24,992            | 19,686            | 135,594                  | 14,133             |
| Certificates of Participation               | 855,283                 | 39,950            | 67,725            | 827,508                  | 29,645             |
| Bonds Payable                               | <u>249,409</u>          | <u>2,486</u>      | <u>18,784</u>     | <u>233,111</u>           | <u>16,663</u>      |
| TOTAL                                       | <u>\$1,326,237</u>      | <u>\$ 103,898</u> | <u>\$ 121,249</u> | \$1,308,886              | <u>\$68,862</u>    |
| Plus unamortized bond premium:              |                         |                   |                   |                          |                    |
| Bonds payable                               |                         |                   |                   | 5,115                    |                    |
| Certificates of participation               |                         |                   |                   | <u>23,076</u>            |                    |
| Total long-term liabilities                 |                         |                   |                   | <u>\$1,337,077</u>       |                    |

Internal service funds predominately serve the governmental funds and, accordingly, long-term liabilities of those funds are included in the governmental activities. For the governmental activities, compensated absences are generally liquidated with resources of the General Fund and postemployment health care benefits are generally liquidated with resources of the General and Special Revenue Funds. The estimated liability for long term claims are generally liquidated with resources of the Worker's Compensation and the General and Automobile liability programs Internal Service Funds.

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2014

12. FUND BALANCE REPORTING

The Governmental Accounting Standards Board (GASB) issued Statement No. 54, Fund Balance Reporting and Government Fund Type Definitions (GASB 54). The intention of GASB 54 is to provide more structured classification of fund balance reporting. The reporting standards established a hierarchy for fund balance classifications and the constraints imposed on the uses of those resources.

GASB 54 provides for two major types of fund balances, which are nonspendable and spendable. Nonspendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or are legally or contractually required to remain intact. Examples of this classification are prepaid item, inventories, and principal of an endowment fund. The District has inventories that are considered nonspendable. The District does not have any other nonspendable fund balances.

GASB 54 provides a hierarchy of spendable fund balances, based on spending constraints:

Restricted – fund balances that are constrained by external parties, constitutional provisions, or enabling legislation.

Committed – fund balance that contain self imposed constraints of the government from its highest level of decision making authority.

Assigned – fund balances that contain self imposed constraints of the government to be used for a particular purpose. The District has a policy No. 6100 approved by the Board that designates administrative staff (the Superintendent and Chief Business Officer) to determine the assignments.

Unassigned – fund balance of the general fund that is not constrained for a particular purpose.

The District has classified its fund balances based on the GASB 54 hierarchy as follows (amounts in thousands):

Nonspendable – The Districts has inventories totaling \$5,925 that are classified as nonspendable.

Spendable – The District has classified the spendable fund balances as restricted, assigned and unassigned. The District currently has no funds classified as committed.

Restricted for Federal, State and Local Programs, Debt Service and Capital Projects:

Federal Laws, Florida Statutes and local constraints require that certain revenues be specifically used for certain expenditures. These funds have been included in the restricted category of fund balances. The restricted fund balances total is \$343,447 and represent \$34,864 for Federal programs, \$21,828 for State programs, \$9,054 for local programs, \$109,414 for Debt Service and \$168,287 for Capital Projects.



SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2014

12. FUND BALANCE REPORTING (continued)

Assigned:

The District has set aside certain spendable fund balances in the amount of \$97,685. They are:

|                           |          |
|---------------------------|----------|
| School Operations         | \$54,264 |
| Self-Insurance retention  | \$10,000 |
| Transportation Department | \$12,470 |
| OPEB set aside            | \$20,951 |

Unassigned:

The District has a policy that requires it to maintain a contingency fund balance in its operating fund of no less than 5 percent of the annual revenues. The district has \$95,796 in unassigned fund balance. At the end of the fiscal year the unassigned fund balance in the general fund is 6.36% of total general fund revenues.

The District applies resources for expenditures to restricted, then assigned and then unassigned, when expenditures are incurred which could use any of the fund balance classifications.

13. INTERFUND RECEIVABLES AND PAYABLES

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

| <u>Funds</u>                 | <u>Interfund</u>   |                 |
|------------------------------|--------------------|-----------------|
|                              | <u>Receivables</u> | <u>Payables</u> |
| Major Funds:                 |                    |                 |
| General                      | \$ 12,782          | \$ 563          |
| Contracted Services          | 137                | 11,756          |
| Other Debt Service           | 3,918              | -               |
| Local Capital Improvement    | 497                | 4,363           |
| Other Capital Projects       | -                  | 362             |
| Non-major Governmental Funds | <u>254</u>         | <u>544</u>      |
| Total                        | <u>\$17,588</u>    | <u>\$17,588</u> |

The majority of interfund receivables and payables are established during the closing period. The receivable in the general fund is for payback of direct/indirect charges for June and temporary loans to contracted services for cost reimbursement grants. The amounts in local capital improvement, other capital projects fund and non-major funds are mostly due to the movement of expenditures between capital project funds.

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2014

14. INTERFUND TRANSFERS

The following is a summary of interfund transfers reported in the fund financial statements (amounts in thousands):

| <u>Funds</u>                 | <u>Transfer In</u> | <u>Interfund<br/>Transfer Out</u> |
|------------------------------|--------------------|-----------------------------------|
| Major Funds:                 |                    |                                   |
| General                      | \$ 13,853          | \$ 27                             |
| Contracted Services          | 27                 | -                                 |
| Other Debt Service           | 68,660             | 75                                |
| Local Capital Improvement    | -                  | 65,207                            |
| Other Capital Projects       | -                  | 9,135                             |
| Non-major Governmental Funds | 856                | -                                 |
| Internal Service Funds       | <u>3,080</u>       | <u>12,032</u>                     |
| Total                        | <u>\$86,476</u>    | <u>\$86,476</u>                   |

The largest amount of interfund transfers is to move money to the debt service funds for bond principal and interest payments. The remainder is the charging of direct and indirect costs.

15. STATE REVENUE SOURCES

The following is a schedule of the District's state revenue for the 2014 fiscal year (amounts in thousands):

| <u>Sources</u>                         | <u>Amount</u>       |
|----------------------------------------|---------------------|
| Florida Education Finance Program      | \$ 696,124          |
| Workforce Development                  | 28,708              |
| Categorical Education Programs         | 263,615             |
| Capital Outlay and Debt Service        | 7,621               |
| Food Service Supplement                | 1,419               |
| Mobile Home License Tax                | 609                 |
| State Board of Education Bond Interest | 37                  |
| Pari-Mutuel Tax                        | 447                 |
| Miscellaneous                          | <u>9,182</u>        |
| Total                                  | <u>\$ 1,007,762</u> |

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2014

16. PROPERTY TAXES

The following is a summary of millages and taxes levied in the 2013 tax roll for the fiscal year 2014 (dollars in thousands):

|                               | <u>Millage<br/>Levied</u> | <u>Taxes<br/>Levied</u> |
|-------------------------------|---------------------------|-------------------------|
| <u>General Fund</u>           |                           |                         |
| Non-voted School Tax:         |                           |                         |
| Required Local Effort         | 5.442                     | \$389,573               |
| Discretionary Local Effort    | .748                      | 53,547                  |
| <u>Capital Projects Funds</u> |                           |                         |
| Non-voted Tax:                |                           |                         |
| Local Capital Improvements    | <u>1.500</u>              | <u>107,379</u>          |
| Total                         | <u>7.690</u>              | <u>\$550,499</u>        |

17. STATE RETIREMENT PROGRAMS

All regular employees of the District are covered by the Florida Retirement System (FRS). The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of two cost-sharing, multiple-employer retirement plans and other nonintegrated programs. These include a defined benefit pension plan (Plan), a Deferred Retirement Option Program (DROP), and a defined contribution plan, referred to as the Public Employee Optional Retirement Program (PEORP).

Essentially all regular employees of participating employers are eligible and must enroll as members of the Plan. Benefits vest at specified numbers of years of service depending upon the employee's classification. Generally, members are eligible for normal retirement benefits at age 62 with 6 years of service or at any age after 30 years of service. For normal retirement, benefit payments are based on the member's highest 5-year average annual salary (average final compensation) times the number of years of service, multiplied by a percentage ranging from 1.60 percent at either 62 or with 30 years of service to 1.68 percent at age 65 or with 33 years of service. Members are eligible for early retirement after 6 years of service but before age 62; however, normal benefits are reduced by 5 percent for each year a member retires before age 62. As described in note 18, the District administers a single-employer retirement program that under certain conditions covers the difference in benefits between normal and early retirement.

The Plan provides retirement, disability, and death benefits and annual cost-of-living-adjustments, as well as supplements for certain employees to cover social security benefits lost by virtue of retirement system membership.

A Deferred Retirement Option Program (DROP) was established effective July 1, 1998. It permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with a Florida Retirement System employer. An employee may participate in the DROP for a period not to exceed 60 months after electing to participate. During the period of DROP participation, deferred monthly benefits are held in the Florida Retirement System Trust Fund and accrue interest.

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2014

17. STATE RETIREMENT PROGRAMS (continued)

Eligible FRS members may elect to participate in PEORP in lieu of the Plan. District employees participating in DROP are not eligible to participate in PEORP. PEORP is funded by employer contributions that are based on salary and membership class (Regular, Elected County Officers, etc.) Contributions are directed to individual member accounts, and the ultimate benefit depends in part on the performance of investment funds chosen. Employees in PEORP vest after one year of service.

The benefit provisions and all other requirements of the Plan are established by Florida Statutes.

The contribution rates for the Plan are established, and may be amended, by the State of Florida. As of June 30, 2014 the contribution rates were as follows:

| <u>Class or Plan</u>                                                    | <u>Percent of Gross Salary</u> |                     |
|-------------------------------------------------------------------------|--------------------------------|---------------------|
|                                                                         | <u>Employee</u>                | <u>Employer (A)</u> |
| Florida Retirement System, Regular (HA)                                 | 3.00                           | 6.95                |
| Florida Retirement System, County Elected Officers (HI)                 | 3.00                           | 33.03               |
| Florida Retirement System, Senior Management Service Class (HM)         | 3.00                           | 18.31               |
| Florida Retirement System, Special Risk (HB)                            | 3.00                           | 19.06               |
| Teachers' Retirement System, Plan E (IE)                                | 6.25                           | 9.09                |
| State and County Officers and Employees' Retirement System, Plan B (AF) | 4.00                           | 9.10                |
| Florida Retirement System, Reemployed Retiree (RA)                      | 3.00                           | 6.95                |

Notes: (A) Employer rates include the post-retirement health insurance supplement, which was increased on July 1, 2013 to 1.20 percent.

The District's liability for participation in the Plan is limited to the payment of the required contribution at the rates and frequencies established by law on future payrolls of the District. The District's contributions to the Plan (including employee contributions) for the fiscal years ending June 30, 2012, June 30, 2013, and June 30, 2014, totaled \$74,283,216, \$79,328,141 and \$107,938,639 respectively, representing a percentage of covered payroll of 7.58% for fiscal year 2012, 7.94% for fiscal year 2013 and 10.14% for fiscal year 2014. These amounts are equal to the required contributions for each fiscal year. Effective July 1, 2011, all members of FRS, except for DROP participants and reemployed retirees who are not eligible for renewed membership, are required to contribute 3 percent of their compensation to FRS.

The State of Florida issues a publicly available financial report that includes financial statements and required supplementary information for the Florida Retirement System. The report may be obtained by writing to the State of Florida, Division of Retirement, Department of Management Services, 1317 Winewood Boulevard, Building 8, Tallahassee, Florida 32399.

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2014

18. EARLY RETIREMENT PROGRAM

a. Plan Description and Provisions

As authorized by Section 1012.985, Florida Statutes, the Board implemented an Early Retirement Plan (Plan), effective August 1, 1984. The Plan is a single-employer defined benefit plan. The purpose of the Plan is to provide eligible District employees, who elect to retire under the early retirement provisions of the Florida Retirement System, described in Note 17, with a monthly benefit equal to the statutory reduction of the normal retirement benefits when early retirement precedes the normal retirement age of 62. The School Board entered into an agreement with Wells Fargo Bank, N.A., designating the Bank as the Investment Manager and Custodian (Trustee) for the Plan assets. The Agreement also provides that monthly benefits be paid by the Trustee.

Based on an actuarial report as of June 30, 2014 employee membership data related to the Plan was as follows:

Retirees and beneficiaries currently receiving benefits

571

Active Plan Participants: There are no longer any active plan participants.

A summary of Eligibility and Benefits follows:

Eligibility

A member of the Plan was eligible upon attainment of age 55 to 59, completion of 25 but not more than 28 years of creditable service, at least 5 consecutive and uninterrupted years of service immediately preceding early retirement, and having applied for retirement under The Florida Retirement System. The Board approved to eliminate new participants to the Early Retirement Program on June 30, 2008. Certain employees were eligible to enter the plan before July 1, 2010. As of July 1, 2010 the plan was closed to any new participants.

Benefits

The amount of the monthly benefit will be equal to the reduction imposed on the retirement benefit by the Florida Retirement System due to early retirement. The benefit amount will be based on the initial benefit amount determined by the Florida Retirement System prior to any cost of living adjustments and once established will remain unchanged, unless a specific increase is authorized by the Board.

b. Summary of Significant Accounting Policies

The Plan is accounted for as a pension trust fund; therefore it is accounted for in substantially the same manner as a proprietary fund with a "capital maintenance" measurement focus and the accrual basis of accounting. Employer contributions are recognized in the period in which contributions are due. Benefits and refunds are recognized when due and payable in accordance with terms of the Plan. Plan assets are valued at fair value, based on quoted market prices, for financial statement purposes.

Separate Statements are not issued for the Plan.

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
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18. EARLY RETIREMENT PROGRAM (continued)

c. Contributions

The District's Early Retirement Program was established by the Board on August 1, 1984. Pursuant to the Plan Agreement, no contribution shall be required or permitted from any member. The District's annual contribution to the pension trust is determined through the budgetary process and with reference to actuarial determined contributions. As of July 1, 2013, the most recent actuarial study shows a deficit of \$13.0 million on a GASB 67 funding basis. The Board establishes rates based on an actuarially determined rate recommended by an independent actuary. The actuarially determined rate is the estimated amount necessary to finance the costs of benefits earned by plan members during the year, with an additional amount to finance any unfunded accrued liability. The contribution is designed to accumulate sufficient assets to pay benefits when due.

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

Total contributions to the Plan in fiscal years 2012, 2013 and 2014 amounted to \$879,714, \$1,383,120 and \$1,401,167 respectively. The net pension asset (obligation) to the Plan in fiscal years 2012, 2013 and 2014 were \$(611), \$(1,807) and \$(30) respectively. The actuarially determined contribution for fiscal years 2012, 2013 and 2014 were \$1,341,630, \$1,381,913 and \$1,402,918 respectively which were determined through actuarial valuations performed at July 1, 2011, July 1, 2012 and July 1, 2013, respectively. The total annual pension costs for fiscal years 2012, 2013 and 2014 were \$1,325,989, \$1,381,924 and \$1,402,944 respectively. The percentage of pension cost contributed for fiscal years 2012, 2013 and 2014 were 63.34%, 100.09% and 99.88% respectively.

The District's annual pension cost and net pension asset (obligation) for the Early Retirement Program for the current fiscal year were as follows:

|                                                |                |
|------------------------------------------------|----------------|
| Annual Required Contribution (ARC)             | \$1,402,918    |
| Interest on Net Pension Obligation (NPO)       | (69)           |
| Adjustment to the Annual Required Contribution | 95             |
| Annual Pension Cost (APC)                      | 1,402,944      |
| Contribution made with interest                | 1,401,167      |
| Decrease in Net Pension Obligation             | 1,777          |
| Net Pension Asset Beginning of Year            | (1,807)        |
| Net Pension Asset (Obligation) End of Year     | <u>\$ (30)</u> |

As the net pension obligation is immaterial to the District as a whole, no such amounts have been recorded in the District wide statement of net position at June 30, 2014.

As of July 1, 2013 the actuarial value of the plan assets was \$13,601,965 and the actuarial accrued liability for benefits was \$26,618,963, resulting in a funded ratio of 51%. \$13,016,998 of the actuarial accrued liability for benefits was unfunded. There is no longer a covered payroll due to the fact that the Plan is closed to any new participants effective July 1, 2010.

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2014

18. EARLY RETIREMENT PROGRAM (continued)

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

The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and the plan members in the future.

The computation of the annual required contributions for fiscal 2014 was based on the same (a) benefit provisions, (b) actuarial funding method, and (c) other significant factors as used to determine annual required contributions in the previous year.

d. Actuarial Information

Significant assumptions and other inputs used to measure the annual required contribution are:

|                              |                                    |
|------------------------------|------------------------------------|
| Valuation Date               | 07/01/13                           |
| Actuarial Cost Method        | Entry Age                          |
| Amortization Method          | Level Percentage of Payroll-Closed |
| Amortization Period          | 30 Years                           |
| Asset Valuation Method       | Fair Value                         |
| Actuarial Assumptions:       |                                    |
| Investment Rate of Return    | 3.5%                               |
| Projected Salary Increases   | 0%                                 |
| Rate of Inflation Adjustment | None                               |

Mortality rates were based on the RP-2000 IRS PPA Generational Annuitant Table for Males and Females.

e. Investments

The District oversees the management of the District's Early Retirement Plan. The superintendent has established procedures to ensure that idle funds are invested as authorized by Florida Statute, to earn the maximum interest. Investments are reported at fair value. The primary objectives, in priority order, in investment activities shall be safety, liquidity, and yield.

The Plan's investments at June 30, 2014, consisted of the following:

|                                   | Balance<br><u>June 30, 2014</u> | Percentage of<br><u>Plan Net Position</u> |
|-----------------------------------|---------------------------------|-------------------------------------------|
| U. S. Treasury Notes and Bonds    | \$6,954,845                     | 54%                                       |
| U. S. Agencies                    | 5,778,885                       | 44%                                       |
| U. S. Government Mortgage Pool    | 4                               | -%                                        |
| Federation Prime Obligations Fund | <u>237,207</u>                  | <u>2%</u>                                 |
| Total                             | <u>\$12,970,941</u>             | 100%                                      |

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2014

18. EARLY RETIREMENT PROGRAM (continued)

The long-term expected rate of return on pension plan investment was confirmed appropriate using Aon's (The District's actuary) e-tool model assuming general inflation of 2.5%, which is a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the pension plan's target asset allocation as of July 1, 2013 are summarized in the following table:

| Asset Class           | Target allocation | Long-term Expected real rate of return |
|-----------------------|-------------------|----------------------------------------|
| Domestic Fixed Income | 90%-95%           | 1.70%                                  |
| Cash                  | 5%-10%            | 1.40%                                  |

f. Rate of Return

For the year ended June 30, 2013, the annual money-weighted rate of return on pension plan investments, net of pension plan investment expense, was 3.5 percent. The money-weighted rate of return expresses investment performance, net of investment expense, adjusted for the changing amounts actually invested.

g. Receivables

The pension plan does not have receivables from long-term contracts with the District contribution.

h. Allocated Insurance Contracts

The pension plan has not allocated insurance contracts that are excluded from pension plan assets.

i. Reserves

The pension plan has no reserves that are required to be disclosed under paragraph 30e of GASB Statement Number 67.

j. Deferred Retirement Option Program (DROP)

The District does not offer DROP.



SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2014

18. EARLY RETIREMENT PROGRAM (continued)

k. Net Pension Liability

The components of the net pension liability of the District at June 30, 2014, were as follows:

|                                                                               |                     |
|-------------------------------------------------------------------------------|---------------------|
| Total Pension Liability                                                       | \$26,618,963        |
| Plan Fiduciary Net Position                                                   | <u>(13,002,397)</u> |
| District's Net Pension Liability                                              | <u>\$13,616,566</u> |
| Plan Fiduciary Net Position as a<br>Percentage of the Total Pension Liability | 48.84%              |

Sensitivity of the Net Pension Liability to Changes in the Discount Rate

The following presents the net pension liability of the District, calculated using the discount rate of 3.50 percent, as well as what the District's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (2.50 percent) and 1-percentage point higher (4.50 percent) than the current rate.

|                                  | 1% Decrease         | Current Rate        | 1% Increase         |
|----------------------------------|---------------------|---------------------|---------------------|
| Total Pension Liability          | \$29,270,312        | \$26,618,963        | \$24,356,823        |
| Plan Fiduciary Net Position      | <u>(13,002,397)</u> | <u>(13,002,397)</u> | <u>(13,002,397)</u> |
| District's Net Pension Liability | <u>\$16,267,915</u> | <u>\$13,616,566</u> | <u>\$11,354,426</u> |

l. Discount Rate

The discount rate used to measure the total pension liability was 3.50 percent. The projection of cash flows used to determine the discount rate assumed that the District's contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payment of current plan members. Therefore, the long term expected rate of return on pension plan investment was applied to all periods of projected benefit payments to determine the total pension liability.

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2014

19. POST EMPLOYMENT HEALTH CARE BENEFITS

a. Plan Description

The Postemployment Health Care Benefits Plan is a single-employer defined benefit plan administered by the District. Pursuant to the provisions of Section 112.0801, Florida Statutes, former employees who retire from the District and eligible dependents, may continue to participate in the District's health and hospitalization plan for medical, and prescription drug coverage. Based on the valuation as of July 1, 2013, the District had 26,462 active employees and 1,242 retirees and eligible dependants in the plan. The District subsidizes the premium rates paid by retirees by allowing them to participate in the 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 plan on average than those of active employees. Retirees are required to enroll in the Federal Medicare program for their primary coverage as soon as they are eligible. Separate financial statements for the Plan are not issued.

b. Funding Policy

The District via the Board can establish and amend the funding requirements. The District has assigned \$20,950,596 of fund balance in the general fund for a portion of the net Other Post Employment Benefits obligation (OPEB), but has not advance funded the OPEB costs or the net OPEB obligation. For the 2014 fiscal year, retirees and eligible dependents received postemployment health care benefits, which are funded by the District on a pay as you go basis. The District provided contributions of \$4,217,776 toward annual OPEB costs, comprised of benefit payments made on behalf of the retirees for claims expenses (net of reinsurance), administrative expenses, and reinsurance premiums and net of retiree contributions totaling \$9,196,314 which is about 1 percent of covered payroll.

c. Annual OPEB Cost and Net OPEB Obligation

The District's annual OPEB cost is calculated based on the annual required contribution (ARC), an amount actuarially determined in accordance with the parameters of Governmental Accounting Standards Board Statement No. 45, Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions. The ARC represents a level of funding that is paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years. The following table shows the District's annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the net OPEB obligation:

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2014

19. POST EMPLOYMENT HEALTH CARE BENEFITS (continued)

| Descriptions                                         | Amount              |
|------------------------------------------------------|---------------------|
| Normal Cost (service cost for one year)              | \$ 16,461,158       |
| Amortization of Unfunded Actuarial Accrued Liability | 7,296,067           |
| Interest on Normal Cost and Amortization             | 831,503             |
| Annual Required Contribution (ARC)                   | 24,588,728          |
| Interest on Net OPEB Obligation (NOO)                | 2,629,636           |
| Amortization of Net OPEB Obligation                  | (2,684,233)         |
| Total Expense or Annual OPEB Cost (AOC)              | 24,534,131          |
| Annual Contribution Toward OPEB Cost                 | (4,217,776)         |
| Increase in Net OPEB Obligation                      | 20,316,355          |
| Net OPEB Obligation Beginning of Year                | 75,132,459          |
| Net OPEB Obligation End of Year                      | <u>\$95,448,814</u> |

The District's annual OPEB cost, the Percentage of annual OPEB cost contributed to the plan and the net OPEB obligation as of June 30, 2014 was as follows:

| Fiscal<br>Year | Annual OPEB<br>Cost | Annual<br>Contributed | Percentage of<br>Annual OPEB<br>Cost<br>Contributed | Net OPEB<br>Obligation |
|----------------|---------------------|-----------------------|-----------------------------------------------------|------------------------|
| 2014           | \$24,534,131        | \$4,217,776           | 17.2%                                               | \$95,448,814           |
| 2013           | 23,903,947          | 3,504,578             | 14.7%                                               | 75,132,459             |
| 2012           | 18,635,570          | 3,921,558             | 21.0%                                               | 54,733,090             |

d. Funded Status and Funding Progress

As of June 30, 2014 the actuarial accrued liability for benefits was \$191,669,324, all of which was unfunded. The covered payroll (annual payroll for active participating employees) was \$1,064,282,519 for the 2014 fiscal year, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 18%. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information that shows whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

e. Actuarial Methods and Assumptions

Actuarial methods and assumptions used for the OPEB calculations are as follows:

1. Actuarial valuations involve estimates of the value of reported amounts and assumptions about the probability of events far into the future; actuarially determined amounts are subject to continual revisions as actual results are compared to past expectations and new estimates are made about the future.

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2014

19. POST EMPLOYMENT HEALTH CARE BENEFITS (continued)

2. Calculations are based on the benefits provided under the terms of the substantive plan in effect at the time of each valuation and on the pattern of sharing of costs between the employer and plan members to that point. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future.
3. Actuarial calculations reflect a long-term perspective. Consistent with that perspective, actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets.
4. The actuarial methods and significant assumptions used in calculating the ARC for the current year and the funded status of the plan are from the actuarial valuation as of July 1, 2013 are:
  - (a). Entry age actuarial cost method
  - (b). Actuarial value of assets are fair value
  - (c). Investment rate of return 3.5%
  - (d). Salary scale is 4.0%
  - (e). Healthcare cost trend rate is 7.75% for fiscal year ended June 30, 2014 grading to 5.0% for fiscal year ending June 30, 2021.
  - (f). Past service liability is amortized over a closed 30-year period as a level percentage of projected payroll assumed to grow 3.0% per year.
  - (g). Inflation rate adjustment – 2.5%.

20. RISK MANAGEMENT

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Workers' compensation, automobile liability, and general liability coverage are being provided on a self-insured basis up to specified limits. Prior to July 18, 2007, the District entered into agreements with various insurance companies to provide specific excess coverage of claim amounts above the stated amount on an individual claim basis. Effective July 18, 2007 the District chose not to purchase excess coverage, but chose to set aside \$500,000 per year to accumulate to a total of \$5,000,000 to cover any excess claims. As of June 30, 2014, \$3,500,000 has been set aside. The Board has contracted with an insurance administrator to administer these self-insurance programs, including the processing, investigating, and payment of claims.

Settled claims resulting from the risks described above have not exceeded commercial insurance coverage for the past five fiscal years.

A liability in the amount of \$17,224,246 was actuarially determined using a discount rate of 2.0% to cover reported and unreported insurance claims payable at June 30, 2014. It is estimated that \$8,420,749 of the liability is current and due within one year. The remaining \$8,803,497 will be due in future years.

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2014

20. RISK MANAGEMENT (continued)

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

|             | Beginning-of-<br>Fiscal-Year<br>Liability | Current-Year<br>Claims and<br>Changes in<br>Estimates | Claim<br>Payments | Balance at<br>Fiscal<br>Year-End |
|-------------|-------------------------------------------|-------------------------------------------------------|-------------------|----------------------------------|
| 2012 – 2013 | \$15,992,106                              | \$ 7,899,185                                          | \$( 7,767,011)    | \$16,124,280                     |
| 2013 – 2014 | \$16,124,280                              | \$ 11,935,546                                         | \$( 10,835,580)   | \$17,224,246                     |

Claims and judgments are generally liquidated by the internal service funds that are funded by the general fund and special revenue funds.

21. COMMITMENTS AND CONTINGENCIES

Construction Contract Commitments

The following is a summary of major construction contract commitments remaining at June 30, 2014 (amounts in thousands):

DETAIL LISTING OF CONSTRUCTION IN PROGRESS

| <u>Description</u> | <u>Project<br/>Authorization</u> | <u>Expended<br/>Through<br/>6/30/14</u> | <u>Committed</u> |
|--------------------|----------------------------------|-----------------------------------------|------------------|
| Additions          | \$ 6,893                         | \$ 829                                  | \$ 6,064         |
| Elementary         | 32,765                           | 10,999                                  | 21,766           |
| Middle             | 26,460                           | 212                                     | 26,248           |
| Other              | 985                              | 627                                     | 358              |
| Renovations        | 50,436                           | 19,493                                  | 30,943           |
| Improvements       | <u>2,028</u>                     | <u>1,045</u>                            | <u>983</u>       |
| Total              | <u>\$ 119,567</u>                | <u>\$ 33,205</u>                        | <u>\$ 86,362</u> |

Litigation

The District is involved in several pending and threatened legal actions. In the opinion of District management, the range of potential loss from all such claims and actions should not materially affect the financial condition of the District.

Grants and Contracts

The District participates in various federally assisted grant programs that are subject to review and audit by the grantor agencies. Entitlement to these resources is generally conditional upon compliance with the terms and conditions of grant agreements and applicable federal regulations, including the expenditure of resources for allowable purposes. Any disallowance resulting from a federal audit may become a liability of the District.

THE SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA  
SUPPLEMENTAL EARLY RETIREMENT PENSION TRUST  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF FUNDING PROGRESS  
June 30, 2014  
(UNAUDITED)

| FISCAL<br>YEAR<br>ENDED<br>JUNE 30 | Actuarial<br>Value of<br>Plan<br>Assets | Actuarial<br>Accrued<br>Liability<br>Entry Age<br>(1) |     | Unfunded<br>Actuarial<br>Accrued<br>Liability<br>(3) | Funded<br>Ratio<br>(2) | Covered<br>Payroll |     | Unfunded<br>Actuarial<br>Liability<br>as a<br>Percentage<br>of Covered<br>Payroll |
|------------------------------------|-----------------------------------------|-------------------------------------------------------|-----|------------------------------------------------------|------------------------|--------------------|-----|-----------------------------------------------------------------------------------|
| 2009                               | 14,570,542                              | 31,609,928                                            | (4) | 17,039,386                                           | 46.1%                  | 31,812,283         | (4) | 53.56%                                                                            |
| 2010                               | 15,024,428                              | 38,190,854                                            | (5) | 23,166,426                                           | 39.3%                  | 22,676,884         | (5) | 102.20%                                                                           |
| 2011                               | 15,735,803                              | 29,577,005                                            | (6) | 13,841,202                                           | 53.2%                  | N/A                | (6) | N/A                                                                               |
| 2012                               | 15,470,853                              | 28,536,584                                            | (7) | 13,065,731                                           | 54.2%                  | N/A                | (7) | N/A                                                                               |
| 2013                               | 14,313,623                              | 27,770,427                                            | (8) | 13,456,804                                           | 51.5%                  | N/A                | (8) | N/A                                                                               |
| 2014                               | 13,601,965                              | 26,618,963                                            | (9) | 13,016,998                                           | 51.1%                  | N/A                | (9) | N/A                                                                               |

- Notes:
- (1) The Entry Age Actuarial Cost Method is used to determine the Plan's funding requirements.
  - (2) The percentage funded is derived by dividing the actuarial value of plan assets by the actuarial accrued liability.
  - (3) The unfunded actuarial accrued liability is the actuarial accrued liability minus the actuarial value of plan assets.
  - (4) Based on data from an actuarial valuation report as of July 1, 2008, dated July 10, 2009.
  - (5) Based on data from an actuarial valuation report as of July 1, 2009, dated September 24, 2010.
  - (6) Based on data from an actuarial valuation report as of July 1, 2010, dated August 18, 2011.
  - (7) Based on data from an actuarial valuation report as of July 1, 2011, dated July 1, 2012.
  - (8) Based on data from an actuarial valuation report as of July 1, 2012, dated January 25, 2013.
  - (9) Base on data from an actuarial valuation report as of July 1, 2013 dated July 23, 2014.

Isolated analysis of the dollar amounts of the actuarial value of assets, actuarial accrued liability, and unfunded actuarial accrued liability can be misleading.

Expressing the actuarial value of assets as a percentage of the actuarial accrued liability provides one indication of the Plan's funding status on a going-concern basis. Analysis of this percentage over time indicates whether the Plan is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the Plan.

See accompanying notes to required supplementary information.

Unaudited – see accompanying independent auditors' report.

THE SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA  
SUPPLEMENTAL EARLY RETIREMENT PENSION TRUST  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
June 30, 2014  
(UNAUDITED)

| Fiscal<br>Year Ended | Actuarially<br>Determined | Annual<br>Actual    | Contribution<br>Deficiency | Covered<br>Employee | Contribution as<br>a Percentage<br>of Covered |
|----------------------|---------------------------|---------------------|----------------------------|---------------------|-----------------------------------------------|
| <u>June 30,</u>      | <u>Contribution</u>       | <u>Contribution</u> | <u>(Excess)</u>            | <u>Payroll</u>      | <u>Employee Payroll</u>                       |
| 2005                 | 1,990,860                 | 1,932,629           | 58,231                     | 177,676,884         | 1.09%                                         |
| 2006                 | 2,283,533                 | 1,988,593           | 294,940                    | 186,742,083         | 1.06%                                         |
| 2007                 | 3,640,027                 | 3,843,945           | (203,918)                  | 187,094,809         | 2.05%                                         |
| 2008                 | 3,690,335                 | 3,756,041           | (65,706)                   | 40,602,385          | 9.25%                                         |
| 2009                 | 2,063,437                 | 1,801,801           | 261,636                    | 31,812,283          | 5.66%                                         |
| 2010                 | 2,251,844                 | 2,450,808           | (198,964)                  | 22,676,884          | 10.81%                                        |
| 2011                 | 1,317,182                 | 1,764,068           | (446,886)                  | N/A                 | N/A                                           |
| 2012                 | 1,341,630                 | 879,714             | 461,916                    | N/A                 | N/A                                           |
| 2013                 | 1,381,913                 | 1,383,258           | (1,345)                    | N/A                 | N/A                                           |
| 2014                 | 1,402,918                 | 1,401,167           | 1,751                      | N/A                 | N/A                                           |

See accompanying notes to required supplementary information.

Unaudited – see accompanying independent auditors' report.

THE SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA  
SUPPLEMENTAL EARLY RETIREMENT PENSION TRUST  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF NET PENSION LIABILITY  
June 30, 2014  
(UNAUDITED)

| FISCAL<br>YEAR<br>ENDED<br>JUNE 30 | Total<br>Pension<br>Liability<br>Entry Age | Plan<br>Fiduciary<br>Net<br>Position | Districts'<br>Net Pension<br>Liability<br>(Asset) | Plan<br>Fiduciary<br>Net Position<br>As a<br>Percentage<br>Of The Total<br>Pension<br>Liability | Covered<br>Payroll | Districts<br>Net Pension<br>Liability<br>(Asset) as a<br>Percentage<br>Of Covered<br>Payroll |
|------------------------------------|--------------------------------------------|--------------------------------------|---------------------------------------------------|-------------------------------------------------------------------------------------------------|--------------------|----------------------------------------------------------------------------------------------|
| 2014                               | 26,618,963                                 | 13,002,397                           | 13,616,566                                        | 48.84%                                                                                          | N/A                | N/A                                                                                          |

Note: Schedule is intended to show information for ten years. Additional years will be displayed as they become available.

See accompanying notes to required supplementary information.

Unaudited – see accompanying independent auditors' report.



**SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
SUPPLEMENTAL EARLY RETIREMENT PENSION TRUST  
SCHEDULE OF CHANGES IN NET PENSION LIABILITY  
LAST FISCAL YEAR  
(UNAUDITED)**

|                                                             | <u>2014</u>                 |
|-------------------------------------------------------------|-----------------------------|
| <b>Total pension liability</b>                              |                             |
| Service cost                                                | \$ -                        |
| Interest                                                    | 968,355                     |
| Changes of benefit terms                                    | -                           |
| Differences between expected and actual experience          | (96,760)                    |
| Changes of assumptions                                      | -                           |
| Benefit payments, including refunds of member contributions | (2,023,059)                 |
| <b>Net change in total pension liability</b>                | <u>(1,151,464)</u>          |
| <b>Total pension liability - beginning</b>                  | <u>27,770,427</u>           |
| <b>Total pension liability - ending (a)</b>                 | <u><u>\$ 26,618,963</u></u> |
| <b>Plan fiduciary net position</b>                          |                             |
| Contributions - employer                                    | \$ 1,355,705                |
| Contributions - member                                      | -                           |
| Net investment income                                       | 80,327                      |
| Benefit payment, including refunds of member contributions  | (2,023,059)                 |
| Administrative expense                                      | (12,540)                    |
| Other                                                       | -                           |
| <b>Net change in plan fiduciary net position</b>            | <u>(599,567)</u>            |
| <b>Plan fiduciary net position - beginning</b>              | <u>13,601,965</u>           |
| <b>Plan fiduciary net position - ending (b)</b>             | <u><u>\$ 13,002,397</u></u> |
| <b>Net position liability (asset) - ending (a)-(b)</b>      | <u><u>\$ 13,616,566</u></u> |

Note: Schedule is intended to show information for 10 years.  
Additional years will be displayed as they become available.

See accompanying notes to required supplementary information.

Unaudited - see accompanying independent auditor's report

**SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
SUPPLEMENTAL EARLY RETIREMENT PENSION TRUST  
SCHEDULE OF INVESTMENT RETURNS  
LAST FISCAL YEAR  
(UNAUDITED)**

| Fiscal<br>Year Ended<br>June 30, | Money Weighted<br>Rate of<br>Investment<br>Return |
|----------------------------------|---------------------------------------------------|
| <u>2013</u>                      | <u>3.5%</u>                                       |

Note: Schedule is intended to show information for 10 years.  
Additional years will be displayed as they become available.

See accompanying notes to required supplementary information.

Unaudited - see accompanying independent auditor's report

THE SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA  
POST EMPLOYMENT HEALTH CARE BENEFITS  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF FUNDING PROGRESS  
June 30, 2014  
(UNAUDITED)

Schedule of Funding Progress:

| FISCAL<br>YEAR<br>ENDED<br>JUNE 30 | Actuarial<br>Value of<br>Plan<br>Assets | Actuarial<br>Accrued<br>Liability<br>Entry Age<br>(1) | Unfunded<br>Actuarial<br>Accrued<br>Liability<br>(3) | Funded<br>Ratio<br>(2) | Covered<br>Payroll | Unfunded<br>Actuarial<br>Liability<br>as a<br>Percentage<br>of Covered<br>Payroll |
|------------------------------------|-----------------------------------------|-------------------------------------------------------|------------------------------------------------------|------------------------|--------------------|-----------------------------------------------------------------------------------|
| 2009                               | -                                       | 139,930,959 (5)                                       | 139,930,959                                          | 0%                     | 990,757,415 (4)    | 14.10%                                                                            |
| 2010                               | -                                       | 122,763,693 (6)                                       | 122,763,693                                          | 0%                     | 964,984,023 (5)    | 12.70%                                                                            |
| 2011                               | -                                       | 144,887,062 (7)                                       | 144,887,062                                          | 0%                     | 991,177,970 (6)    | 14.60%                                                                            |
| 2012                               | -                                       | 156,271,280 (8)                                       | 156,272,280                                          | 0%                     | 979,901,112 (7)    | 15.9%                                                                             |
| 2013                               | -                                       | 194,788,495 (9)                                       | 194,788,495                                          | 0%                     | 998,616,019 (8)    | 19.5%                                                                             |
| 2014                               | -                                       | 191,669,324 (10)                                      | 191,669,324                                          | 0%                     | 1,064,282,519 (9)  | 18.0%                                                                             |

- Notes:
- (1) The Entry Age Actuarial Cost Method is used to determine the Plan's funding requirements.
  - (2) The percentage funded is derived by dividing the actuarial value of plan assets by the actuarial accrued liability.
  - (3) The unfunded actuarial accrued liability is the actuarial accrued liability minus the actuarial value of plan assets.
  - (4) Based on data from an actuarial valuation report as of July 1, 2008, dated August 17, 2009.
  - (5) Based on data from an actuarial valuation report as of July 1, 2009, dated August 12, 2010.
  - (6) Based on data from an actuarial valuation report as of July 1, 2010, dated August 18, 2011.
  - (7) Based on data from an actuarial valuation report as of July 2, 2011, dated June 1, 2012.
  - (8) Base on data from an actuarial valuation report as of July 1, 2012, dated July 26, 2013.
  - (9) Based on data from an actuarial valuation report as of July 1, 2013 dated August 11, 2014.

Isolated analysis of the dollar amounts of the actuarial value of assets, actuarial accrued liability, and unfunded actuarial accrued liability can be misleading.

Expressing the actuarial value of assets as a percentage of the actuarial accrued liability provides one indication of the Plan's funding status on a going-concern basis. Analysis of this percentage over time indicates whether the Plan is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the Plan.

See accompanying notes to required supplementary information.

Unaudited – see accompanying independent auditors' report.

THE SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA  
 POST EMPLOYMENT HEALTH CARE BENEFITS  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF EMPLOYER CONTRIBUTIONS  
 June 30, 2014  
 (UNAUDITED)

| Fiscal<br>Year Ended<br>June 30 | Annual<br>Required<br>Contribution | Percentage<br>Contributed |
|---------------------------------|------------------------------------|---------------------------|
| 2009                            | 15,059,095                         | 29.90%                    |
| 2010                            | 13,904,935                         | 42.15%                    |
| 2011                            | 17,397,893                         | 37.84%                    |
| 2012                            | 18,467,000                         | 21.24%                    |
| 2013                            | 23,943,720                         | 14.64%                    |
| 2014                            | 24,588,728                         | 17.15%                    |

See accompanying notes to required supplementary information.

Unaudited – see accompanying independent auditors' report.

THE SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO REQUIRED SUPPLEMENTAL INFORMATION  
June 30, 2014  
(UNAUDITED)

The following are relevant to the supplemental early retirement pension:

1) Change in plan eligibility

As of July 1, 2010 the Supplemental Early Retirement Pension Plan was closed to any new participants.

2) Method and assumptions used in calculation of actuarially determined contribution:

Actuarial cost method

Entry age normal: This method determines a Normal Cost Rate for each employee that would have been appropriate had the plan always been in effect and had the employee joined when first eligible. Such rate is the level percentage of compensation which, if paid from entry into the plan until retirement would be sufficient to provide the projected retirement benefits. The total Normal Cost rate times such individual's current compensation. The Actuarial Accrued Liability is the present value of total benefits less the present value of future Normal Cost contributions.

Actuarial assumptions

|                              |                                    |
|------------------------------|------------------------------------|
| Valuation Date               | 07/01/13                           |
| Actuarial Cost Method        | Entry Age                          |
| Amortization Method          | Level Percentage of Payroll-Closed |
| Amortization Period          | 30 Years                           |
| Asset Valuation Method       | Fair Value                         |
| Actuarial Assumptions:       |                                    |
| Investment Rate of Return    | 3.5%                               |
| Projected Salary Increases   | 0%                                 |
| Rate of Inflation Adjustment | None                               |

The following is relevant to the post employment health care benefits:

3) Actuarial assumptions

- (a). Entry age actuarial cost method
- (b). Actuarial value of assets are fair value
- (c). Investment rate of return 3.5%
- (d). Salary scale is 4.0%
- (e). Healthcare cost trend rate is 7.75% for fiscal year ended June 30, 2014 grading to 5.0% for fiscal year ending June 30, 2021.
- (f). Past service liability is amortized over a closed 30-year period as a level percentage of projected payroll assumed to grow 3.0% per year.
- (g). Inflation rate adjustment – 2.5%



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**COMBINING AND INDIVIDUAL FUND  
STATEMENTS AND SCHEDULES**



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## **Nonmajor Governmental Funds**

### **Special Revenue Funds**

- **Food Services Fund** – Accounts for and reports on activities of the food service program.

### **Debt Service Funds**

The Debt Service Funds account for the payment of interest and principal of the current portion of long-term debt, primarily from tax proceeds and earnings on temporary investments

- **State Board of Education Bond Funds** – Accounts for and reports on payments of principal, interest and related costs on various bond issues serviced by the State.
- **Special Act Bond Funds** - Accounts for and reports on the payment of principal, interest and related costs on bonds that are secured by the portion of the State racetrack funds.

### **Capital Projects Funds**

The Capital Projects Funds account for the financing and acquisition or construction of major capital facilities, such as new school buildings and additions to existing buildings, or for major renovation projects

- **Capital Outlay & Debt Service Funds** - Accounts for and reports on funds received from the State Board of Education Capital Outlay Bonds.
-

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY****COMBINING BALANCE SHEET****NON MAJOR GOVERNMENTAL FUNDS****JUNE 30, 2014**

(amounts expressed in thousands)

|                                      | Special<br>Revenue |                  |
|--------------------------------------|--------------------|------------------|
|                                      | Food<br>Services   | Total            |
| <b>ASSETS</b>                        |                    |                  |
| Cash                                 | \$ 76              | \$ 76            |
| Investments                          | 35,502             | 35,502           |
| Accounts receivable                  | 261                | 261              |
| Due from other governmental agencies | 977                | 977              |
| Due from other funds                 | 254                | 254              |
| Inventories                          | 837                | 837              |
| Total assets                         | <u>\$ 37,907</u>   | <u>\$ 37,907</u> |
| <b>LIABILITIES AND FUND BALANCES</b> |                    |                  |
| Liabilities:                         |                    |                  |
| Accounts payable                     | \$ 843             | \$ 843           |
| Salaries and wages payable           | 4                  | 4                |
| Due to other funds                   | 520                | 520              |
| Advanced revenue                     | 1,020              | 1,020            |
| Total liabilities                    | <u>2,387</u>       | <u>2,387</u>     |
| Fund balances                        |                    |                  |
| Nonspendable                         | 837                | 837              |
| Restricted for:                      |                    |                  |
| Federal programs                     | 34,683             | 34,683           |
| Debt service                         | -                  | -                |
| Capital projects                     | -                  | -                |
| Total fund balances                  | <u>35,520</u>      | <u>35,520</u>    |
| Total liabilities and fund balances  | <u>\$ 37,907</u>   | <u>\$ 37,907</u> |

---

| State<br>Board of<br>Education<br>Bond Funds | Debt<br>Service                 |                 |
|----------------------------------------------|---------------------------------|-----------------|
|                                              | Special<br>Act<br>Bond<br>Funds | Total           |
| \$ -                                         | \$ -                            | \$ -            |
| 1,576                                        | 1,105                           | 2,681           |
| -                                            | -                               | -               |
| -                                            | -                               | -               |
| -                                            | -                               | -               |
| -                                            | -                               | -               |
| <u>\$ 1,576</u>                              | <u>\$ 1,105</u>                 | <u>\$ 2,681</u> |
|                                              |                                 |                 |
| \$ -                                         | \$ -                            | \$ -            |
| -                                            | -                               | -               |
| -                                            | -                               | -               |
| -                                            | -                               | -               |
| -                                            | -                               | -               |
| <u>-</u>                                     | <u>-</u>                        | <u>-</u>        |
|                                              |                                 |                 |
| -                                            | -                               | -               |
| -                                            | -                               | -               |
| -                                            | -                               | -               |
| 1,576                                        | 1,105                           | 2,681           |
| -                                            | -                               | -               |
| <u>1,576</u>                                 | <u>1,105</u>                    | <u>2,681</u>    |
| <u>\$ 1,576</u>                              | <u>\$ 1,105</u>                 | <u>\$ 2,681</u> |

(Continued)

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY****COMBINING BALANCE SHEET****NON MAJOR GOVERNMENTAL FUNDS****JUNE 30, 2014**

(amounts expressed in thousands)

|                                      | Capital<br>Projects                            |                 |
|--------------------------------------|------------------------------------------------|-----------------|
|                                      | Capital<br>Outlay and<br>Debt Service<br>Funds | Total           |
| <b>ASSETS</b>                        |                                                |                 |
| Cash                                 | \$ -                                           | \$ -            |
| Investments                          | 2,072                                          | 2,072           |
| Accounts receivable                  | -                                              | -               |
| Due from other governmental agencies | -                                              | -               |
| Due from other funds                 | -                                              | -               |
| Inventories                          | -                                              | -               |
| Total assets                         | <u>\$ 2,072</u>                                | <u>\$ 2,072</u> |
| <b>LIABILITIES AND FUND BALANCES</b> |                                                |                 |
| Liabilities:                         |                                                |                 |
| Accounts payable                     | \$ 112                                         | \$ 112          |
| Salaries and wages payable           | -                                              | -               |
| Due to other funds                   | 24                                             | 24              |
| Advanced revenue                     | -                                              | -               |
| Total liabilities                    | <u>136</u>                                     | <u>136</u>      |
| Fund balances                        |                                                |                 |
| Nonspendable                         | -                                              | -               |
| Restricted for:                      |                                                |                 |
| Federal programs                     | -                                              | -               |
| Debt service                         | -                                              | -               |
| Capital projects                     | 1,936                                          | 1,936           |
| Total fund balances                  | <u>1,936</u>                                   | <u>1,936</u>    |
| Total liabilities and fund balances  | <u>\$ 2,072</u>                                | <u>\$ 2,072</u> |

See accompanying independent auditors' report.

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**Total  
Nonmajor  
Governmental  
Funds**

|    |        |
|----|--------|
| \$ | 76     |
|    | 40,255 |
|    | 261    |
|    | 977    |
|    | 254    |
|    | 837    |
| \$ | 42,660 |

|    |       |
|----|-------|
| \$ | 955   |
|    | 4     |
|    | 544   |
|    | 1,020 |
|    | 2,523 |

|    |        |
|----|--------|
|    | 837    |
|    | 34,683 |
|    | 2,681  |
|    | 1,936  |
|    | 40,137 |
| \$ | 42,660 |

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NON MAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
(amounts expressed in thousands)**

|                                                              | Special<br>Revenue |           |
|--------------------------------------------------------------|--------------------|-----------|
|                                                              | Food<br>Services   | Total     |
| <b>REVENUES</b>                                              |                    |           |
| Local sources:                                               |                    |           |
| Food services                                                | \$ 25,022          | \$ 25,022 |
| Interest income                                              | 44                 | 44        |
| Other                                                        | 60                 | 60        |
| Total local sources                                          | 25,126             | 25,126    |
| State sources:                                               |                    |           |
| Food services                                                | 1,419              | 1,419     |
| Other                                                        | -                  | -         |
| Total state sources                                          | 1,419              | 1,419     |
| Federal sources:                                             |                    |           |
| Food services                                                | 81,060             | 81,060    |
| Total federal sources                                        | 81,060             | 81,060    |
| Total revenues                                               | 107,605            | 107,605   |
| <b>EXPENDITURES</b>                                          |                    |           |
| Current:                                                     |                    |           |
| Facilities acquisition and construction                      | -                  | -         |
| Food services                                                | 102,524            | 102,524   |
| Debt Service:                                                |                    |           |
| Principal retirement                                         | -                  | -         |
| Interest                                                     | -                  | -         |
| Dues, fees and other                                         | -                  | -         |
| Capital outlay:                                              |                    |           |
| Facilities acquisition and construction                      | -                  | -         |
| Other capital outlay                                         | 1,597              | 1,597     |
| Total expenditures                                           | 104,121            | 104,121   |
| Excess (deficiency) of revenues<br>over (under) expenditures | 3,484              | 3,484     |
| <b>OTHER FINANCING SOURCES (USES):</b>                       |                    |           |
| Refunding bonds issued                                       | -                  | -         |
| Premium on sale of refunding bonds                           | -                  | -         |
| Payments to refunded bond escrow agent                       | -                  | -         |
| Transfers in                                                 | 856                | 856       |
| Total other financing sources and uses                       | 856                | 856       |
| Net change in fund balances                                  | 4,340              | 4,340     |
| Fund balances - beginning                                    | 31,180             | 31,180    |
| Fund balances - ending                                       | \$ 35,520          | \$ 35,520 |

(Continued)

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NON MAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
(amounts expressed in thousands)**

|                                                              | Capital<br>Projects                            |          |
|--------------------------------------------------------------|------------------------------------------------|----------|
|                                                              | Capital<br>Outlay and<br>Debt Service<br>Funds | Total    |
| <b>REVENUES</b>                                              |                                                |          |
| Local sources:                                               |                                                |          |
| Food services                                                | \$ -                                           | \$ -     |
| Interest income                                              | 3                                              | 3        |
| Other                                                        | -                                              | -        |
| Total local sources                                          | 3                                              | 3        |
| State sources:                                               |                                                |          |
| Food services                                                | -                                              | -        |
| Other                                                        | 736                                            | 736      |
| Total state sources                                          | 736                                            | 736      |
| Federal sources:                                             |                                                |          |
| Food services                                                | -                                              | -        |
| Total federal sources                                        | -                                              | -        |
| Total revenues                                               | 739                                            | 739      |
| <b>EXPENDITURES:</b>                                         |                                                |          |
| Current:                                                     |                                                |          |
| Facilities acquisition and construction                      | 1,710                                          | 1,710    |
| Food services                                                | -                                              | -        |
| Debt Service:                                                |                                                |          |
| Principal retirement                                         | -                                              | -        |
| Interest                                                     | -                                              | -        |
| Dues, fees and other                                         | 4                                              | 4        |
| Capital outlay:                                              |                                                |          |
| Facilities acquisition and construction                      | 116                                            | 116      |
| Other capital outlay                                         | -                                              | -        |
| Total expenditures                                           | 1,830                                          | 1,830    |
| Excess (deficiency) of revenues<br>over (under) expenditures | (1,091)                                        | (1,091)  |
| <b>OTHER FINANCING SOURCES (USES):</b>                       |                                                |          |
| Refunding bonds issued                                       | -                                              | -        |
| Premium on sale of refunding bonds                           | -                                              | -        |
| Payments to refunded bond escrow agent                       | -                                              | -        |
| Transfers in                                                 | -                                              | -        |
| Total other financing sources and uses                       | -                                              | -        |
| Net change in fund balances                                  | (1,091)                                        | (1,091)  |
| Fund balances - beginning                                    | 3,027                                          | 3,027    |
| Fund balances - ending                                       | \$ 1,936                                       | \$ 1,936 |

See accompanying independent auditors' report.



| Total Nonmajor Governmental Funds |               |
|-----------------------------------|---------------|
| \$                                | 25,022        |
|                                   | 48            |
|                                   | 60            |
|                                   | <u>25,130</u> |
|                                   | 1,419         |
|                                   | <u>7,990</u>  |
|                                   | <u>9,409</u>  |
|                                   | 81,060        |
|                                   | <u>81,060</u> |
|                                   | 115,599       |
|                                   | 1,710         |
|                                   | 102,524       |
|                                   | 5,169         |
|                                   | 2,118         |
|                                   | 136           |
|                                   | 116           |
|                                   | <u>1,597</u>  |
|                                   | 113,370       |
|                                   | 2,229         |
|                                   | 2,486         |
|                                   | 397           |
|                                   | (2,158)       |
|                                   | 856           |
|                                   | <u>1,581</u>  |
|                                   | 3,810         |
|                                   | <u>36,327</u> |
| \$                                | <u>40,137</u> |

| Total Nonmajor Governmental Funds |               |
|-----------------------------------|---------------|
| \$                                | 25,022        |
|                                   | 48            |
|                                   | 60            |
|                                   | <u>25,130</u> |
|                                   | 1,419         |
|                                   | <u>7,990</u>  |
|                                   | <u>9,409</u>  |
|                                   | 81,060        |
|                                   | <u>81,060</u> |
|                                   | 115,599       |
|                                   | 1,710         |
|                                   | 102,524       |
|                                   | 5,169         |
|                                   | 2,118         |
|                                   | 136           |
|                                   | 116           |
|                                   | <u>1,597</u>  |
|                                   | 113,370       |
|                                   | 2,229         |
|                                   | 2,486         |
|                                   | 397           |
|                                   | (2,158)       |
|                                   | 856           |
|                                   | <u>1,581</u>  |
|                                   | 3,810         |
|                                   | <u>36,327</u> |
| \$                                | <u>40,137</u> |



Hillsborough County  
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**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**NON MAJOR SPECIAL REVENUE FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
(amounts expressed in thousands)**

|                                                              | Food Services Fund |           |           |                                                           |
|--------------------------------------------------------------|--------------------|-----------|-----------|-----------------------------------------------------------|
|                                                              | Budgeted Amounts   |           |           | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
| REVENUES:                                                    | Original           | Final     | Actual    |                                                           |
| Local sources:                                               |                    |           |           |                                                           |
| Food services                                                | \$ 29,113          | \$ 25,418 | \$ 25,022 | \$ (396)                                                  |
| Interest income                                              | 41                 | 66        | 44        | (22)                                                      |
| Other                                                        | 152                | 665       | 60        | (605)                                                     |
| Total local sources                                          | 29,306             | 26,149    | 25,126    | (1,023)                                                   |
| State sources:                                               |                    |           |           |                                                           |
| Food services                                                | 1,410              | 1,474     | 1,419     | (55)                                                      |
| Other                                                        | -                  | 33        | -         | (33)                                                      |
| Total state sources                                          | 1,410              | 1,507     | 1,419     | (88)                                                      |
| Federal sources:                                             |                    |           |           |                                                           |
| Food services                                                | 64,903             | 82,478    | 81,060    | (1,418)                                                   |
| Total federal sources                                        | 64,903             | 82,478    | 81,060    | (1,418)                                                   |
| Total revenues                                               | 95,619             | 110,134   | 107,605   | (2,529)                                                   |
| EXPENDITURES:                                                |                    |           |           |                                                           |
| Current:                                                     |                    |           |           |                                                           |
| Food services                                                | 100,616            | 121,690   | 102,524   | 19,166                                                    |
| Capital outlay                                               | -                  | 1,597     | 1,597     | -                                                         |
| Total expenditures                                           | 100,616            | 123,287   | 104,121   | 19,166                                                    |
| Excess (deficiency) of revenues<br>over (under) expenditures | (4,997)            | (13,153)  | 3,484     | 16,637                                                    |
| OTHER FINANCING SOURCES (USES):                              |                    |           |           |                                                           |
| Transfers in                                                 | -                  | 855       | 856       | 1                                                         |
| Total other financing sources and uses                       | -                  | 855       | 856       | 1                                                         |
| Net change in fund balance                                   | (4,997)            | (12,298)  | 4,340     | 16,638                                                    |
| Fund balance - beginning                                     | 31,180             | 31,180    | 31,180    | -                                                         |
| Fund balance - ending                                        | \$ 26,183          | \$ 18,882 | \$ 35,520 | \$ 16,638                                                 |

See accompanying independent auditors' report.

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**DEBT SERVICE FUNDS**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014**

(amounts expressed in thousands)

|                                                             | State Board of Education Bond Funds |          |          | Variance with |
|-------------------------------------------------------------|-------------------------------------|----------|----------|---------------|
|                                                             | Budgeted Amounts                    |          |          | Final Budget  |
|                                                             | Original                            | Final    | Actual   | Positive      |
|                                                             |                                     |          |          | (Negative)    |
| REVENUES:                                                   |                                     |          |          |               |
| Local sources:                                              |                                     |          |          |               |
| Local sales tax                                             | \$ -                                | \$ -     | \$ -     | \$ -          |
| Interest income                                             | -                                   | -        | -        | -             |
| Other                                                       | -                                   | -        | -        | -             |
| Total local sources                                         | -                                   | -        | -        | -             |
| State sources:                                              |                                     |          |          |               |
| Capital Outlay and debt service withheld for SBE/COBI bonds | 7,149                               | 6,807    | 6,807    | -             |
| SBE/COBI bond interest                                      | 1                                   | -        | -        | -             |
| Racing commission funds                                     | -                                   | -        | -        | -             |
| Total state sources                                         | 7,150                               | 6,807    | 6,807    | -             |
| Total revenues                                              | 7,150                               | 6,807    | 6,807    | -             |
| EXPENDITURES:                                               |                                     |          |          |               |
| Principal retirement                                        | 5,145                               | 5,005    | 5,005    | -             |
| Interest                                                    | 1,996                               | 1,922    | 1,922    | -             |
| Dues, fees and other                                        | 9                                   | 125      | 125      | -             |
| Total expenditures                                          | 7,150                               | 7,052    | 7,052    | -             |
| Excess (deficiency) of revenues over (under) expenditures   | -                                   | (245)    | (245)    | -             |
| OTHER FINANCING SOURCES (USES):                             |                                     |          |          |               |
| Refunding bonds issued                                      | -                                   | 2,486    | 2,486    | -             |
| Premium on sale of refunding bonds                          | -                                   | 397      | 397      | -             |
| Refunding certificates of participation                     | -                                   | -        | -        | -             |
| Payments to refunded bond escrow agent                      | -                                   | (2,158)  | (2,158)  | -             |
| Transfers in                                                | -                                   | -        | -        | -             |
| Transfers out                                               | -                                   | -        | -        | -             |
| Total other financing sources and uses                      | -                                   | 725      | 725      | -             |
| Net change in fund balances                                 | -                                   | 480      | 480      | -             |
| Fund balances - beginning                                   | 1,096                               | 1,096    | 1,096    | -             |
| Fund balances - ending                                      | \$ 1,096                            | \$ 1,576 | \$ 1,576 | \$ -          |

| Special Act Bond Funds |          |          |                                                           | Other Debt Service Funds |            |            |                                                           |
|------------------------|----------|----------|-----------------------------------------------------------|--------------------------|------------|------------|-----------------------------------------------------------|
| Budgeted Amounts       |          | Actual   | Variance with<br>Final Budget -<br>Positive<br>(Negative) | Budgeted Amounts         |            | Actual     | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
| Original               | Final    |          |                                                           | Original                 | Final      |            |                                                           |
| \$ -                   | \$ -     | \$ -     | \$ -                                                      | \$ 25,000                | \$ 21,000  | \$ 21,880  | 880                                                       |
| 2                      | 2        | 1        | (1)                                                       | 631                      | 659        | 633        | (26)                                                      |
| -                      | -        | -        | -                                                         | -                        | -          | -          | -                                                         |
| 2                      | 2        | 1        | (1)                                                       | 25,631                   | 21,659     | 22,513     | 854                                                       |
| -                      | -        | -        | -                                                         | -                        | -          | -          | -                                                         |
| -                      | -        | -        | -                                                         | -                        | -          | -          | -                                                         |
| 447                    | 447      | 447      | -                                                         | -                        | -          | -          | -                                                         |
| 447                    | 447      | 447      | -                                                         | -                        | -          | -          | -                                                         |
| 449                    | 449      | 448      | (1)                                                       | 25,631                   | 21,659     | 22,513     | 854                                                       |
| 164                    | 164      | 164      | -                                                         | 39,110                   | 39,110     | 39,110     | -                                                         |
| 196                    | 196      | 196      | -                                                         | 46,027                   | 45,613     | 44,749     | 864                                                       |
| -                      | 7        | 7        | -                                                         | 643                      | 860        | 852        | 8                                                         |
| 360                    | 367      | 367      | -                                                         | 85,780                   | 85,583     | 84,711     | 872                                                       |
| 89                     | 82       | 81       | (1)                                                       | (60,149)                 | (63,924)   | (62,198)   | 1,726                                                     |
| -                      | -        | -        | -                                                         | -                        | -          | -          | -                                                         |
| -                      | -        | -        | -                                                         | -                        | -          | -          | -                                                         |
| -                      | -        | -        | -                                                         | -                        | 39,950     | 39,950     | -                                                         |
| -                      | -        | -        | -                                                         | -                        | (40,262)   | (40,262)   | -                                                         |
| -                      | -        | -        | -                                                         | 69,979                   | 70,054     | 68,660     | (1,394)                                                   |
| -                      | -        | -        | -                                                         | -                        | (75)       | (75)       | -                                                         |
| -                      | -        | -        | -                                                         | 69,979                   | 69,667     | 68,273     | (1,394)                                                   |
| 89                     | 82       | 81       | (1)                                                       | 9,830                    | 5,743      | 6,075      | 332                                                       |
| 1,024                  | 1,024    | 1,024    | -                                                         | 100,658                  | 100,658    | 100,658    | -                                                         |
| \$ 1,113               | \$ 1,106 | \$ 1,105 | \$ (1)                                                    | \$ 110,488               | \$ 106,401 | \$ 106,733 | \$ 332                                                    |

(Continued)

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**DEBT SERVICE FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
(amounts expressed in thousands)**

|                                                                | Totals           |            |            | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|----------------------------------------------------------------|------------------|------------|------------|-----------------------------------------------------------|
|                                                                | Budgeted Amounts |            | Actual     |                                                           |
|                                                                | Original         | Final      |            |                                                           |
| <b>REVENUES:</b>                                               |                  |            |            |                                                           |
| Local sources:                                                 |                  |            |            |                                                           |
| Local sales tax                                                | \$ 25,000        | \$ 21,000  | \$ 21,880  | \$ 880                                                    |
| Interest income                                                | 633              | 661        | 634        | (27)                                                      |
| Other                                                          | -                | -          | -          | -                                                         |
| Total local sources                                            | 25,633           | 21,661     | 22,514     | 853                                                       |
| State sources:                                                 |                  |            |            |                                                           |
| Capital Outlay and debt service withheld<br>for SBE/COBI bonds | 7,149            | 6,807      | 6,807      | -                                                         |
| SBE/COBI bond interest                                         | 1                | -          | -          | -                                                         |
| Racing commission funds                                        | 447              | 447        | 447        | -                                                         |
| Total state sources                                            | 7,597            | 7,254      | 7,254      | -                                                         |
| Total revenues                                                 | 33,230           | 28,915     | 29,768     | 853                                                       |
| <b>EXPENDITURES:</b>                                           |                  |            |            |                                                           |
| Principal retirement                                           | 44,419           | 44,279     | 44,279     | -                                                         |
| Interest                                                       | 48,219           | 47,731     | 46,867     | 864                                                       |
| Dues, fees and other                                           | 652              | 992        | 984        | 8                                                         |
| Total expenditures                                             | 93,290           | 93,002     | 92,130     | 872                                                       |
| Excess (deficiency) of revenues<br>over (under) expenditures   | (60,060)         | (64,087)   | (62,362)   | 1,725                                                     |
| <b>OTHER FINANCING SOURCES (USES):</b>                         |                  |            |            |                                                           |
| Refunding bonds issued                                         | -                | 2,486      | 2,486      | -                                                         |
| Premium on sale of refunding bonds                             | -                | 397        | 397        | -                                                         |
| Refunding certificates of participation                        | -                | 39,950     | 39,950     | -                                                         |
| Payments to refunded bond escrow agent                         | -                | (42,420)   | (42,420)   | -                                                         |
| Transfers in                                                   | 69,979           | 70,054     | 68,660     | (1,394)                                                   |
| Transfers out                                                  | -                | (75)       | (75)       | -                                                         |
| Total other financing sources and uses                         | 69,979           | 70,392     | 68,998     | (1,394)                                                   |
| Net change in fund balances                                    | 9,919            | 6,305      | 6,636      | 331                                                       |
| Fund balances - beginning                                      | 102,778          | 102,778    | 102,778    | -                                                         |
| Fund balances - ending                                         | \$ 112,697       | \$ 109,083 | \$ 109,414 | \$ 331                                                    |

See accompanying independent auditors' report.



Hillsborough County  
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**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**CAPITAL PROJECTS FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
(amounts expressed in thousands)**

|                                                              | Capital Outlay & Debt Service Funds |         |          |                                                                       |
|--------------------------------------------------------------|-------------------------------------|---------|----------|-----------------------------------------------------------------------|
|                                                              | Budgeted Amounts                    |         |          | Variance with<br>Final Budget -<br>Positive<br>Positive<br>(Negative) |
|                                                              | Original                            | Final   | Actual   |                                                                       |
| <b>REVENUES:</b>                                             |                                     |         |          |                                                                       |
| Local sources:                                               |                                     |         |          |                                                                       |
| Ad valorem taxes                                             | \$ -                                | \$ -    | \$ -     | \$ -                                                                  |
| Local sales tax                                              | -                                   | -       | -        | -                                                                     |
| Interest income                                              | 10                                  | 3       | 3        | -                                                                     |
| Other                                                        | -                                   | -       | -        | -                                                                     |
| Total local sources                                          | 10                                  | 3       | 3        | -                                                                     |
| State sources:                                               |                                     |         |          |                                                                       |
| Capital outlay distributed to district                       | 720                                 | 720     | 700      | (20)                                                                  |
| Interest on undistributed CO & DS                            | 68                                  | 68      | 36       | (32)                                                                  |
| Other                                                        | -                                   | -       | -        | -                                                                     |
| Total state sources                                          | 788                                 | 788     | 736      | (52)                                                                  |
| Total revenues                                               | 798                                 | 791     | 739      | (52)                                                                  |
| <b>EXPENDITURES:</b>                                         |                                     |         |          |                                                                       |
| Current                                                      |                                     |         |          |                                                                       |
| Facilities acquisition and construction                      | 2,151                               | 2,910   | 1,710    | 1,200                                                                 |
| Debt Service                                                 |                                     |         |          |                                                                       |
| Dues, fees and other                                         | -                                   | 4       | 4        | -                                                                     |
| Capital outlay                                               |                                     |         |          |                                                                       |
| Facilities acquisition and construction                      | -                                   | 116     | 116      | -                                                                     |
| Total expenditures                                           | 2,151                               | 3,030   | 1,830    | 1,200                                                                 |
| Excess (deficiency) of revenues<br>over (under) expenditures | (1,353)                             | (2,239) | (1,091)  | 1,148                                                                 |
| <b>OTHER FINANCING SOURCES (USES):</b>                       |                                     |         |          |                                                                       |
| Transfers out                                                | -                                   | -       | -        | -                                                                     |
| Total other financing sources and uses                       | -                                   | -       | -        | -                                                                     |
| Net change in fund balances                                  | (1,353)                             | (2,239) | (1,091)  | 1,148                                                                 |
| Fund balances - beginning                                    | 3,027                               | 3,027   | 3,027    | -                                                                     |
| Fund balances - ending                                       | \$ 1,674                            | \$ 788  | \$ 1,936 | \$ 1,148                                                              |



| Local Capital Improvement Funds |            |            |                                                           |
|---------------------------------|------------|------------|-----------------------------------------------------------|
| Budgeted Amounts                |            | Actual     | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
| Original                        | Final      |            |                                                           |
| \$ 101,393                      | \$ 101,549 | \$ 101,322 | \$ (227)                                                  |
| -                               | -          | -          | -                                                         |
| 247                             | 264        | 226        | (38)                                                      |
| -                               | 1,572      | 1,572      | -                                                         |
| 101,640                         | 103,385    | 103,120    | (265)                                                     |
| -                               | -          | -          | -                                                         |
| -                               | -          | -          | -                                                         |
| -                               | -          | -          | -                                                         |
| -                               | -          | -          | -                                                         |
| 101,640                         | 103,385    | 103,120    | (265)                                                     |
| 152,850                         | 130,849    | 28,367     | 102,482                                                   |
| -                               | -          | -          | -                                                         |
| -                               | 33,524     | 33,524     | -                                                         |
| 152,850                         | 164,373    | 61,891     | 102,482                                                   |
| (51,210)                        | (60,988)   | 41,229     | 102,217                                                   |
| (69,979)                        | (66,601)   | (65,207)   | 1,394                                                     |
| (69,979)                        | (66,601)   | (65,207)   | 1,394                                                     |
| (121,189)                       | (127,589)  | (23,978)   | 103,611                                                   |
| 127,628                         | 127,628    | 127,628    | -                                                         |
| \$ 6,439                        | \$ 39      | \$ 103,650 | \$ 103,611                                                |

(Continued)

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**CAPITAL PROJECTS FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
(amounts expressed in thousands)**

|                                                              | Other Capital Projects Funds |          |                                                           |
|--------------------------------------------------------------|------------------------------|----------|-----------------------------------------------------------|
|                                                              | Budgeted Amounts             |          | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
|                                                              | Original                     | Final    |                                                           |
| <b>REVENUES:</b>                                             |                              |          |                                                           |
| Local sources:                                               |                              |          |                                                           |
| Ad valorem taxes                                             | \$ -                         | \$ -     | \$ -                                                      |
| Local sales tax                                              | -                            | 4,000    | 4,000                                                     |
| Interest income                                              | 40                           | 49       | 49                                                        |
| Other                                                        | 14,371                       | 18,042   | 18,004                                                    |
| Total local sources                                          | 14,411                       | 22,091   | 22,053                                                    |
| State sources:                                               |                              |          |                                                           |
| Capital outlay distributed to district                       | -                            | -        | -                                                         |
| Interest on undistributed CO & DS                            | -                            | -        | -                                                         |
| Other                                                        | 3,000                        | 5,757    | 5,756                                                     |
| Total state sources                                          | 3,000                        | 5,757    | 5,756                                                     |
| Total revenues                                               | 17,411                       | 27,848   | 27,809                                                    |
| <b>EXPENDITURES:</b>                                         |                              |          |                                                           |
| Current                                                      |                              |          |                                                           |
| Facilities acquisition and construction                      | 54,022                       | 62,801   | 61                                                        |
| Debt Service                                                 |                              |          |                                                           |
| Dues, fees and other                                         | -                            | -        | -                                                         |
| Capital outlay                                               |                              |          |                                                           |
| Facilities acquisition and construction                      | -                            | 9,933    | 9,933                                                     |
| Total expenditures                                           | 54,022                       | 72,734   | 9,994                                                     |
| Excess (deficiency) of revenues<br>over (under) expenditures | (36,611)                     | (44,886) | 17,815                                                    |
| <b>OTHER FINANCING SOURCES (USES):</b>                       |                              |          |                                                           |
| Transfers out                                                | (3,000)                      | (9,135)  | (9,135)                                                   |
| Total other financing sources and uses                       | (3,000)                      | (9,135)  | (9,135)                                                   |
| Net change in fund balances                                  | (39,611)                     | (54,021) | 8,680                                                     |
| Fund balances - beginning                                    | 54,021                       | 54,021   | 54,021                                                    |
| Fund balances - ending                                       | \$ 14,410                    | \$ -     | \$ 62,701                                                 |

See accompanying independent auditors' report.

| Totals           |            |            |                                                           |
|------------------|------------|------------|-----------------------------------------------------------|
| Budgeted Amounts |            |            | Variance with<br>Final Budget -<br>Positive<br>(Negative) |
| Original         | Final      | Actual     |                                                           |
| \$ 101,393       | \$ 101,549 | \$ 101,322 | \$ (227)                                                  |
| -                | 4,000      | 4,000      | -                                                         |
| 297              | 316        | 278        | (38)                                                      |
| 14,371           | 19,614     | 19,576     | (38)                                                      |
| 116,061          | 125,479    | 125,176    | (303)                                                     |
| 720              | 720        | 700        | (20)                                                      |
| 68               | 68         | 36         | (32)                                                      |
| 3,000            | 5,757      | 5,756      | (1)                                                       |
| 3,788            | 6,545      | 6,492      | (53)                                                      |
| 119,849          | 132,024    | 131,668    | (356)                                                     |
| 209,023          | 196,560    | 30,138     | 166,422                                                   |
| -                | 4          | 4          | -                                                         |
| -                | 43,573     | 43,573     | -                                                         |
| 209,023          | 240,137    | 73,715     | 166,422                                                   |
| (89,174)         | (108,113)  | 57,953     | 166,066                                                   |
| (72,979)         | (75,736)   | (74,342)   | 1,394                                                     |
| (72,979)         | (75,736)   | (74,342)   | 1,394                                                     |
| (162,153)        | (183,849)  | (16,389)   | 167,460                                                   |
| 184,676          | 184,676    | 184,676    | -                                                         |
| \$ 22,523        | \$ 827     | \$ 168,287 | \$ 167,460                                                |



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## Internal Service Funds

The Internal Service Funds account for the cost of the District's Insurance Funds

- **Workers Compensation Fund** - Accounts for and reports on the workers' compensation program.
- **Liability Self-Insurance Fund** - Accounts for and reports on the automobile and general liability programs.
- **Group Health Insurance Fund** – Accounts for and reports on the health insurance program.

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY****INTERNAL SERVICE FUNDS****COMBINING STATEMENT OF NET POSITION****JUNE 30, 2014**

(amounts expressed in thousands)

|                                      | <b>Workers<br/>Compensation<br/>Fund</b> | <b>Liability<br/>Self<br/>Insurance<br/>Fund</b> |
|--------------------------------------|------------------------------------------|--------------------------------------------------|
| <b>ASSETS</b>                        |                                          |                                                  |
| Current assets:                      |                                          |                                                  |
| Cash                                 | \$ 4,642                                 | \$ -                                             |
| Investments                          | 93,406                                   | 7,525                                            |
| Accounts receivable                  | 22                                       | 10                                               |
| Due from other governmental agencies | -                                        | -                                                |
| Total assets                         | <u>98,070</u>                            | <u>7,535</u>                                     |
| <b>LIABILITIES</b>                   |                                          |                                                  |
| Current liabilities:                 |                                          |                                                  |
| Accounts payable                     | 46                                       | 19                                               |
| Advanced revenue                     | -                                        | -                                                |
| Estimated liability for claims       | 7,141                                    | 1,280                                            |
| Total current liabilities            | <u>7,187</u>                             | <u>1,299</u>                                     |
| Noncurrent liabilities:              |                                          |                                                  |
| Estimated liability for claims       | 6,347                                    | 2,456                                            |
| Total noncurrent liabilities         | <u>6,347</u>                             | <u>2,456</u>                                     |
| Total liabilities                    | <u>13,534</u>                            | <u>3,755</u>                                     |
| <b>NET POSITION</b>                  |                                          |                                                  |
| Unrestricted                         | 84,536                                   | 3,780                                            |
| Total net position                   | <u>\$ 84,536</u>                         | <u>\$ 3,780</u>                                  |

See accompanying independent auditors' report.

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| <b>Group<br/>Health<br/>Insurance<br/>Fund</b> | <b>Totals</b>    |
|------------------------------------------------|------------------|
| \$ -                                           | \$ 4,642         |
| 21,486                                         | 122,417          |
| 168                                            | 200              |
| 585                                            | 585              |
| <u>22,239</u>                                  | <u>127,844</u>   |
| 13,267                                         | 13,332           |
| 8,972                                          | 8,972            |
| -                                              | 8,421            |
| <u>22,239</u>                                  | <u>30,725</u>    |
| -                                              | 8,803            |
| -                                              | 8,803            |
| <u>22,239</u>                                  | <u>39,528</u>    |
| -                                              | 88,316           |
| <u>\$ -</u>                                    | <u>\$ 88,316</u> |

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY****INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
(amounts expressed in thousands)**

|                                  | <b>Workers<br/>Compensation<br/>Fund</b> | <b>Liability<br/>Self<br/>Insurance<br/>Fund</b> |
|----------------------------------|------------------------------------------|--------------------------------------------------|
| <b>OPERATING REVENUES:</b>       |                                          |                                                  |
| Premium revenue from other funds | \$ -                                     | \$ -                                             |
| Other revenue                    | 1,396                                    | 74                                               |
| Total operating revenues         | 1,396                                    | 74                                               |
| <b>OPERATING EXPENSES:</b>       |                                          |                                                  |
| Salaries                         | 453                                      | -                                                |
| Benefits                         | 155                                      | -                                                |
| Purchased services               | 268                                      | 41                                               |
| Claims, premiums and other       | 8,515                                    | 2,985                                            |
| Total operating expenses         | 9,391                                    | 3,026                                            |
| Operating loss                   | (7,995)                                  | (2,952)                                          |
| <b>NON-OPERATING REVENUE:</b>    |                                          |                                                  |
| Interest                         | 329                                      | 10                                               |
| Total non-operating revenue      | 329                                      | 10                                               |
| Loss before transfers            | (7,666)                                  | (2,942)                                          |
| <b>TRANSFERS IN</b>              | -                                        | 3,080                                            |
| <b>TRANSFERS OUT</b>             | (12,032)                                 | -                                                |
| Change in net position           | (19,698)                                 | 138                                              |
| Total net position - beginning   | 104,234                                  | 3,642                                            |
| Total net position - ending      | \$ 84,536                                | \$ 3,780                                         |

See accompanying independent auditors' report.



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| <b>Group<br/>Health<br/>Insurance<br/>Fund</b> | <b>Totals</b> |
|------------------------------------------------|---------------|
| \$ 157,216                                     | \$ 157,216    |
| -                                              | 1,470         |
| 157,216                                        | 158,686       |
| -                                              | 453           |
| -                                              | 155           |
| -                                              | 309           |
| 157,216                                        | 168,716       |
| 157,216                                        | 169,633       |
| -                                              | (10,947)      |
| -                                              | 339           |
| -                                              | 339           |
| -                                              | (10,608)      |
| -                                              | 3,080         |
| -                                              | (12,032)      |
| -                                              | (19,560)      |
| -                                              | 107,876       |
| \$ -                                           | \$ 88,316     |

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
(amounts expressed in thousands)**

|                                                                                                         | <b>Workers<br/>Compensation<br/>Fund</b> | <b>Liability<br/>Self<br/>Insurance<br/>Fund</b> |
|---------------------------------------------------------------------------------------------------------|------------------------------------------|--------------------------------------------------|
| <b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>                                                            |                                          |                                                  |
| Receipts from interfund services provided                                                               | \$ -                                     | \$ -                                             |
| Payment to suppliers                                                                                    | (7,732)                                  | (2,914)                                          |
| Payment to employees                                                                                    | (608)                                    | -                                                |
| Other receipts                                                                                          | 1,376                                    | 72                                               |
| Net cash provided by (used in) operating activities                                                     | <u>(6,964)</u>                           | <u>(2,842)</u>                                   |
| <b>CASH FLOWS FROM NON CAPITAL AND<br/>RELATED FINANCING ACTIVITIES:</b>                                |                                          |                                                  |
| Transfers from other funds                                                                              | -                                        | 3,080                                            |
| Transfers to other funds                                                                                | (12,032)                                 | -                                                |
| Net cash provided by (used in) noncapital and<br>related financing activities                           | <u>(12,032)</u>                          | <u>3,080</u>                                     |
| <b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>                                                            |                                          |                                                  |
| Proceeds from sales and maturities of investments                                                       | 19,519                                   | -                                                |
| Purchase of investments                                                                                 | -                                        | (248)                                            |
| Interest and dividends earned on investments                                                            | 329                                      | 10                                               |
| Net cash provided by (used in) investing activities                                                     | <u>19,848</u>                            | <u>(238)</u>                                     |
| Net increase in cash                                                                                    | 852                                      | -                                                |
| Cash - Beginning of year                                                                                | <u>3,790</u>                             | <u>-</u>                                         |
| Cash - End of year                                                                                      | <u><u>\$ 4,642</u></u>                   | <u><u>\$ -</u></u>                               |
| <b>Reconciliation of operating<br/>loss to net cash provided by (used in)<br/>operating activities:</b> |                                          |                                                  |
| Operating loss                                                                                          | \$ (7,995)                               | \$ (2,952)                                       |
| Adjustments to reconcile operating loss to<br>net cash provided by (used in) operating activities:      |                                          |                                                  |
| Change in assets and liabilities:                                                                       |                                          |                                                  |
| (Increase) decrease in accounts receivable                                                              | (20)                                     | (2)                                              |
| (Increase) decrease in due from other governmental agencies                                             | -                                        | -                                                |
| (Increase) decrease in accounts payable                                                                 | 46                                       | 17                                               |
| Increase (decrease) in estimated liability for long-term claims                                         | 1,005                                    | 95                                               |
| Increase (decrease) in deferred revenue                                                                 | -                                        | -                                                |
| Total adjustments                                                                                       | <u>1,031</u>                             | <u>110</u>                                       |
| Net cash provided by (used in) operating activities                                                     | <u><u>\$ (6,964)</u></u>                 | <u><u>\$ (2,842)</u></u>                         |

See accompanying independent auditors' report.

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| Group<br>Health<br>Insurance<br>Fund | Totals      |
|--------------------------------------|-------------|
| \$ 157,126                           | \$ 157,126  |
| (157,021)                            | (167,667)   |
| -                                    | (608)       |
| -                                    | 1,448       |
| 105                                  | (9,701)     |
| -                                    | 3,080       |
| -                                    | (12,032)    |
| -                                    | (8,952)     |
| -                                    | 19,519      |
| (105)                                | (353)       |
| -                                    | 339         |
| (105)                                | 19,505      |
| -                                    | 852         |
| -                                    | 3,790       |
| \$ -                                 | \$ 4,642    |
| \$ -                                 | \$ (10,947) |
| 17                                   | (5)         |
| 39                                   | 39          |
| 156                                  | 219         |
| -                                    | 1,100       |
| (107)                                | (107)       |
| 105                                  | 1,246       |
| \$ 105                               | \$ (9,701)  |



Hillsborough County  
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## Agency Funds

The Agency Funds account for resources held by the District as custodian for others

- **School Activity Fund** - Accounts for and reports on the school's activity funds.
  - **Extended Year Fund** - Accounts for and reports on funds withheld to be paid at a later date.
  - **Miscellaneous Depository Fund** – Accounts for and reports on the deposits held by the District on behalf of others.
-

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY****COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES****AGENCY FUNDS****FOR THE FISCAL YEAR ENDED JUNE 30, 2014****(amounts expressed in thousands)**

|                              | <b>School Activity Fund</b>      |                  |                   |                                   |
|------------------------------|----------------------------------|------------------|-------------------|-----------------------------------|
|                              | <b>Balances<br/>July 1, 2013</b> | <b>Additions</b> | <b>Deductions</b> | <b>Balances<br/>June 30, 2014</b> |
| <b>ASSETS</b>                |                                  |                  |                   |                                   |
| Cash                         | \$ 16,162                        | \$ 15,866        | \$ 16,161         | \$ 15,867                         |
| Investments                  | 3,251                            | 4                | 1,001             | 2,254                             |
| Inventory                    | 242                              | 161              | 242               | 161                               |
| Total assets                 | <u>\$ 19,655</u>                 | <u>\$ 16,031</u> | <u>\$ 17,404</u>  | <u>\$ 18,282</u>                  |
| <b>LIABILITIES</b>           |                                  |                  |                   |                                   |
| Accounts payable             | \$ 1,738                         | \$ 1,423         | \$ 1,738          | \$ 1,423                          |
| Due to student organizations | 17,917                           | 24,128           | 25,186            | 16,859                            |
| Payroll deductions           | -                                | -                | -                 | -                                 |
| Total liabilities            | <u>\$ 19,655</u>                 | <u>\$ 25,551</u> | <u>\$ 26,924</u>  | <u>\$ 18,282</u>                  |

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Extended Year Fund

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| Balances<br>July 1, 2013 | Additions        | Deductions       | Balances<br>June 30, 2014 |
|--------------------------|------------------|------------------|---------------------------|
| \$ -                     | \$ -             | \$ -             | \$ -                      |
| 30,968                   | 35,037           | 30,968           | 35,037                    |
| -                        | -                | -                | -                         |
| <u>\$ 30,968</u>         | <u>\$ 35,037</u> | <u>\$ 30,968</u> | <u>\$ 35,037</u>          |
|                          |                  |                  |                           |
| \$ -                     | \$ -             | \$ -             |                           |
| -                        | -                | -                | -                         |
| 30,968                   | 35,037           | 30,968           | 35,037                    |
| <u>\$ 30,968</u>         | <u>\$ 35,037</u> | <u>\$ 30,968</u> | <u>\$ 35,037</u>          |

(Continued)

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY****COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES****AGENCY FUNDS****FOR THE FISCAL YEAR ENDED JUNE 30, 2014****(amounts expressed in thousands)**

|                              | <b>Miscellaneous Depository Fund</b> |                  |                   |                                   |
|------------------------------|--------------------------------------|------------------|-------------------|-----------------------------------|
|                              | <b>Balances<br/>July 1, 2013</b>     | <b>Additions</b> | <b>Deductions</b> | <b>Balances<br/>June 30, 2014</b> |
| <b>ASSETS</b>                |                                      |                  |                   |                                   |
| Cash                         | \$ 29                                | \$ -             | \$ -              | \$ 29                             |
| Investments                  | -                                    | -                | -                 | -                                 |
| Inventory                    | -                                    | -                | -                 | -                                 |
| Total assets                 | <u>\$ 29</u>                         | <u>\$ -</u>      | <u>\$ -</u>       | <u>\$ 29</u>                      |
| <b>LIABILITIES</b>           |                                      |                  |                   |                                   |
| Accounts payable             | \$ 29                                | \$ -             | \$ -              | \$ 29                             |
| Due to student organizations | -                                    | -                | -                 | -                                 |
| Payroll deductions           | -                                    | -                | -                 | -                                 |
| Total liabilities            | <u>\$ 29</u>                         | <u>\$ -</u>      | <u>\$ -</u>       | <u>\$ 29</u>                      |

See accompanying independent auditors' report.



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**Totals**

| <b>Balances<br/>July 1, 2013</b> | <b>Additions</b> | <b>Deductions</b> | <b>Balances<br/>June 30, 2014</b> |
|----------------------------------|------------------|-------------------|-----------------------------------|
| \$ 16,191                        | \$ 15,866        | \$ 16,161         | \$ 15,896                         |
| 34,219                           | 35,041           | 31,969            | 37,291                            |
| 242                              | 161              | 242               | 161                               |
| <u>\$ 50,652</u>                 | <u>\$ 51,068</u> | <u>\$ 48,372</u>  | <u>\$ 53,348</u>                  |
|                                  |                  |                   |                                   |
| \$ 1,767                         | \$ 1,423         | \$ 1,738          | \$ 1,452                          |
| 17,917                           | 24,128           | 25,186            | 16,859                            |
| 30,968                           | 35,037           | 30,968            | 35,037                            |
| <u>\$ 50,652</u>                 | <u>\$ 60,588</u> | <u>\$ 57,892</u>  | <u>\$ 53,348</u>                  |



Hillsborough County  
PUBLIC SCHOOLS  
*Excellence in Education*

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## Component Units

- **Discretely Presented Component Units** - Accounts for and reports on the Hillsborough Education Foundation and the various Charter Schools

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**STATEMENT OF NET POSITION**

**DISCRETELY PRESENTED COMPONENT UNITS**

**JUNE 30, 2014**

(amounts expressed in thousands)

|                                                           | Advantage<br>Academy<br>of<br>Hillsborough | Advantage<br>Academy<br>Middle<br>School | Bell<br>Creek<br>Academy | Bell Creek<br>Academy<br>High School | Brooks<br>DeBartolo<br>Collegiate<br>High School |
|-----------------------------------------------------------|--------------------------------------------|------------------------------------------|--------------------------|--------------------------------------|--------------------------------------------------|
| <b>ASSETS</b>                                             |                                            |                                          |                          |                                      |                                                  |
| Cash                                                      | \$ 192                                     | \$ 273                                   | \$ 155                   | \$ 47                                | \$ 1,958                                         |
| Investments                                               | -                                          | -                                        | -                        | -                                    | -                                                |
| Accounts receivable, net                                  | 23                                         | -                                        | 13                       | -                                    | 7                                                |
| Due from other governmental agencies                      | 45                                         | 11                                       | 23                       | 7                                    | 22                                               |
| Other assets                                              | -                                          | -                                        | -                        | -                                    | -                                                |
| Prepaid items                                             | 38                                         | 1                                        | 52                       | 15                                   | -                                                |
| Capital Assets ( Net of accumulated depreciation):        |                                            |                                          |                          |                                      |                                                  |
| Land                                                      | -                                          | -                                        | -                        | -                                    | 1,975                                            |
| Land improvements                                         | -                                          | -                                        | -                        | -                                    | -                                                |
| Construction in progress                                  | -                                          | -                                        | -                        | -                                    | 1,064                                            |
| Improvements other than buildings                         | -                                          | -                                        | -                        | -                                    | -                                                |
| Buildings and systems                                     | 8                                          | 5                                        | -                        | -                                    | 11,083                                           |
| Furniture, fixtures and equipment                         | 12                                         | 11                                       | 84                       | 21                                   | 48                                               |
| Motor vehicles                                            | -                                          | -                                        | -                        | -                                    | -                                                |
| Property under capital leases                             | -                                          | -                                        | -                        | -                                    | 68                                               |
| Audio visual materials                                    | -                                          | -                                        | -                        | -                                    | -                                                |
| Total assets                                              | <u>318</u>                                 | <u>301</u>                               | <u>327</u>               | <u>90</u>                            | <u>16,225</u>                                    |
| <b>DEFERRED OUTFLOWS</b>                                  |                                            |                                          |                          |                                      |                                                  |
| Accumulated decrease in fair value of hedging derivatives | -                                          | -                                        | -                        | -                                    | -                                                |
| <b>LIABILITIES</b>                                        |                                            |                                          |                          |                                      |                                                  |
| Accounts payable                                          | 51                                         | 62                                       | 37                       | 19                                   | 745                                              |
| Salaries and wages payable                                | 122                                        | 36                                       | 174                      | 24                                   | -                                                |
| Accrued payroll taxes and withholdings                    | -                                          | -                                        | -                        | -                                    | -                                                |
| Due to other governmental agencies                        | -                                          | -                                        | -                        | -                                    | -                                                |
| Deposits payable                                          | -                                          | -                                        | -                        | -                                    | -                                                |
| Advanced revenue                                          | -                                          | -                                        | -                        | -                                    | -                                                |
| Derivative instrument - liability                         | -                                          | -                                        | -                        | -                                    | -                                                |
| Noncurrent liabilities:                                   |                                            |                                          |                          |                                      |                                                  |
| Due within one year                                       | -                                          | -                                        | 132                      | -                                    | 30                                               |
| Due in more than one year                                 | -                                          | -                                        | 221                      | -                                    | 20,071                                           |
| Total liabilities                                         | <u>173</u>                                 | <u>98</u>                                | <u>564</u>               | <u>43</u>                            | <u>20,846</u>                                    |
| <b>NET POSITION</b>                                       |                                            |                                          |                          |                                      |                                                  |
| Net investment in capital assets                          | 20                                         | 16                                       | (269)                    | 21                                   | (5,862)                                          |
| Restricted for:                                           |                                            |                                          |                          |                                      |                                                  |
| Debt service                                              | -                                          | -                                        | -                        | -                                    | -                                                |
| Capital outlay                                            | -                                          | -                                        | -                        | -                                    | -                                                |
| Other purposes                                            | -                                          | -                                        | -                        | -                                    | -                                                |
| Unrestricted (deficit)                                    | 125                                        | 187                                      | 32                       | 26                                   | 1,241                                            |
| Total net position                                        | <u>\$ 145</u>                              | <u>\$ 203</u>                            | <u>\$ (237)</u>          | <u>\$ 47</u>                         | <u>\$ (4,621)</u>                                |

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| Channelside<br>Academy of<br>Math and<br>Science | Channelside<br>Academy<br>Middle<br>School | Community<br>Charter Middle<br>School of<br>Excellence | Community<br>Charter<br>School of<br>Excellence | Florida Autism<br>Charter<br>School of<br>Excellence | Focus<br>Academy |
|--------------------------------------------------|--------------------------------------------|--------------------------------------------------------|-------------------------------------------------|------------------------------------------------------|------------------|
| \$ 266                                           | \$ 91                                      | \$ 81                                                  | \$ 43                                           | \$ 76                                                | \$ 31            |
| -                                                | -                                          | -                                                      | -                                               | -                                                    | -                |
| 8                                                | 11                                         | 18                                                     | 1                                               | 82                                                   | 3                |
| 22                                               | 6                                          | -                                                      | 14                                              | -                                                    | 8                |
| -                                                | -                                          | -                                                      | -                                               | -                                                    | -                |
| 49                                               | 1                                          | 2                                                      | 10                                              | -                                                    | -                |
| -                                                | -                                          | -                                                      | -                                               | -                                                    | -                |
| -                                                | -                                          | -                                                      | -                                               | -                                                    | -                |
| -                                                | -                                          | -                                                      | -                                               | -                                                    | -                |
| -                                                | -                                          | -                                                      | -                                               | -                                                    | -                |
| 6                                                | 3                                          | 28                                                     | 53                                              | 145                                                  | -                |
| 25                                               | -                                          | 50                                                     | 9                                               | 17                                                   | 6                |
| -                                                | -                                          | -                                                      | -                                               | -                                                    | -                |
| -                                                | -                                          | -                                                      | -                                               | -                                                    | -                |
| -                                                | -                                          | -                                                      | -                                               | -                                                    | -                |
| 376                                              | 112                                        | 179                                                    | 130                                             | 320                                                  | 48               |
| -                                                | -                                          | -                                                      | -                                               | -                                                    | -                |
| -                                                | -                                          | -                                                      | -                                               | -                                                    | -                |
| 50                                               | 4                                          | 6                                                      | 129                                             | 351                                                  | 2                |
| 102                                              | 45                                         | 88                                                     | -                                               | -                                                    | 16               |
| -                                                | -                                          | -                                                      | -                                               | -                                                    | -                |
| -                                                | -                                          | -                                                      | -                                               | -                                                    | -                |
| -                                                | -                                          | -                                                      | -                                               | -                                                    | -                |
| -                                                | -                                          | -                                                      | -                                               | -                                                    | -                |
| -                                                | -                                          | -                                                      | -                                               | -                                                    | -                |
| -                                                | -                                          | -                                                      | -                                               | -                                                    | 3                |
| -                                                | -                                          | -                                                      | -                                               | -                                                    | -                |
| 152                                              | 49                                         | 94                                                     | 129                                             | 351                                                  | 21               |
| -                                                | -                                          | -                                                      | -                                               | -                                                    | -                |
| 31                                               | 3                                          | 78                                                     | 62                                              | 162                                                  | 3                |
| -                                                | -                                          | -                                                      | -                                               | -                                                    | -                |
| -                                                | -                                          | -                                                      | -                                               | -                                                    | -                |
| -                                                | -                                          | -                                                      | -                                               | -                                                    | -                |
| 193                                              | 60                                         | 7                                                      | (61)                                            | (193)                                                | 24               |
| \$ 224                                           | \$ 63                                      | \$ 85                                                  | \$ 1                                            | \$ (31)                                              | \$ 27            |

(Continued)

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**STATEMENT OF NET POSITION**

**DISCRETELY PRESENTED COMPONENT UNITS**

**JUNE 30, 2014**

(amounts expressed in thousands)

|                                                           | Henderson<br>Hammock | Hillsborough<br>Academy Of<br>Math<br>& Science | Kid's<br>Community<br>School | Kid's<br>Community<br>Middle<br>School | Kid's<br>Community<br>School<br>Southeast |
|-----------------------------------------------------------|----------------------|-------------------------------------------------|------------------------------|----------------------------------------|-------------------------------------------|
| <b>ASSETS</b>                                             |                      |                                                 |                              |                                        |                                           |
| Cash                                                      | \$ 942               | \$ 696                                          | \$ 61                        | \$ 136                                 | \$ 24                                     |
| Investments                                               | -                    | -                                               | -                            | -                                      | -                                         |
| Accounts receivable, net                                  | 18                   | -                                               | 98                           | 2                                      | 5                                         |
| Due from other governmental agencies                      | 36                   | 36                                              | 47                           | 17                                     | -                                         |
| Other assets                                              | -                    | -                                               | -                            | -                                      | -                                         |
| Prepaid items                                             | 36                   | 79                                              | -                            | -                                      | -                                         |
| Capital Assets ( Net of accumulated depreciation):        |                      |                                                 |                              |                                        |                                           |
| Land                                                      | -                    | -                                               | -                            | -                                      | -                                         |
| Land improvements                                         | -                    | -                                               | -                            | -                                      | -                                         |
| Construction in progress                                  | -                    | -                                               | -                            | -                                      | -                                         |
| Improvements other than buildings                         | 8                    | -                                               | -                            | -                                      | -                                         |
| Buildings and systems                                     | -                    | -                                               | 7                            | 68                                     | -                                         |
| Furniture, fixtures and equipment                         | 541                  | 78                                              | 4                            | 11                                     | 17                                        |
| Motor vehicles                                            | -                    | -                                               | 5                            | -                                      | -                                         |
| Property under capital leases                             | -                    | -                                               | -                            | -                                      | -                                         |
| Audio visual materials                                    | -                    | -                                               | -                            | -                                      | -                                         |
| Total assets                                              | <u>1,581</u>         | <u>889</u>                                      | <u>222</u>                   | <u>234</u>                             | <u>46</u>                                 |
| <b>DEFERRED OUTFLOWS</b>                                  |                      |                                                 |                              |                                        |                                           |
| Accumulated decrease in fair value of hedging derivatives | -                    | -                                               | -                            | -                                      | -                                         |
| <b>LIABILITIES</b>                                        |                      |                                                 |                              |                                        |                                           |
| Accounts payable                                          | 67                   | 57                                              | 26                           | 10                                     | 16                                        |
| Salaries and wages payable                                | 264                  | 199                                             | -                            | -                                      | -                                         |
| Accrued payroll taxes and withholdings                    | -                    | -                                               | -                            | -                                      | -                                         |
| Due to other governmental agencies                        | -                    | -                                               | -                            | -                                      | -                                         |
| Deposits payable                                          | -                    | -                                               | -                            | -                                      | -                                         |
| Advanced revenue                                          | -                    | -                                               | -                            | -                                      | -                                         |
| Derivative instrument - liability                         | -                    | -                                               | -                            | -                                      | -                                         |
| Noncurrent liabilities:                                   |                      |                                                 |                              |                                        |                                           |
| Due within one year                                       | 243                  | 107                                             | -                            | 64                                     | -                                         |
| Due in more than one year                                 | 253                  | 199                                             | -                            | -                                      | -                                         |
| Total liabilities                                         | <u>827</u>           | <u>562</u>                                      | <u>26</u>                    | <u>74</u>                              | <u>16</u>                                 |
| <b>NET POSITION</b>                                       |                      |                                                 |                              |                                        |                                           |
| Net investment in capital assets                          | 68                   | (228)                                           | 16                           | 15                                     | 17                                        |
| Restricted for:                                           |                      |                                                 |                              |                                        |                                           |
| Debt service                                              | -                    | -                                               | -                            | -                                      | -                                         |
| Capital outlay                                            | -                    | -                                               | -                            | -                                      | -                                         |
| Other purposes                                            | -                    | -                                               | -                            | -                                      | -                                         |
| Unrestricted (deficit)                                    | 686                  | 555                                             | 180                          | 145                                    | 13                                        |
| Total net position                                        | <u>\$ 754</u>        | <u>\$ 327</u>                                   | <u>\$ 196</u>                | <u>\$ 160</u>                          | <u>\$ 30</u>                              |

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| Kings Kid<br>Academy of Health<br>Sciences | Learning<br>Gate<br>Charter<br>School | Literacy<br>Leadership<br>Technology<br>Academy M S | Lutz<br>Prepartory<br>School | Legacy<br>Preparatory<br>Academy<br>Inc. |
|--------------------------------------------|---------------------------------------|-----------------------------------------------------|------------------------------|------------------------------------------|
| \$ 28                                      | \$ 370                                | \$ 477                                              | \$ 571                       | \$ 4                                     |
| -                                          | 1,439                                 | -                                                   | -                            | -                                        |
| -                                          | -                                     | -                                                   | 39                           | -                                        |
| -                                          | 30                                    | 23                                                  | -                            | 4                                        |
| -                                          | 57                                    | -                                                   | -                            | -                                        |
| -                                          | -                                     | 4                                                   | 100                          | -                                        |
| -                                          | 572                                   | -                                                   | -                            | -                                        |
| -                                          | -                                     | -                                                   | -                            | -                                        |
| -                                          | -                                     | -                                                   | -                            | -                                        |
| -                                          | 42                                    | -                                                   | 283                          | -                                        |
| -                                          | 4,416                                 | 143                                                 | 648                          | -                                        |
| -                                          | 128                                   | -                                                   | 34                           | 8                                        |
| -                                          | -                                     | -                                                   | -                            | 9                                        |
| -                                          | -                                     | 26                                                  | -                            | -                                        |
| -                                          | -                                     | -                                                   | -                            | 1                                        |
| 28                                         | 7,054                                 | 673                                                 | 1,675                        | 26                                       |
| -                                          | -                                     | -                                                   | -                            | -                                        |
| -                                          | -                                     | -                                                   | -                            | -                                        |
| -                                          | -                                     | -                                                   | 31                           | 16                                       |
| 24                                         | 271                                   | 6                                                   | 186                          | -                                        |
| -                                          | -                                     | -                                                   | -                            | -                                        |
| -                                          | -                                     | -                                                   | -                            | -                                        |
| -                                          | -                                     | -                                                   | 44                           | -                                        |
| -                                          | -                                     | -                                                   | -                            | -                                        |
| -                                          | -                                     | -                                                   | -                            | -                                        |
| -                                          | 175                                   | 48                                                  | 117                          | -                                        |
| -                                          | 6,824                                 | 88                                                  | 464                          | -                                        |
| 24                                         | 7,270                                 | 142                                                 | 842                          | 16                                       |
| -                                          | (1,785)                               | 33                                                  | 384                          | 18                                       |
| -                                          | 1,440                                 | -                                                   | -                            | -                                        |
| -                                          | -                                     | -                                                   | -                            | -                                        |
| -                                          | -                                     | -                                                   | -                            | -                                        |
| 4                                          | 129                                   | 498                                                 | 449                          | (8)                                      |
| \$ 4                                       | \$ (216)                              | \$ 531                                              | \$ 833                       | \$ 10                                    |

(Continued)

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**STATEMENT OF NET POSITION**

**DISCRETELY PRESENTED COMPONENT UNITS**

**JUNE 30, 2014**

(amounts expressed in thousands)

|                                                           | New Springs<br>Elementary<br>School | New Springs<br>Middle<br>School | Pepin<br>Academies | Pepin<br>Transitional<br>School | Pivot<br>Charter<br>School |
|-----------------------------------------------------------|-------------------------------------|---------------------------------|--------------------|---------------------------------|----------------------------|
| <b>ASSETS</b>                                             |                                     |                                 |                    |                                 |                            |
| Cash                                                      | \$ 75                               | \$ 73                           | \$ 1,735           | \$ 342                          | \$ 343                     |
| Investments                                               | -                                   | -                               | -                  | -                               | -                          |
| Accounts receivable, net                                  | 10                                  | 1                               | 30                 | 86                              | 250                        |
| Due from other governmental agencies                      | 9                                   | 5                               | -                  | -                               | 22                         |
| Other assets                                              | -                                   | -                               | 190                | -                               | -                          |
| Prepaid items                                             | -                                   | -                               | 30                 | -                               | 14                         |
| Capital Assets ( Net of accumulated depreciation):        |                                     |                                 |                    |                                 |                            |
| Land                                                      | -                                   | -                               | 1,237              | -                               | -                          |
| Land improvements                                         | -                                   | -                               | -                  | -                               | -                          |
| Construction in progress                                  | -                                   | -                               | -                  | -                               | -                          |
| Improvements other than buildings                         | -                                   | -                               | -                  | -                               | -                          |
| Buildings and systems                                     | 22                                  | 2                               | 3,042              | -                               | 234                        |
| Furniture, fixtures and equipment                         | 3                                   | 12                              | 264                | 18                              | 465                        |
| Motor vehicles                                            | -                                   | -                               | -                  | -                               | -                          |
| Property under capital leases                             | -                                   | -                               | -                  | -                               | -                          |
| Audio visual materials                                    | -                                   | -                               | -                  | -                               | -                          |
| Total assets                                              | <u>119</u>                          | <u>93</u>                       | <u>6,528</u>       | <u>446</u>                      | <u>1,328</u>               |
| <b>DEFERRED OUTFLOWS</b>                                  |                                     |                                 |                    |                                 |                            |
| Accumulated decrease in fair value of hedging derivatives | -                                   | -                               | -                  | -                               | -                          |
| <b>LIABILITIES</b>                                        |                                     |                                 |                    |                                 |                            |
| Accounts payable                                          | 1                                   | 11                              | 143                | 1                               | 16                         |
| Salaries and wages payable                                | -                                   | -                               | 408                | 34                              | 34                         |
| Accrued payroll taxes and withholdings                    | -                                   | -                               | -                  | -                               | -                          |
| Due to other governmental agencies                        | -                                   | -                               | -                  | -                               | -                          |
| Deposits payable                                          | -                                   | -                               | -                  | -                               | -                          |
| Advanced revenue                                          | -                                   | -                               | -                  | -                               | -                          |
| Derivative instrument - liability                         | -                                   | -                               | -                  | -                               | -                          |
| Noncurrent liabilities:                                   |                                     |                                 |                    |                                 |                            |
| Due within one year                                       | -                                   | -                               | 353                | -                               | -                          |
| Due in more than one year                                 | -                                   | -                               | 2,667              | -                               | -                          |
| Total liabilities                                         | <u>1</u>                            | <u>11</u>                       | <u>3,571</u>       | <u>35</u>                       | <u>50</u>                  |
| <b>NET POSITION</b>                                       |                                     |                                 |                    |                                 |                            |
| Net investment in capital assets                          | 25                                  | 14                              | 1,523              | 18                              | 699                        |
| Restricted for:                                           |                                     |                                 |                    |                                 |                            |
| Debt service                                              | -                                   | -                               | -                  | -                               | -                          |
| Capital outlay                                            | -                                   | -                               | -                  | -                               | -                          |
| Other purposes                                            | -                                   | -                               | 5                  | -                               | -                          |
| Unrestricted (deficit)                                    | 93                                  | 68                              | 1,429              | 393                             | 579                        |
| Total net position                                        | <u>\$ 118</u>                       | <u>\$ 82</u>                    | <u>\$ 2,957</u>    | <u>\$ 411</u>                   | <u>\$ 1,278</u>            |



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| Richardson<br>Academy<br>Charter<br>School | Seminole<br>Heights<br>Charter High<br>School | Shiloh<br>Elementary<br>Charter<br>School | Shiloh<br>Middle<br>Charter<br>School | Tampa<br>Charter<br>School |
|--------------------------------------------|-----------------------------------------------|-------------------------------------------|---------------------------------------|----------------------------|
| \$ 29                                      | \$ 1,254                                      | \$ 1,231                                  | \$ 457                                | \$ 259                     |
| -                                          | -                                             | -                                         | -                                     | -                          |
| 1                                          | 16                                            | 129                                       | -                                     | 27                         |
| -                                          | 28                                            | 26                                        | 12                                    | -                          |
| -                                          | -                                             | -                                         | -                                     | -                          |
| 3                                          | 54                                            | 2                                         | 1                                     | -                          |
| 208                                        | -                                             | -                                         | -                                     | -                          |
| -                                          | -                                             | -                                         | -                                     | -                          |
| 41                                         | -                                             | -                                         | -                                     | -                          |
| -                                          | -                                             | 298                                       | -                                     | -                          |
| 51                                         | 102                                           | 204                                       | 150                                   | 25                         |
| 17                                         | 317                                           | 52                                        | 5                                     | 4                          |
| -                                          | -                                             | -                                         | -                                     | -                          |
| -                                          | -                                             | -                                         | -                                     | -                          |
| -                                          | -                                             | -                                         | -                                     | -                          |
| 350                                        | 1,771                                         | 1,942                                     | 625                                   | 315                        |
| -                                          | -                                             | -                                         | -                                     | -                          |
| 35                                         | 204                                           | 30                                        | 195                                   | 42                         |
| 2                                          | -                                             | 177                                       | 16                                    | -                          |
| -                                          | -                                             | -                                         | -                                     | -                          |
| -                                          | 16                                            | -                                         | -                                     | -                          |
| -                                          | -                                             | -                                         | -                                     | -                          |
| -                                          | 11                                            | -                                         | -                                     | -                          |
| -                                          | -                                             | -                                         | -                                     | -                          |
| -                                          | -                                             | -                                         | -                                     | -                          |
| -                                          | -                                             | -                                         | -                                     | -                          |
| 37                                         | 231                                           | 207                                       | 211                                   | 42                         |
| 317                                        | 419                                           | 555                                       | 155                                   | 29                         |
| -                                          | -                                             | -                                         | -                                     | -                          |
| -                                          | -                                             | 38                                        | -                                     | -                          |
| -                                          | -                                             | -                                         | -                                     | -                          |
| (4)                                        | 1,121                                         | 1,142                                     | 259                                   | 244                        |
| \$ 313                                     | \$ 1,540                                      | \$ 1,735                                  | \$ 414                                | \$ 273                     |

(Continued)

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**STATEMENT OF NET POSITION**

**DISCRETELY PRESENTED COMPONENT UNITS**

**JUNE 30, 2014**

(amounts expressed in thousands)

|                                                           | Terrace<br>Community<br>Charter<br>School | Trinity<br>School<br>for<br>Children | Valrico<br>Lake<br>Advantage<br>Academy | The Village<br>of Excellence<br>Charter<br>School | Walton<br>Academy<br>Charter<br>School |
|-----------------------------------------------------------|-------------------------------------------|--------------------------------------|-----------------------------------------|---------------------------------------------------|----------------------------------------|
| <b>ASSETS</b>                                             |                                           |                                      |                                         |                                                   |                                        |
| Cash                                                      | \$ 1,330                                  | \$ 991                               | \$ 1,211                                | \$ 82                                             | \$ 25                                  |
| Investments                                               | -                                         | -                                    | -                                       | -                                                 | -                                      |
| Accounts receivable, net                                  | -                                         | 35                                   | 17                                      | 90                                                | 2                                      |
| Due from other governmental agencies                      | 57                                        | -                                    | 30                                      | -                                                 | 59                                     |
| Other assets                                              | 197                                       | 20                                   | -                                       | -                                                 | -                                      |
| Prepaid items                                             | -                                         | 14                                   | 68                                      | -                                                 | -                                      |
| Capital Assets ( Net of accumulated depreciation):        |                                           |                                      |                                         |                                                   |                                        |
| Land                                                      | 2,525                                     | 1,532                                | -                                       | -                                                 | -                                      |
| Land improvements                                         | -                                         | 250                                  | -                                       | -                                                 | -                                      |
| Construction in progress                                  | -                                         | -                                    | -                                       | -                                                 | -                                      |
| Improvements other than buildings                         | -                                         | -                                    | -                                       | -                                                 | -                                      |
| Buildings and systems                                     | 2,863                                     | 4,875                                | 110                                     | 5                                                 | 50                                     |
| Furniture, fixtures and equipment                         | 209                                       | 287                                  | 57                                      | 10                                                | 52                                     |
| Motor vehicles                                            | -                                         | -                                    | -                                       | -                                                 | -                                      |
| Property under capital leases                             | -                                         | 62                                   | -                                       | -                                                 | -                                      |
| Audio visual materials                                    | -                                         | -                                    | -                                       | -                                                 | -                                      |
| Total assets                                              | <u>7,181</u>                              | <u>8,066</u>                         | <u>1,493</u>                            | <u>187</u>                                        | <u>188</u>                             |
| <b>DEFERRED OUTFLOWS</b>                                  |                                           |                                      |                                         |                                                   |                                        |
| Accumulated decrease in fair value of hedging derivatives | -                                         | 121                                  | -                                       | -                                                 | -                                      |
| <b>LIABILITIES</b>                                        |                                           |                                      |                                         |                                                   |                                        |
| Accounts payable                                          | 53                                        | 60                                   | 107                                     | 13                                                | 12                                     |
| Salaries and wages payable                                | 109                                       | 215                                  | 225                                     | -                                                 | 40                                     |
| Accrued payroll taxes and withholdings                    | -                                         | -                                    | -                                       | -                                                 | -                                      |
| Due to other governmental agencies                        | -                                         | -                                    | -                                       | -                                                 | -                                      |
| Deposits payable                                          | -                                         | -                                    | -                                       | -                                                 | -                                      |
| Advanced revenue                                          | -                                         | 169                                  | -                                       | -                                                 | -                                      |
| Derivative instrument - liability                         | -                                         | 121                                  | -                                       | -                                                 | -                                      |
| Noncurrent liabilities:                                   |                                           |                                      |                                         |                                                   |                                        |
| Due within one year                                       | 134                                       | 139                                  | 73                                      | -                                                 | -                                      |
| Due in more than one year                                 | 5,412                                     | 5,977                                | 118                                     | -                                                 | -                                      |
| Total liabilities                                         | <u>5,708</u>                              | <u>6,681</u>                         | <u>523</u>                              | <u>13</u>                                         | <u>52</u>                              |
| <b>NET POSITION</b>                                       |                                           |                                      |                                         |                                                   |                                        |
| Net investment in capital assets                          | 1,107                                     | 864                                  | (24)                                    | 15                                                | 102                                    |
| Restricted for:                                           |                                           |                                      |                                         |                                                   |                                        |
| Debt service                                              | -                                         | -                                    | -                                       | -                                                 | -                                      |
| Capital outlay                                            | -                                         | -                                    | -                                       | -                                                 | -                                      |
| Other purposes                                            | -                                         | -                                    | -                                       | -                                                 | -                                      |
| Unrestricted (deficit)                                    | 366                                       | 642                                  | 994                                     | 159                                               | 34                                     |
| Total net position                                        | <u>\$ 1,473</u>                           | <u>\$ 1,506</u>                      | <u>\$ 970</u>                           | <u>\$ 174</u>                                     | <u>\$ 136</u>                          |

| W.E. Phillips<br>Learning<br>Academy | West<br>University<br>Charter<br>High School | Winthrop<br>Charter<br>School | Woodmont<br>Charter<br>School | Hillsborough<br>Education<br>Foundation | TOTALS<br>Component<br>Units |
|--------------------------------------|----------------------------------------------|-------------------------------|-------------------------------|-----------------------------------------|------------------------------|
| \$ -                                 | \$ 217                                       | \$ 2,360                      | \$ 231                        | \$ 10,896                               | \$ 29,663                    |
| -                                    | -                                            | -                             | -                             | 4,522                                   | 5,961                        |
| -                                    | 13                                           | 474                           | 289                           | 467                                     | 2,265                        |
| -                                    | 26                                           | 49                            | -                             | -                                       | 674                          |
| -                                    | -                                            | -                             | -                             | -                                       | 464                          |
| -                                    | 41                                           | 9                             | 7                             | 3,756                                   | 4,386                        |
| -                                    | -                                            | -                             | -                             | -                                       | 8,049                        |
| -                                    | -                                            | -                             | -                             | -                                       | 250                          |
| -                                    | -                                            | -                             | -                             | -                                       | 1,105                        |
| -                                    | -                                            | 68                            | 2                             | -                                       | 701                          |
| -                                    | -                                            | 14,958                        | 10,367                        | -                                       | 53,673                       |
| -                                    | 259                                          | 538                           | 240                           | 368                                     | 4,281                        |
| -                                    | -                                            | -                             | -                             | -                                       | 14                           |
| -                                    | -                                            | -                             | -                             | -                                       | 156                          |
| -                                    | -                                            | -                             | -                             | -                                       | 1                            |
| -                                    | 556                                          | 18,456                        | 11,136                        | 20,009                                  | 111,643                      |
| -                                    | -                                            | -                             | -                             | -                                       | 121                          |
| 12                                   | 469                                          | 72                            | 106                           | 11,686                                  | 14,947                       |
| -                                    | -                                            | 355                           | 233                           | -                                       | 3,405                        |
| 10                                   | -                                            | -                             | -                             | -                                       | 10                           |
| -                                    | 13                                           | 1                             | -                             | -                                       | 30                           |
| -                                    | -                                            | -                             | -                             | -                                       | 44                           |
| -                                    | 41                                           | -                             | -                             | 70                                      | 291                          |
| -                                    | -                                            | -                             | -                             | -                                       | 121                          |
| -                                    | -                                            | 570                           | 136                           | -                                       | 2,324                        |
| 12                                   | -                                            | 17,435                        | 12,508                        | -                                       | 72,249                       |
| 34                                   | 523                                          | 18,433                        | 12,983                        | 11,756                                  | 93,421                       |
| -                                    | 259                                          | (2,419)                       | (2,023)                       | 368                                     | (5,194)                      |
| -                                    | -                                            | -                             | -                             | -                                       | 1,440                        |
| -                                    | -                                            | -                             | -                             | -                                       | 38                           |
| -                                    | -                                            | -                             | -                             | 7,307                                   | 7,312                        |
| (34)                                 | (226)                                        | 2,442                         | 176                           | 578                                     | 14,747                       |
| \$ (34)                              | \$ 33                                        | \$ 23                         | \$ (1,847)                    | \$ 8,253                                | \$ 18,343                    |

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**STATEMENT OF ACTIVITIES  
DISCRETELY PRESENTED COMPONENT UNITS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
(amounts expressed in thousands)**

|                                                                 | Advantage<br>Academy<br>of<br>Hillsborough | Advantage<br>Academy<br>Middle<br>School | Bell<br>Creek<br>Academy | Bell Creek<br>Academy<br>High School | Brooks<br>DeBartolo<br>Collegiate<br>High School |
|-----------------------------------------------------------------|--------------------------------------------|------------------------------------------|--------------------------|--------------------------------------|--------------------------------------------------|
| <b>EXPENSES</b>                                                 |                                            |                                          |                          |                                      |                                                  |
| Instructional services                                          | \$ 1,213                                   | \$ 400                                   | \$ 1,877                 | \$ 370                               | \$ 1,629                                         |
| Instructional support services                                  | 43                                         | 11                                       | 21                       | 6                                    | 59                                               |
| Pupil transportation services                                   | 68                                         | 29                                       | 9                        | 1                                    | 8                                                |
| Operation and maintenance of plant                              | 172                                        | 71                                       | 266                      | 47                                   | 403                                              |
| Facilities acquisition and construction                         | 284                                        | 122                                      | 414                      | 104                                  | -                                                |
| School administration                                           | 175                                        | 76                                       | 257                      | 54                                   | 558                                              |
| General administration                                          | 307                                        | 112                                      | 376                      | 112                                  | 75                                               |
| Food services                                                   | 141                                        | 45                                       | 106                      | 25                                   | 132                                              |
| Community services and other                                    | 94                                         | -                                        | 50                       | 11                                   | 76                                               |
| Interest on long term debt                                      | -                                          | -                                        | 23                       | -                                    | 753                                              |
| Unallocated depreciation/amortization expense                   | 7                                          | 11                                       | 26                       | 4                                    | 387                                              |
| Total expenses                                                  | <u>\$ 2,504</u>                            | <u>\$ 877</u>                            | <u>\$ 3,425</u>          | <u>\$ 734</u>                        | <u>\$ 4,080</u>                                  |
| <b>PROGRAM REVENUES</b>                                         |                                            |                                          |                          |                                      |                                                  |
| Charges for services                                            | \$ 98                                      | \$ 11                                    | \$ 67                    | \$ 17                                | \$ 28                                            |
| Operating grants and contributions                              | 152                                        | 39                                       | 175                      | -                                    | 55                                               |
| Capital grants and contributions                                | 133                                        | 68                                       | 215                      | 72                                   | -                                                |
| Net program expenses                                            | <u>(2,121)</u>                             | <u>(759)</u>                             | <u>(2,968)</u>           | <u>(645)</u>                         | <u>(3,997)</u>                                   |
| <b>GENERAL REVENUES</b>                                         |                                            |                                          |                          |                                      |                                                  |
| Grants and contributions not restricted<br>to specific programs | 2,104                                      | 837                                      | 2,586                    | 668                                  | 2,637                                            |
| Investment earnings                                             | -                                          | -                                        | -                        | -                                    | -                                                |
| Miscellaneous                                                   | 36                                         | 1                                        | 145                      | 24                                   | 265                                              |
| Total general revenues                                          | <u>2,140</u>                               | <u>838</u>                               | <u>2,731</u>             | <u>692</u>                           | <u>2,902</u>                                     |
| Change in net position                                          | 19                                         | 79                                       | (237)                    | 47                                   | (1,095)                                          |
| Net position (deficit) - beginning, restated                    | 126                                        | 124                                      | -                        | -                                    | (3,526)                                          |
| Net position (deficit) - ending                                 | <u>\$ 145</u>                              | <u>\$ 203</u>                            | <u>\$ (237)</u>          | <u>\$ 47</u>                         | <u>\$ (4,621)</u>                                |

| Channelside Academy of Math and Science | Channelside Academy Middle School | Community Charter Middle School of Excellence | Community Charter School of Excellence | Florida Autism Charter School of Excellence | Focus Academy |
|-----------------------------------------|-----------------------------------|-----------------------------------------------|----------------------------------------|---------------------------------------------|---------------|
| \$ 1,182                                | \$ 253                            | \$ 297                                        | \$ 412                                 | \$ 978                                      | \$ 189        |
| 34                                      | 14                                | 18                                            | 21                                     | 300                                         | -             |
| -                                       | -                                 | 4                                             | 11                                     | 43                                          | 3             |
| 187                                     | 45                                | 75                                            | 147                                    | 208                                         | 18            |
| 402                                     | 106                               | -                                             | -                                      | -                                           | 92            |
| 177                                     | 45                                | 91                                            | 213                                    | 170                                         | 181           |
| 355                                     | 94                                | 142                                           | 255                                    | 288                                         | 22            |
| 111                                     | 22                                | 36                                            | 132                                    | 10                                          | 8             |
| 91                                      | 3                                 | -                                             | -                                      | 22                                          | 19            |
| 1                                       | -                                 | -                                             | -                                      | -                                           | -             |
| 12                                      | -                                 | -                                             | -                                      | -                                           | 1             |
| <u>\$ 2,552</u>                         | <u>\$ 582</u>                     | <u>\$ 663</u>                                 | <u>\$ 1,191</u>                        | <u>\$ 2,019</u>                             | <u>\$ 533</u> |
| \$ 166                                  | \$ 52                             | \$ -                                          | \$ -                                   | \$ 23                                       | \$ 7          |
| 96                                      | 15                                | 65                                            | 118                                    | 21                                          | 9             |
| 146                                     | 42                                | -                                             | 48                                     | -                                           | -             |
| <u>(2,144)</u>                          | <u>(473)</u>                      | <u>(598)</u>                                  | <u>(1,025)</u>                         | <u>(1,975)</u>                              | <u>(517)</u>  |
| 2,277                                   | 505                               | 503                                           | 888                                    | 1,682                                       | 504           |
| -                                       | -                                 | -                                             | -                                      | -                                           | -             |
| 38                                      | 13                                | -                                             | -                                      | 30                                          | 40            |
| <u>2,315</u>                            | <u>518</u>                        | <u>503</u>                                    | <u>888</u>                             | <u>1,712</u>                                | <u>544</u>    |
| 171                                     | 45                                | (95)                                          | (137)                                  | (263)                                       | 27            |
| 53                                      | 18                                | 180                                           | 138                                    | 232                                         | -             |
| <u>\$ 224</u>                           | <u>\$ 63</u>                      | <u>\$ 85</u>                                  | <u>\$ 1</u>                            | <u>\$ (31)</u>                              | <u>\$ 27</u>  |

(Continued)

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**STATEMENT OF ACTIVITIES  
DISCRETELY PRESENTED COMPONENT UNITS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
(amounts expressed in thousands)**

|                                                                 | Henderson<br>Hammock | Hillsborough<br>Academy of<br>Math<br>& Science | Kid's<br>Community<br>School | Kid's<br>Community<br>Middle<br>School | Kid's<br>Community<br>School<br>Southeast |
|-----------------------------------------------------------------|----------------------|-------------------------------------------------|------------------------------|----------------------------------------|-------------------------------------------|
| <b>EXPENSES</b>                                                 |                      |                                                 |                              |                                        |                                           |
| Instructional services                                          | \$ 3,064             | \$ 2,483                                        | \$ 1,398                     | \$ 602                                 | \$ 661                                    |
| Instructional support services                                  | 252                  | 61                                              | 3                            | 1                                      | 90                                        |
| Pupil transportation services                                   | 105                  | 3                                               | -                            | -                                      | -                                         |
| Operation and maintenance of plant                              | 1,437                | 285                                             | 222                          | 107                                    | 198                                       |
| Facilities acquisition and construction                         | -                    | 434                                             | 693                          | 204                                    | 440                                       |
| School administration                                           | -                    | 311                                             | 474                          | 218                                    | 243                                       |
| General administration                                          | 834                  | 529                                             | 135                          | 70                                     | 68                                        |
| Food services                                                   | 342                  | 237                                             | 365                          | 61                                     | 78                                        |
| Community services and other                                    | 99                   | 125                                             | 8                            | 5                                      | 3                                         |
| Interest on long term debt                                      | 38                   | 20                                              | -                            | -                                      | -                                         |
| Unallocated depreciation/amortization expense                   | -                    | 12                                              | 10                           | 18                                     | 2                                         |
| Total expenses                                                  | <u>\$ 6,171</u>      | <u>\$ 4,500</u>                                 | <u>\$ 3,308</u>              | <u>\$ 1,286</u>                        | <u>\$ 1,783</u>                           |
| <b>PROGRAM REVENUES</b>                                         |                      |                                                 |                              |                                        |                                           |
| Charges for services                                            | \$ 315               | \$ 194                                          | \$ 36                        | \$ 9                                   | \$ 15                                     |
| Operating grants and contributions                              | 680                  | 268                                             | 243                          | 39                                     | 205                                       |
| Capital grants and contributions                                | 379                  | 267                                             | 85                           | 93                                     | -                                         |
| Net program expenses                                            | <u>(4,797)</u>       | <u>(3,771)</u>                                  | <u>(2,944)</u>               | <u>(1,145)</u>                         | <u>(1,563)</u>                            |
| <b>GENERAL REVENUES</b>                                         |                      |                                                 |                              |                                        |                                           |
| Grants and contributions not restricted<br>to specific programs | 5,538                | 3,975                                           | 2,295                        | 1,132                                  | 1,222                                     |
| Investment earnings                                             | 1                    | -                                               | -                            | -                                      | -                                         |
| Miscellaneous                                                   | 41                   | 123                                             | 560                          | 108                                    | 309                                       |
| Total general revenues                                          | <u>5,580</u>         | <u>4,098</u>                                    | <u>2,855</u>                 | <u>1,240</u>                           | <u>1,531</u>                              |
| Change in net position                                          | 783                  | 327                                             | (89)                         | 95                                     | (32)                                      |
| Net position (deficit) - beginning, restated                    | <u>(29)</u>          | <u>-</u>                                        | <u>285</u>                   | <u>65</u>                              | <u>62</u>                                 |
| Net position (deficit) - ending                                 | <u>\$ 754</u>        | <u>\$ 327</u>                                   | <u>\$ 196</u>                | <u>\$ 160</u>                          | <u>\$ 30</u>                              |

| KingsKid<br>Academy<br>of Health<br>Sciences | Learning<br>Gate<br>Charter<br>School | Literacy<br>Leadership<br>Technology<br>Academy M S | Lutz<br>Prepartory<br>School | Legacy<br>Preparatory<br>Academy<br>Inc. |
|----------------------------------------------|---------------------------------------|-----------------------------------------------------|------------------------------|------------------------------------------|
| \$ 245                                       | \$ 3,129                              | \$ 1,825                                            | \$ 2,061                     | \$ 289                                   |
| -                                            | -                                     | 6                                                   | 53                           | 35                                       |
| -                                            | -                                     | -                                                   | -                            | 44                                       |
| 100                                          | 353                                   | 272                                                 | 333                          | 67                                       |
| -                                            | 305                                   | 464                                                 | 351                          | 81                                       |
| 208                                          | 842                                   | 541                                                 | 447                          | 248                                      |
| 59                                           | 154                                   | 38                                                  | 142                          | 48                                       |
| 7                                            | 156                                   | 10                                                  | 23                           | 145                                      |
| -                                            | 63                                    | 112                                                 | 133                          | -                                        |
| -                                            | 446                                   | 5                                                   | 214                          | -                                        |
| -                                            | 321                                   | 31                                                  | 119                          | 23                                       |
| <u>\$ 619</u>                                | <u>\$ 5,769</u>                       | <u>\$ 3,304</u>                                     | <u>\$ 3,876</u>              | <u>\$ 980</u>                            |
| \$ 18                                        | \$ 243                                | \$ 137                                              | \$ -                         | \$ -                                     |
| 26                                           | 16                                    | -                                                   | -                            | 250                                      |
| -                                            | 349                                   | 237                                                 | -                            | 46                                       |
| <u>(575)</u>                                 | <u>(5,161)</u>                        | <u>(2,930)</u>                                      | <u>(3,876)</u>               | <u>(684)</u>                             |
| 565                                          | 4,944                                 | 3,226                                               | 3,641                        | 602                                      |
| -                                            | -                                     | -                                                   | -                            | -                                        |
| 8                                            | 176                                   | 45                                                  | 649                          | 63                                       |
| <u>573</u>                                   | <u>5,120</u>                          | <u>3,271</u>                                        | <u>4,290</u>                 | <u>665</u>                               |
| (2)                                          | (41)                                  | 341                                                 | 414                          | (19)                                     |
| 6                                            | (175)                                 | 190                                                 | 419                          | 29                                       |
| <u>\$ 4</u>                                  | <u>\$ (216)</u>                       | <u>\$ 531</u>                                       | <u>\$ 833</u>                | <u>\$ 10</u>                             |

(Continued)

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**STATEMENT OF ACTIVITIES  
DISCRETELY PRESENTED COMPONENT UNITS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
(amounts expressed in thousands)**

|                                                                 | New Springs<br>Elementary<br>School | New<br>Springs<br>Middle<br>School | Pepin<br>Academies | Pepin<br>Translational<br>School | Pivot<br>Charter<br>School |
|-----------------------------------------------------------------|-------------------------------------|------------------------------------|--------------------|----------------------------------|----------------------------|
| <b>EXPENSES</b>                                                 |                                     |                                    |                    |                                  |                            |
| Instructional services                                          | \$ 734                              | \$ 516                             | \$ 3,901           | \$ 410                           | \$ 608                     |
| Instructional support services                                  | 1                                   | 2                                  | 1,088              | 80                               | 2                          |
| Pupil transportation services                                   | -                                   | -                                  | 17                 | 9                                | 132                        |
| Operation and maintenance of plant                              | 118                                 | 76                                 | 847                | 49                               | 75                         |
| Facilities acquisition and construction                         | 192                                 | 93                                 | (153)              | (17)                             | 170                        |
| School administration                                           | 210                                 | 151                                | 1,427              | 219                              | 335                        |
| General administration                                          | 127                                 | 103                                | 101                | 22                               | 116                        |
| Food services                                                   | 17                                  | 8                                  | 287                | 17                               | -                          |
| Community services and other                                    | 14                                  | 22                                 | 112                | 249                              | 1                          |
| Interest on long term debt                                      | -                                   | -                                  | 147                | 36                               | -                          |
| Unallocated depreciation/amortization expense                   | 11                                  | 8                                  | -                  | -                                | 70                         |
| Total expenses                                                  | \$ 1,424                            | \$ 979                             | \$ 7,774           | \$ 1,074                         | \$ 1,509                   |
| <b>PROGRAM REVENUES</b>                                         |                                     |                                    |                    |                                  |                            |
| Charges for services                                            | \$ 2                                | \$ 1                               | \$ 189             | \$ 111                           | \$ -                       |
| Operating grants and contributions                              | 78                                  | 71                                 | -                  | -                                | -                          |
| Capital grants and contributions                                | 84                                  | 69                                 | -                  | -                                | 189                        |
| Net program expenses                                            | (1,260)                             | (838)                              | (7,585)            | (963)                            | (1,320)                    |
| <b>GENERAL REVENUES</b>                                         |                                     |                                    |                    |                                  |                            |
| Grants and contributions not restricted<br>to specific programs | 1,324                               | 844                                | 7,678              | 820                              | 2,418                      |
| Investment earnings                                             | -                                   | -                                  | -                  | -                                | -                          |
| Miscellaneous                                                   | 31                                  | 35                                 | 346                | 165                              | 160                        |
| Total general revenues                                          | 1,355                               | 879                                | 8,024              | 985                              | 2,578                      |
| Change in net position                                          | 95                                  | 41                                 | 439                | 22                               | 1,258                      |
| Net position (deficit) - beginning, restated                    | 23                                  | 41                                 | 2,518              | 389                              | 20                         |
| Net position (deficit) - ending                                 | \$ 118                              | \$ 82                              | \$ 2,957           | \$ 411                           | \$ 1,278                   |



| Richardson<br>Academy<br>Charter<br>School | Seminole<br>Heights<br>Charter High<br>School | Shiloh<br>Elementary<br>Charter<br>School | Shiloh<br>Middle<br>Charter<br>School | Tampa<br>Charter<br>School |
|--------------------------------------------|-----------------------------------------------|-------------------------------------------|---------------------------------------|----------------------------|
| \$ 254                                     | \$ 1,039                                      | \$ 1,739                                  | \$ 622                                | \$ 623                     |
| 5                                          | 236                                           | 28                                        | 13                                    | 11                         |
| -                                          | 100                                           | -                                         | -                                     | -                          |
| 183                                        | 93                                            | 213                                       | 93                                    | 239                        |
| -                                          | 66                                            | 122                                       | 90                                    | -                          |
| 22                                         | -                                             | 235                                       | 114                                   | 339                        |
| 45                                         | 1,170                                         | 345                                       | 155                                   | 114                        |
| -                                          | -                                             | 103                                       | 46                                    | 15                         |
| -                                          | -                                             | -                                         | -                                     | -                          |
| -                                          | -                                             | -                                         | -                                     | -                          |
| -                                          | -                                             | 31                                        | 15                                    | -                          |
| <u>\$ 509</u>                              | <u>\$ 2,704</u>                               | <u>\$ 2,816</u>                           | <u>\$ 1,148</u>                       | <u>\$ 1,341</u>            |
| \$ -                                       | \$ -                                          | \$ 89                                     | \$ 35                                 | \$ 15                      |
| -                                          | 156                                           | -                                         | -                                     | -                          |
| 18                                         | 275                                           | 142                                       | 87                                    | 89                         |
| <u>(491)</u>                               | <u>(2,273)</u>                                | <u>(2,585)</u>                            | <u>(1,026)</u>                        | <u>(1,237)</u>             |
| 274                                        | 2,579                                         | 2,868                                     | 1,081                                 | 1,212                      |
| -                                          | -                                             | -                                         | -                                     | -                          |
| 1                                          | -                                             | 113                                       | 68                                    | 67                         |
| <u>275</u>                                 | <u>2,579</u>                                  | <u>2,981</u>                              | <u>1,149</u>                          | <u>1,279</u>               |
| (216)                                      | 306                                           | 396                                       | 123                                   | 42                         |
| 529                                        | 1,234                                         | 1,339                                     | 291                                   | 231                        |
| <u>\$ 313</u>                              | <u>\$ 1,540</u>                               | <u>\$ 1,735</u>                           | <u>\$ 414</u>                         | <u>\$ 273</u>              |

(Continued)

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**STATEMENT OF ACTIVITIES  
DISCRETELY PRESENTED COMPONENT UNITS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2014  
(amounts expressed in thousands)**

|                                                                 | Terrace<br>Community<br>Charter<br>School | Trinity<br>School<br>for<br>Children | Valrico<br>Lake<br>Advantage<br>Academy | The Village<br>of Excellence<br>Charter<br>School | Walton<br>Academy<br>Charter<br>School |
|-----------------------------------------------------------------|-------------------------------------------|--------------------------------------|-----------------------------------------|---------------------------------------------------|----------------------------------------|
| <b>EXPENSES</b>                                                 |                                           |                                      |                                         |                                                   |                                        |
| Instructional services                                          | \$ 2,824                                  | \$ 2,488                             | \$ 2,329                                | \$ 1,185                                          | \$ 545                                 |
| Instructional support services                                  | -                                         | 1,699                                | 18                                      | 62                                                | 1                                      |
| Pupil transportation services                                   | -                                         | -                                    | 9                                       | 58                                                | 7                                      |
| Operation and maintenance of plant                              | 96                                        | 538                                  | 281                                     | 76                                                | 96                                     |
| Facilities acquisition and construction                         | 78                                        | -                                    | 682                                     | 131                                               | 147                                    |
| School administration                                           | 894                                       | 391                                  | 254                                     | 395                                               | 324                                    |
| General administration                                          | 358                                       | 211                                  | 471                                     | 89                                                | 94                                     |
| Food services                                                   | 140                                       | -                                    | 150                                     | 131                                               | 100                                    |
| Community services and other                                    | -                                         | 336                                  | 85                                      | -                                                 | 55                                     |
| Interest on long term debt                                      | 321                                       | 343                                  | 14                                      | -                                                 | -                                      |
| Unallocated depreciation/amortization expense                   | 8                                         | 303                                  | 32                                      | 11                                                | 44                                     |
| Total expenses                                                  | <u>\$ 4,719</u>                           | <u>\$ 6,309</u>                      | <u>\$ 4,325</u>                         | <u>\$ 2,138</u>                                   | <u>\$ 1,413</u>                        |
| <b>PROGRAM REVENUES</b>                                         |                                           |                                      |                                         |                                                   |                                        |
| Charges for services                                            | \$ 438                                    | \$ 1,521                             | \$ 150                                  | \$ 1                                              | \$ -                                   |
| Operating grants and contributions                              | 395                                       | -                                    | 106                                     | 233                                               | 156                                    |
| Capital grants and contributions                                | -                                         | -                                    | 267                                     | 91                                                | 71                                     |
| Net program expenses                                            | <u>(3,886)</u>                            | <u>(4,788)</u>                       | <u>(3,802)</u>                          | <u>(1,813)</u>                                    | <u>(1,186)</u>                         |
| <b>GENERAL REVENUES</b>                                         |                                           |                                      |                                         |                                                   |                                        |
| Grants and contributions not restricted<br>to specific programs | 3,989                                     | 4,688                                | 4,219                                   | 1,810                                             | 1,139                                  |
| Investment earnings                                             | -                                         | -                                    | -                                       | -                                                 | -                                      |
| Miscellaneous                                                   | 1                                         | 224                                  | 62                                      | 17                                                | 85                                     |
| Total general revenues                                          | <u>3,990</u>                              | <u>4,912</u>                         | <u>4,281</u>                            | <u>1,827</u>                                      | <u>1,224</u>                           |
| Change in net position                                          | 104                                       | 124                                  | 479                                     | 14                                                | 38                                     |
| Net position (deficit) - beginning, restated                    | <u>1,369</u>                              | <u>1,382</u>                         | <u>491</u>                              | <u>160</u>                                        | <u>98</u>                              |
| Net position (deficit) - ending                                 | <u>\$ 1,473</u>                           | <u>\$ 1,506</u>                      | <u>\$ 970</u>                           | <u>\$ 174</u>                                     | <u>\$ 136</u>                          |

| W.E. Phillips<br>Learning<br>Academy | West<br>University<br>Charter<br>High School | Winthrop<br>Charter<br>School | Woodmont<br>Charter<br>School | Hillsborough<br>Education<br>Foundation | TOTALS<br>Component<br>Units |
|--------------------------------------|----------------------------------------------|-------------------------------|-------------------------------|-----------------------------------------|------------------------------|
| \$ 152                               | \$ 536                                       | \$ 4,348                      | \$ 2,909                      | \$ -                                    | \$ 52,319                    |
| 1                                    | 190                                          | 183                           | 267                           | -                                       | 4,915                        |
| 24                                   | 1                                            | -                             | 105                           | -                                       | 790                          |
| 22                                   | 218                                          | 1,276                         | 1,064                         | -                                       | 10,666                       |
| 15                                   | 63                                           | -                             | -                             | -                                       | 6,175                        |
| 59                                   | -                                            | -                             | -                             | -                                       | 10,898                       |
| 29                                   | 775                                          | 761                           | 573                           | 608                                     | 10,482                       |
| 6                                    | 53                                           | 329                           | 279                           | -                                       | 3,873                        |
| 3                                    | -                                            | 209                           | 58                            | 5,738                                   | 7,796                        |
| -                                    | -                                            | 1,887                         | 1,287                         | -                                       | 5,535                        |
| -                                    | -                                            | -                             | -                             | -                                       | 1,517                        |
| <u>\$ 311</u>                        | <u>\$ 1,836</u>                              | <u>\$ 8,993</u>               | <u>\$ 6,542</u>               | <u>\$ 6,346</u>                         | <u>\$ 114,966</u>            |
| \$ -                                 | \$ -                                         | \$ 491                        | \$ 98                         | \$ -                                    | \$ 4,577                     |
| 8                                    | 198                                          | 639                           | 523                           | -                                       | 5,035                        |
| -                                    | 202                                          | 547                           | -                             | -                                       | 4,311                        |
| <u>(303)</u>                         | <u>(1,436)</u>                               | <u>(7,316)</u>                | <u>(5,921)</u>                | <u>(6,346)</u>                          | <u>(101,043)</u>             |
| 323                                  | 1,918                                        | 7,899                         | 4,076                         | 5,733                                   | 99,223                       |
| -                                    | -                                            | -                             | -                             | 497                                     | 498                          |
| 18                                   | -                                            | 58                            | 1,278                         | 279                                     | 5,682                        |
| <u>341</u>                           | <u>1,918</u>                                 | <u>7,957</u>                  | <u>5,354</u>                  | <u>6,509</u>                            | <u>105,403</u>               |
| 38                                   | 482                                          | 641                           | (567)                         | 163                                     | 4,360                        |
| (72)                                 | (449)                                        | (618)                         | (1,280)                       | 8,090                                   | 13,983                       |
| <u>\$ (34)</u>                       | <u>\$ 33</u>                                 | <u>\$ 23</u>                  | <u>\$ (1,847)</u>             | <u>\$ 8,253</u>                         | <u>\$ 18,343</u>             |



Hillsborough County  
PUBLIC SCHOOLS  
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# Statistical Section

(UNAUDITED)



Hillsborough County  
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## District Statistics

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

| <b>Contents</b>                                                                                                                                                                                                                  | <b>Page</b> |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------|
| Financial Trends<br>These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.                                                      | 132         |
| Revenue Capacity<br>These schedules contain information to help the reader assess the District's most significant local revenues sources, the property tax.                                                                      | 142         |
| Debt Capacity<br>These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the government's ability to issue additional debt in the future.       | 149         |
| Demographic and Economic Information<br>These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.                     | 156         |
| Operating Information<br>These schedules contain service data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs. | 160         |

**SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA**  
**NET POSITION BY COMPONENT - GOVERNMENT-WIDE**  
**LAST TEN FISCAL YEARS**  
(accrual basis of accounting)  
(amounts in thousands)

|                                            | 2014*               | 2013                | 2012                | 2011                | 2010                |
|--------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| Government activities:                     |                     |                     |                     |                     |                     |
| Net investment in capital assets           | \$ 1,260,998        | \$ 1,266,015        | \$ 1,286,749        | \$ 1,290,343        | \$ 1,291,084        |
| Restricted                                 | 325,925             | 326,545             | 311,514             | 317,770             | 315,339             |
| Unrestricted                               | 47,980              | 132,606             | 190,751             | 262,804             | 243,337             |
| Total governmental activities net position | <u>\$ 1,634,903</u> | <u>\$ 1,725,166</u> | <u>\$ 1,789,014</u> | <u>\$ 1,870,917</u> | <u>\$ 1,849,760</u> |

\*The District adopted GASB Statement No. 65 during fiscal 2014.  
Prior year amounts have not been restated.

Note: The District has no business-type activities.

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Source: District Records



| Fiscal Year         |                     |                     |                     |                     |
|---------------------|---------------------|---------------------|---------------------|---------------------|
| 2009                | 2008                | 2007                | 2006                | 2005                |
| \$ 1,281,259        | \$ 1,221,625        | \$ 1,061,281        | \$ 907,396          | \$ 870,883          |
| 334,538             | 352,028             | 405,590             | 340,987             | 292,200             |
| 242,698             | 280,693             | 224,479             | 77,626              | 593                 |
| <u>\$ 1,858,495</u> | <u>\$ 1,854,346</u> | <u>\$ 1,691,350</u> | <u>\$ 1,326,009</u> | <u>\$ 1,163,676</u> |

**SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA**  
**CHANGES IN NET POSITION - GOVERNMENT WIDE**  
**LAST TEN FISCAL YEARS**  
(accrual basis of accounting)  
(amounts in thousands)

|                                                           | Fiscal Year         |                     |                     |                     |                     |                     |                     |                     |                     |                     |
|-----------------------------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
|                                                           | 2014*               | 2013                | 2012                | 2011                | 2010                | 2009                | 2008                | 2007                | 2006                | 2005                |
| <b>EXPENSES</b>                                           |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Instructional services                                    | \$ 1,114,285        | \$ 1,032,881        | \$ 1,014,459        | \$ 1,049,491        | \$ 1,014,163        | \$ 1,039,995        | \$ 1,015,155        | \$ 922,111          | \$ 842,419          | \$ 773,361          |
| Instructional support services                            | 232,838             | 219,710             | 226,563             | 235,341             | 215,612             | 208,454             | 206,740             | 190,456             | 161,465             | 135,841             |
| Pupil transportation services                             | 72,786              | 70,806              | 70,253              | 71,489              | 67,484              | 68,086              | 67,755              | 64,586              | 62,726              | 58,847              |
| Operation and maintenance of plant                        | 139,024             | 139,205             | 137,589             | 137,588             | 140,495             | 138,449             | 135,825             | 127,681             | 121,611             | 110,370             |
| Non capitalizable facilities acquisition and construction | 118,081             | 111,836             | 110,901             | 109,258             | 119,075             | 120,159             | 120,088             | 109,174             | 96,234              | 103,066             |
| School administration                                     | 96,080              | 91,712              | 90,299              | 93,816              | 92,927              | 93,055              | 93,300              | 87,416              | 83,111              | 79,215              |
| General administration                                    | 62,875              | 47,052              | 43,560              | 48,391              | 47,814              | 42,140              | 44,061              | 45,191              | 40,236              | 46,366              |
| Food services                                             | 105,851             | 95,897              | 90,591              | 87,967              | 84,171              | 85,406              | 85,984              | 84,708              | 80,150              | 77,408              |
| Community services and other                              | 85,307              | 83,642              | 84,246              | 84,274              | 84,771              | 83,080              | 76,885              | 76,637              | 70,645              | 54,744              |
| Interest on long term debt                                | 44,214              | 48,411              | 48,414              | 51,891              | 54,111              | 56,862              | 59,426              | 56,641              | 51,253              | 46,017              |
| Unallocated depreciation/amortization expense             | 297                 | 344                 | 536                 | 458                 | 508                 | 325                 | 299                 | 240                 | 773                 | 524                 |
| Total primary government expenses                         | <u>\$ 2,071,638</u> | <u>\$ 1,941,496</u> | <u>\$ 1,917,411</u> | <u>\$ 1,969,964</u> | <u>\$ 1,921,131</u> | <u>\$ 1,936,011</u> | <u>\$ 1,905,518</u> | <u>\$ 1,764,841</u> | <u>\$ 1,610,623</u> | <u>\$ 1,485,759</u> |
| <b>PROGRAM REVENUES</b>                                   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Charges for services                                      |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Adult course and childcare fees                           | \$ 23,451           | \$ 22,654           | \$ 22,505           | \$ 20,237           | \$ 18,866           | \$ 19,922           | \$ 17,855           | \$ 15,879           | \$ 11,630           | \$ 10,820           |
| Transportation                                            | 2,805               | 3,127               | 2,939               | 2,719               | 3,020               | 2,912               | 3,410               | 2,337               | 2,576               | 2,112               |
| Food Services                                             | 25,022              | 24,885              | 25,422              | 26,967              | 28,771              | 31,558              | 32,626              | 35,014              | 35,595              | 31,438              |
| Operating grants and contributions                        | 82,478              | 74,682              | 70,022              | 67,857              | 64,238              | 95,479              | 88,182              | 86,845              | 83,155              | 78,181              |
| Capital grants and contributions                          | 7,658               | 7,747               | 7,744               | 16,424              | 10,866              | 24,745              | 70,559              | 189,809             | 36,625              | 32,289              |
| Total primary government program revenues                 | <u>141,414</u>      | <u>133,095</u>      | <u>128,632</u>      | <u>134,204</u>      | <u>125,761</u>      | <u>174,616</u>      | <u>212,632</u>      | <u>329,884</u>      | <u>169,571</u>      | <u>154,820</u>      |
| Total primary government net (expenses) revenues          | <u>(1,930,224)</u>  | <u>(1,808,401)</u>  | <u>(1,788,779)</u>  | <u>(1,835,760)</u>  | <u>(1,795,370)</u>  | <u>(1,761,395)</u>  | <u>(1,692,886)</u>  | <u>(1,434,957)</u>  | <u>(1,441,052)</u>  | <u>(1,330,939)</u>  |
| <b>GENERAL REVENUES</b>                                   |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Property taxes                                            |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Levied for general purposes                               | \$ 418,313          | \$ 408,137          | \$ 417,155          | \$ 410,958          | \$ 469,726          | \$ 517,236          | \$ 467,057          | \$ 441,424          | \$ 369,587          | \$ 334,149          |
| Levied for debt services                                  | -                   | -                   | -                   | -                   | -                   | -                   | -                   | 2                   | 586                 | 9,966               |
| Levied for capital projects                               | 101,322             | 96,078              | 97,610              | 101,243             | 114,015             | 150,328             | 169,121             | 151,610             | 124,660             | 108,114             |
| Sales taxes                                               | 25,880              | 24,661              | 23,605              | 22,651              | 21,858              | 22,892              | 24,765              | 26,761              | 28,408              | 23,248              |
| Unrestricted grants and contributions                     | 1,220,399           | 1,132,298           | 1,098,296           | 1,262,550           | 1,140,127           | 1,035,072           | 1,124,991           | 1,103,785           | 1,016,045           | 914,133             |
| Investment earnings                                       | 2,454               | 6,176               | 4,360               | 7,296               | 14,487              | 844                 | 30,668              | 41,383              | 26,383              | 14,525              |
| Miscellaneous                                             | 80,024              | 77,203              | 65,850              | 52,219              | 38,651              | 39,172              | 39,280              | 35,333              | 37,716              | 31,770              |
| Total primary government general revenues                 | <u>\$ 1,848,392</u> | <u>\$ 1,744,553</u> | <u>\$ 1,706,876</u> | <u>\$ 1,856,917</u> | <u>\$ 1,798,864</u> | <u>\$ 1,765,544</u> | <u>\$ 1,855,882</u> | <u>\$ 1,800,298</u> | <u>\$ 1,603,385</u> | <u>\$ 1,435,905</u> |
| <b>CHANGE IN NET POSITION</b>                             |                     |                     |                     |                     |                     |                     |                     |                     |                     |                     |
| Total primary government                                  | <u>\$ (81,832)</u>  | <u>\$ (63,848)</u>  | <u>\$ (81,903)</u>  | <u>\$ 21,157</u>    | <u>\$ 3,494</u>     | <u>\$ 4,149</u>     | <u>\$ 162,996</u>   | <u>\$ 365,341</u>   | <u>\$ 162,333</u>   | <u>\$ 104,966</u>   |

Note: The District has no business-type activities.

Source: District Records

\*The District adopted GASB Statement No. 65 during fiscal 2014.  
Prior year amounts have not been restated.

**SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA**  
**GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE**  
**LAST TEN FISCAL YEARS**  
(accrual basis of accounting)

| Fiscal<br>Year Ending<br>June 30, | Property Tax        |                 |                     | Sales<br>Tax  | Total          |
|-----------------------------------|---------------------|-----------------|---------------------|---------------|----------------|
|                                   | General<br>Purposes | Debt<br>Service | Capital<br>Projects |               |                |
| 2014                              | \$ 418,312,866      | \$ -            | \$ 101,321,821      | \$ 25,879,851 | \$ 545,514,538 |
| 2013                              | 408,137,021         | -               | 96,077,474          | 24,660,463    | 528,874,958    |
| 2012                              | 417,155,104         | -               | 97,610,428          | 23,604,577    | 538,370,109    |
| 2011                              | 410,958,535         | -               | 101,243,466         | 22,650,963    | 534,852,964    |
| 2010                              | 469,725,783         | -               | 114,014,998         | 21,857,951    | 605,598,732    |
| 2009                              | 517,235,374         | -               | 150,328,238         | 22,892,186    | 690,455,798    |
| 2008                              | 467,057,120         | -               | 169,121,245         | 24,764,880    | 660,943,245    |
| 2007                              | 441,423,769         | 2,270           | 151,609,644         | 26,761,104    | 619,796,787    |
| 2006                              | 369,587,219         | 586,175 1       | 124,659,828         | 28,408,346    | 523,241,568    |
| 2005                              | 334,149,105         | 9,966,205       | 108,113,613         | 23,247,804    | 475,476,726    |

1) Fiscal year 2006 was the last payment for general obligation debt.

Source: District Records

**SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
(modified accrual basis of accounting)  
(amounts in thousands)

|                                     | Fiscal Year       |                   |                   |                   |                   |                   |
|-------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
|                                     | 2014              | 2013              | 2012              | 2011              | 2010              | 2009              |
| <b>General Fund</b>                 |                   |                   |                   |                   |                   |                   |
| Fund balances                       |                   |                   |                   |                   |                   |                   |
| Nondisposable                       | \$ 5,088          | \$ 5,223          | \$ 4,955          | \$ 4,742          | \$ -              | \$ -              |
| Restricted                          | 31,063            | 30,383            | 25,477            | 25,164            | -                 | -                 |
| Assigned                            | 97,685            | 137,867           | 172,409           | 236,055           | -                 | -                 |
| Unassigned                          | 95,796            | 95,796            | 95,796            | 95,100            | -                 | -                 |
| Reserved                            | -                 | -                 | -                 | -                 | 54,915            | 46,436            |
| Unreserved                          | -                 | -                 | -                 | -                 | 288,255           | 295,405           |
| Total general fund                  | <u>\$ 229,632</u> | <u>\$ 269,269</u> | <u>\$ 298,637</u> | <u>\$ 361,061</u> | <u>\$ 343,170</u> | <u>\$ 341,841</u> |
| <b>All Other Governmental Funds</b> |                   |                   |                   |                   |                   |                   |
| Nondisposable                       | 837               | 866               | 774               | 667               |                   |                   |
| Restricted for:                     |                   |                   |                   |                   |                   |                   |
| Federal programs                    | 34,683            | 30,314            | 24,119            | 18,994            |                   |                   |
| Debt service                        | 109,414           | 102,778           | 91,609            | 95,450            |                   |                   |
| Capital projects                    | 168,287           | 184,676           | 217,427           | 274,997           |                   |                   |
| Reserved reported in:               |                   |                   |                   |                   |                   |                   |
| Other governmental funds            | -                 | -                 | -                 | -                 | \$ 48,339         | \$ 83,485         |
| Debt services                       | -                 | -                 | -                 | -                 | 89,560            | 90,291            |
| Unreserved, Reported in:            |                   |                   |                   |                   |                   |                   |
| Special revenue funds               | -                 | -                 | -                 | -                 | 13,341            | 5,224             |
| Capital projects funds              | -                 | -                 | -                 | -                 | 212,839           | 250,868           |
| Total all other governmental funds  | <u>\$ 313,221</u> | <u>\$ 318,634</u> | <u>\$ 333,929</u> | <u>\$ 390,108</u> | <u>\$ 364,079</u> | <u>\$ 429,868</u> |

Note:  
The change in fund balance presentations from fiscal year 2010 to 2011 is due  
to the implemented GASB 54 for the fiscal year ended June 30, 2011.  
See notes for explanation of new presentation.

Source: District Records

| 2008              | 2007              | 2006              | 2005              |
|-------------------|-------------------|-------------------|-------------------|
| \$ -              | \$ -              | \$ -              | \$ -              |
| -                 | -                 | -                 | -                 |
| -                 | -                 | -                 | -                 |
| -                 | -                 | -                 | -                 |
| 43,935            | 53,642            | 77,173            | 54,809            |
| 338,048           | 280,858           | 147,774           | 94,704            |
| <u>\$ 381,983</u> | <u>\$ 334,500</u> | <u>\$ 224,947</u> | <u>\$ 149,513</u> |

|                   |                   |                   |                   |
|-------------------|-------------------|-------------------|-------------------|
| \$ 150,611        | \$ 188,964        | \$ 40,631         | \$ 54,989         |
| 91,147            | 83,881            | 74,813            | 69,821            |
| 52                | 66                | 164               | -                 |
| 326,485           | 408,025           | 394,070           | 380,055           |
| <u>\$ 568,295</u> | <u>\$ 680,936</u> | <u>\$ 509,678</u> | <u>\$ 504,865</u> |

**SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN YEARS**  
(modified accrual basis of accounting)  
(amounts expressed in thousands)

|                                                 | Fiscal Year |            |            |            |
|-------------------------------------------------|-------------|------------|------------|------------|
|                                                 | 2014        | 2013       | 2012       | 2011       |
| <b>REVENUES</b>                                 |             |            |            |            |
| Local sources:                                  |             |            |            |            |
| Ad valorem taxes                                | \$ 519,635  | \$ 504,215 | \$ 514,765 | \$ 512,202 |
| Local sales tax                                 | 25,880      | 24,661     | 23,605     | 22,651     |
| Food services                                   | 25,022      | 24,885     | 25,422     | 26,967     |
| Interest income                                 | 2,115       | 5,411      | 3,708      | 5,935      |
| Other                                           | 101,273     | 104,666    | 92,345     | 76,797     |
| Total local sources                             | 673,925     | 663,838    | 659,845    | 644,552    |
| State sources:                                  |             |            |            |            |
| Florida education finance program               | 696,124     | 620,982    | 577,088    | 610,790    |
| Public education capital outlay                 | -           | -          | -          | 8,673      |
| Categorical programs                            | 263,615     | 261,253    | 255,284    | 251,296    |
| Class size reduction                            | -           | -          | -          | -          |
| Workforce development                           | 28,708      | 30,434     | 30,603     | 29,139     |
| Food services                                   | 1,419       | 1,406      | 1,475      | 1,455      |
| Other                                           | 17,896      | 14,396     | 13,700     | 13,343     |
| Total state sources                             | 1,007,762   | 928,471    | 878,150    | 914,696    |
| Federal sources:                                |             |            |            |            |
| Food services                                   | 81,060      | 73,276     | 68,547     | 66,401     |
| Federal grants direct                           | 18,891      | 15,152     | 23,406     | 17,897     |
| Federal grants through state                    | 151,199     | 144,218    | 151,680    | 286,615    |
| Federal grants through local                    | 51,623      | 53,610     | 54,279     | 61,221     |
| Total federal sources                           | 302,773     | 286,256    | 297,912    | 432,134    |
| Total revenues                                  | 1,984,460   | 1,878,565  | 1,835,907  | 1,991,382  |
| <b>EXPENDITURES</b>                             |             |            |            |            |
| Current:                                        |             |            |            |            |
| Instructional services:                         |             |            |            |            |
| Basic programs                                  | 856,439     | 801,529    | 787,946    | 811,299    |
| Exceptional child programs                      | 176,665     | 159,592    | 161,653    | 174,859    |
| Adult and vocational technical programs         | 55,613      | 53,993     | 52,698     | 57,767     |
| Total instructional services                    | 1,088,717   | 1,015,114  | 1,002,297  | 1,043,925  |
| Instructional support services:                 |             |            |            |            |
| Pupil personnel services                        | 80,105      | 74,534     | 73,816     | 77,390     |
| Instructional media services                    | 22,933      | 21,683     | 22,164     | 22,556     |
| Instruction and curriculum development services | 48,587      | 42,694     | 48,866     | 53,817     |
| Instructional staff training services           | 42,386      | 47,950     | 46,876     | 52,302     |
| Instructional related technology                | 32,955      | 28,137     | 30,686     | 27,150     |
| Total instructional support services            | 226,966     | 214,998    | 222,408    | 233,215    |
| Pupil transportation services                   | 69,447      | 66,576     | 67,340     | 69,863     |
| Operation and maintenance of plant:             |             |            |            |            |
| Operation of plant                              | 107,957     | 107,455    | 109,076    | 109,343    |
| Maintenance of plant                            | 26,810      | 27,555     | 27,294     | 29,031     |
| Total operation and maintenance of plant        | 134,767     | 135,010    | 136,370    | 138,374    |
| School administration                           | 94,018      | 89,472     | 88,662     | 93,777     |
| General administration:                         |             |            |            |            |
| Central services                                | 37,126      | 25,313     | 24,657     | 26,504     |
| Board of education                              | 2,454       | 1,519      | 1,277      | 1,443      |
| General administration                          | 11,945      | 10,584     | 9,678      | 11,384     |
| Fiscal services                                 | 7,714       | 7,194      | 6,551      | 7,546      |
| Administrative technology services              | 1,000       | 602        | 607        | 583        |
| Total general administration                    | 60,239      | 45,212     | 42,770     | 47,460     |

| 2010       | 2009       | 2008       | 2007       | 2006       | 2005       |
|------------|------------|------------|------------|------------|------------|
| \$ 583,741 | \$ 667,563 | \$ 636,178 | \$ 593,035 | \$ 494,833 | \$ 452,229 |
| 21,858     | 22,892     | 24,765     | 26,761     | 28,408     | 23,248     |
| 28,771     | 31,549     | 32,708     | 35,046     | 35,714     | 31,438     |
| 9,134      | (83)       | 29,692     | 40,633     | 25,471     | 12,899     |
| 66,603     | 65,286     | 58,282     | 53,490     | 48,988     | 43,495     |
| 710,107    | 787,207    | 781,625    | 748,965    | 633,414    | 563,309    |
| 547,771    | 518,746    | 620,999    | 627,185    | 604,072    | 573,732    |
| 3,115      | 16,962     | 30,576     | 42,557     | 20,559     | 14,507     |
| 244,294    | 302,285    | 298,558    | 254,834    | 203,709    | 150,161    |
| -          | -          | 32,338     | 139,683    | 8,520      | 10,418     |
| 29,770     | 32,392     | 34,254     | 35,124     | 32,186     | 31,359     |
| 1,476      | 1,470      | 1,449      | 1,420      | 1,447      | 1,434      |
| 13,483     | 14,215     | 16,062     | 25,190     | 16,282     | 18,642     |
| 839,909    | 886,070    | 1,034,236  | 1,125,993  | 886,775    | 800,253    |
| 62,761     | 58,220     | 50,900     | 48,286     | 45,424     | 42,027     |
| 19,715     | 21,940     | 13,649     | 2,995      | 9,882      | 9,657      |
| 232,208    | 132,055    | 127,268    | 142,510    | 137,796    | 162,391    |
| 60,638     | 57,011     | 57,678     | 60,656     | 55,948     | 10,256     |
| 375,322    | 269,226    | 249,495    | 254,447    | 249,050    | 224,331    |
| 1,925,338  | 1,942,503  | 2,065,356  | 2,129,405  | 1,769,239  | 1,587,893  |
| 782,153    | 799,155    | 769,261    | 697,145    | 639,149    | 581,529    |
| 167,394    | 172,096    | 169,017    | 162,053    | 142,874    | 136,810    |
| 59,208     | 61,299     | 66,310     | 65,080     | 58,231     | 52,235     |
| 1,008,755  | 1,032,550  | 1,004,588  | 924,278    | 840,254    | 770,574    |
| 75,521     | 76,684     | 76,711     | 74,626     | 65,829     | 61,219     |
| 22,240     | 24,639     | 24,050     | 26,001     | 25,269     | 23,322     |
| 46,299     | 45,205     | 46,081     | 40,637     | 36,367     | 38,574     |
| 44,544     | 36,704     | 33,151     | 28,450     | 16,878     | 12,098     |
| 26,129     | 22,733     | 23,936     | 19,307     | 11,672     | -          |
| 214,733    | 205,965    | 203,929    | 189,021    | 156,015    | 135,213    |
| 65,559     | 65,946     | 65,370     | 63,084     | 61,240     | 56,432     |
| 113,399    | 109,009    | 106,956    | 101,414    | 96,867     | 84,770     |
| 28,163     | 30,040     | 29,280     | 28,169     | 27,442     | 27,304     |
| 141,562    | 139,049    | 136,236    | 129,583    | 124,309    | 112,074    |
| 92,653     | 92,249     | 91,713     | 86,624     | 82,301     | 78,013     |
| 24,263     | 21,163     | 18,578     | 16,980     | 16,269     | 23,536     |
| 1,546      | 1,357      | 1,160      | 1,166      | 1,659      | 4,227      |
| 12,075     | 10,138     | 12,573     | 15,907     | 12,495     | 10,227     |
| 7,526      | 6,916      | 8,994      | 7,725      | 7,138      | 5,487      |
| 518        | 642        | 535        | 489        | 447        | -          |
| 45,928     | 40,216     | 41,840     | 42,267     | 38,008     | 43,477     |

**SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN YEARS**  
(modified accrual basis of accounting)  
(amounts expressed in thousands)

|                                                           | Fiscal Year       |                   |                   |                   |
|-----------------------------------------------------------|-------------------|-------------------|-------------------|-------------------|
|                                                           | 2014              | 2013              | 2012              | 2011              |
| Non-capitalizable facilities acquisition and construction | 31,415            | 26,400            | 26,283            | 27,122            |
| Food services                                             | 102,873           | 93,553            | 89,778            | 88,585            |
| Community services and other                              | 85,179            | 83,565            | 84,229            | 84,208            |
| Debt Service:                                             |                   |                   |                   |                   |
| Principal retirement                                      | 44,279            | 41,659            | 50,502            | 38,206            |
| Interest                                                  | 46,867            | 47,071            | 50,318            | 49,930            |
| Dues, fees and other                                      | 988               | 961               | 1,668             | 1,729             |
| Capital outlay                                            |                   |                   |                   |                   |
| Facilities Acquisitions & Construction                    | 44,231            | 55,841            | 83,995            | 68,878            |
| Other capital outlay                                      | 8,889             | 7,796             | 8,898             | 13,652            |
| Total expenditures                                        | 2,038,875         | 1,923,228         | 1,955,518         | 1,998,924         |
| Excess (deficiency) of revenues over (under) expenditures | (54,415)          | (44,663)          | (119,611)         | (7,542)           |
| <b>OTHER FINANCING SOURCES (USES):</b>                    |                   |                   |                   |                   |
| Long term bonds issued                                    | -                 | -                 | -                 | 3,235             |
| Premium on sale of bonds                                  | -                 | -                 | -                 | 295               |
| Discount on sale of bonds                                 | -                 | -                 | -                 | -                 |
| Refunding bonds issued                                    | 2,486             | -                 | 1,685             | 970               |
| Premium on sale of refunding bonds                        | 397               | -                 | 257               | 157               |
| Certificates of participation issued                      | -                 | -                 | -                 | 37,935            |
| Premium on sale of certificates of participation          | -                 | -                 | 16,280            | -                 |
| Discount on sale of certificates of participation         | -                 | -                 | -                 | -                 |
| Proceeds from sale of capital assets                      | -                 | -                 | 93                | -                 |
| Refunding certificates of participation                   | 39,950            | -                 | 124,565           | -                 |
| Payments to refunded bond escrow agent                    | (42,420)          | -                 | (141,872)         | (1,130)           |
| Proceeds from capital leases                              | -                 | -                 | -                 | -                 |
| Transfers in                                              | 83,396            | 70,972            | 69,194            | 77,400            |
| Transfers out                                             | (74,444)          | (70,972)          | (69,194)          | (67,400)          |
| Total other financing sources and uses                    | 9,365             | -                 | 1,008             | 51,462            |
| Net change in fund balances                               | (45,050)          | (44,663)          | (118,603)         | 43,920            |
| Fund balances - beginning                                 | 587,903           | 632,566           | 751,169           | 707,249           |
| Fund balances - ending                                    | <u>\$ 542,853</u> | <u>\$ 587,903</u> | <u>\$ 632,566</u> | <u>\$ 751,169</u> |
| Debt service as a percentage of non-capital expenditures  | 4.59%             | 4.77%             | 5.41%             | 4.60%             |

Source: District Records



| 2010       | 2009       | 2008       | 2007         | 2006       | 2005       |
|------------|------------|------------|--------------|------------|------------|
| 38,516     | 47,060     | 52,016     | 45,519       | 41,180     | 50,720     |
| 84,613     | 85,787     | 86,550     | 85,913       | 81,239     | 77,544     |
| 84,784     | 83,038     | 76,787     | 76,567       | 70,643     | 54,610     |
| 36,494     | 35,022     | 32,075     | 27,878       | 37,933     | 32,038     |
| 53,244     | 58,154     | 57,254     | 55,597       | 49,993     | 48,203     |
| 4,203      | 1,302      | 602        | 2,769        | 2,372      | 4,068      |
| 101,848    | 222,705    | 273,211    | 191,970      | 237,851    | 205,796    |
| 14,395     | 9,814      | 12,348     | 14,223       | 16,133     | 7,714      |
| 1,987,287  | 2,118,857  | 2,134,519  | 1,935,293    | 1,839,471  | 1,676,476  |
| (61,949)   | (176,354)  | (69,163)   | 194,112      | (70,232)   | (88,583)   |
| 675        | -          | 5,085      | -            | 58,510     | 4,560      |
| 18         | -          | 184        | -            | 20         | 47         |
| -          | -          | -          | (1,818)      | (18)       | -          |
| 3,945      | -          | -          | 47,515       | 37,360     | 127,975    |
| 362        | -          | -          | 1,606        | 3,637      | 10,296     |
| -          | -          | -          | 84,685       | 89,437     | 89,750     |
| 3,898      | 1,095      | -          | 3,533        | 2,028      | 828        |
| (664)      | -          | -          | (410)        | -          | -          |
| -          | -          | 1,257      | 327          | 3,776      | 4,609      |
| 97,545     | 109,830    | -          | 77,900       | -          | 48,915     |
| (105,720)  | (110,570)  | -          | (125,564)    | (40,856)   | (187,871)  |
| -          | -          | -          | 1,343        | -          | -          |
| 73,641     | 80,669     | 71,999     | 63,487       | 61,436     | 61,801     |
| (76,211)   | (83,239)   | (74,520)   | (65,905)     | (64,851)   | (62,882)   |
| (2,511)    | (2,215)    | 4,005      | 86,699       | 150,479    | 98,028     |
| (64,460)   | (178,569)  | (65,158)   | 280,811      | 80,247     | 9,445      |
| 771,709    | 950,278    | 1,015,436  | 734,625      | 654,378    | 644,933    |
| \$ 707,249 | \$ 771,709 | \$ 950,278 | \$ 1,015,436 | \$ 734,625 | \$ 654,378 |
| 4.80%      | 4.94%      | 4.83%      | 4.83%        | 5.55%      | 5.48%      |

**SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA**  
**GENERAL GOVERNMENTAL TAX REVENUES BY SOURCE**  
**LAST TEN FISCAL YEARS**  
(modified accrual basis of accounting)

| Fiscal<br>Year Ending<br>June 30, | Property Tax        |                 |                     | Sales<br>Tax  | Total          |
|-----------------------------------|---------------------|-----------------|---------------------|---------------|----------------|
|                                   | General<br>Purposes | Debt<br>Service | Capital<br>Projects |               |                |
| 2014                              | \$ 418,312,866      | \$ -            | \$101,321,821       | \$ 25,879,851 | \$ 545,514,539 |
| 2013                              | 408,137,021         | -               | 96,077,474          | 24,660,463    | 528,874,958    |
| 2012                              | 417,155,104         | -               | 97,610,428          | 23,604,577    | 538,370,109    |
| 2011                              | 410,958,535         | -               | 101,243,466         | 22,650,963    | 534,852,964    |
| 2010                              | 469,725,783         | -               | 114,014,998         | 21,857,951    | 605,598,732    |
| 2009                              | 517,235,374         | -               | 150,328,238         | 22,892,186    | 690,455,798    |
| 2008                              | 467,057,120         | -               | 169,121,245         | 24,764,880    | 660,943,245    |
| 2007                              | 441,423,769         | 2,270           | 151,609,644         | 26,761,104    | 619,796,787    |
| 2006                              | 369,587,219         | 586,175         | 124,659,828         | 28,408,346    | 523,241,568    |
| 2005                              | 334,149,105         | 9,966,205       | 108,113,613         | 23,247,804    | 475,476,726    |

1. Fiscal year 2006 was the last payment for general obligation debt.

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Source: District Records

**SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA**  
**ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**  
(amounts expressed in thousands)

| Fiscal<br>Year<br>Ended<br>June 30, | Net Taxable Value for the School District |                        |                        |               | Total<br>Direct<br>Tax Rate | Net<br>Assessed<br>Value | Net Taxable<br>Value as a<br>Percentage of<br>of Net Assessed<br>Value |
|-------------------------------------|-------------------------------------------|------------------------|------------------------|---------------|-----------------------------|--------------------------|------------------------------------------------------------------------|
|                                     | Residential<br>Property                   | Commercial<br>Property | Industrial<br>Property | Total         |                             |                          |                                                                        |
| 2014                                | \$ 44,158,619                             | \$ 21,686,777          | \$ 3,723,569           | \$ 69,568,965 | 7.6900                      | \$ 87,642,064            | 79.38%                                                                 |
| 2013                                | 40,557,101                                | 21,309,556             | 3,970,024              | 65,836,681    | 7.8770                      | 83,787,329               | 78.58%                                                                 |
| 2012                                | 36,420,767                                | 27,208,584             | 3,730,500              | 67,359,851    | 7.9130                      | 85,121,195               | 79.13%                                                                 |
| 2011                                | 39,993,330                                | 26,403,397             | 3,957,846              | 70,354,573    | 7.5920                      | 88,512,696               | 79.49%                                                                 |
| 2010                                | 44,400,315                                | 29,802,280             | 4,317,137              | 78,519,732    | 7.6920                      | 91,800,328               | 85.53%                                                                 |
| 2009                                | 53,254,024                                | 31,189,571             | 4,804,756              | 89,248,351    | 7.7770                      | 110,127,213              | 81.04%                                                                 |
| 2008                                | 53,207,245                                | 29,807,452             | 4,590,349              | 87,605,046    | 7.5230                      | 114,865,796              | 76.27%                                                                 |
| 2007                                | 46,131,700                                | 28,126,322             | 4,170,474              | 78,428,496    | 7.8230                      | 105,425,340              | 74.39%                                                                 |
| 2006                                | 36,438,698                                | 24,830,385             | 3,306,308              | 64,575,391    | 7.9370                      | 83,476,837               | 77.36%                                                                 |
| 2005                                | 30,580,853                                | 22,570,457             | 2,971,164              | 56,122,474    | 8.3609                      | 70,713,902               | 79.37%                                                                 |

Note: Net Taxable Values are net Assessed Values after deducting allowable statutory exemptions.

Source: Hillsborough County Property Appraiser

**SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA**  
**PROPERTY TAX RATES**  
**DIRECT AND OVERLAPPING GOVERNMENTS**  
**RATES PER \$1,000 ASSESSED VALUATION**

|                                     | Fiscal Year |         |         |         |
|-------------------------------------|-------------|---------|---------|---------|
|                                     | 2014        | 2013    | 2012    | 2011    |
| District School Board:              |             |         |         |         |
| Local Required Effort               | 5.4420      | 5.6290  | 5.6650  | 5.3440  |
| Discretionary Local                 | 0.7480      | 0.7480  | 0.7480  | 0.7480  |
| Supplemental Discretionary          | 0.0000      | 0.0000  | 0.0000  | 0.0000  |
| Debt Service                        | 0.0000      | 0.0000  | 0.0000  | 0.0000  |
| Capital Improvement                 | 1.5000      | 1.5000  | 1.5000  | 1.5000  |
| Total District School Board         | 7.6900      | 7.8770  | 7.9130  | 7.5920  |
| Other County-Wide:                  |             |         |         |         |
| Board of County Commissioners       | 5.7960      | 5.7978  | 5.7995  | 5.8011  |
| Tampa Port Authority                | 0.1750      | 0.1850  | 0.1900  | 0.1900  |
| Children's Board                    | 0.4828      | 0.5000  | 0.5000  | 0.5000  |
| S.W. Florida Water Management       | 0.3818      | 0.3928  | 0.3928  | 0.3770  |
| Total County-Wide                   | 14.5256     | 14.7526 | 14.7953 | 14.4601 |
| Non-County Wide:                    |             |         |         |         |
| Board of County Commissioners       |             |         |         |         |
| Public Library Service (1)          | 0.5583      | 0.5583  | 0.5583  | 0.5583  |
| Municipal Service Tax               | 4.3745      | 4.3745  | 4.3745  | 4.3745  |
| Parks & Recreation (unincorporated) | 0.0259      | 0.0259  | 0.0259  | 0.0259  |
| Independent Special Districts       |             |         |         |         |
| SWFWMD Watershed Basins(2)          |             |         |         |         |
| Alafia River Basin                  | 0.0000      | 0.0000  | 0.0000  | 0.2163  |
| Hillsborough River Basin            | 0.0000      | 0.0000  | 0.0000  | 0.2300  |
| N.W. Hillsborough River Basin       | 0.0000      | 0.0000  | 0.0000  | 0.0000  |
| Transit Authority                   | 0.0000      | 0.5000  | 0.5000  | 0.4682  |
| Tampa Palms C.D.D.                  | 0.0000      | 0.0000  | 0.0000  | 0.0000  |
| Municipalities:                     |             |         |         |         |
| Tampa                               | 5.7326      | 5.7326  | 5.7326  | 5.7326  |
| Plant City                          | 4.7157      | 4.7157  | 4.7157  | 4.7157  |
| Temple Terrace                      | 6.4300      | 6.4300  | 6.2500  | 5.9500  |

(1) This Levy is assessed on all property outside Plant City and Temple Terrace, i.e., Tampa and unincorporated areas.

(2) As of fiscal year 2012 SWFWMD no longer has taxes on basins.

Dependent on its location, property within Tampa may be in either the Alafia River, the Hillsborough River or the NW Hillsborough Basins. The city of Temple Terrace is entirely within Hillsborough River Basin. The city of Plant City is within the Alafia and Hillsborough River Basins.

Source: Hillsborough County Tax Collector

| 2010    | 2009    | 2008    | 2007    | 2006    | 2005    |
|---------|---------|---------|---------|---------|---------|
| 5.4440  | 5.3040  | 4.7840  | 5.0630  | 5.1680  | 5.4930  |
| 0.7480  | 0.4980  | 0.5100  | 0.5100  | 0.5100  | 0.5100  |
| 0.0000  | 0.2250  | 0.2290  | 0.2500  | 0.2500  | 0.1740  |
| 0.0000  | 0.0000  | 0.0000  | 0.0000  | 0.0090  | 0.1839  |
| 1.5000  | 1.7500  | 2.0000  | 2.0000  | 2.0000  | 2.0000  |
| 7.6920  | 7.7770  | 7.5230  | 7.8230  | 7.9370  | 8.3609  |
| 5.8027  | 5.8043  | 5.8050  | 6.5867  | 7.0097  | 7.2722  |
| 0.1925  | 0.1950  | 0.1982  | 0.2200  | 0.2600  | 0.2600  |
| 0.5000  | 0.5000  | 0.4634  | 0.5000  | 0.5000  | 0.5000  |
| 0.3866  | 0.3866  | 0.3866  | 0.4220  | 0.4220  | 0.4220  |
| 14.5738 | 14.6629 | 14.3762 | 15.5517 | 16.1287 | 16.8151 |
| 0.5583  | 0.5583  | 0.6083  | 0.6923  | 0.6923  | 0.6423  |
| 4.3745  | 4.3745  | 4.3755  | 4.9954  | 5.1621  | 5.0621  |
| 0.0259  | 0.0259  | 0.0259  | 0.0286  | 0.0359  | 0.0398  |
| 0.2163  | 0.2163  | 0.2163  | 0.2400  | 0.2400  | 0.2400  |
| 0.2421  | 0.2547  | 0.2547  | 0.2850  | 0.2850  | 0.2850  |
| 0.0000  | 0.2421  | 0.2421  | 0.2680  | 0.2680  | 0.2680  |
| 0.4682  | 0.4682  | 0.4495  | 0.5000  | 0.5000  | 0.5000  |
| 0.0000  | 0.0000  | 0.0000  | 2.6000  | 2.6000  | 2.6000  |
| 5.7326  | 5.7326  | 5.7326  | 6.4080  | 6.5390  | 6.5390  |
| 4.7157  | 4.1653  | 4.1653  | 4.7000  | 4.7000  | 4.7000  |
| 5.2829  | 4.5692  | 4.5692  | 4.9100  | 4.9100  | 4.9100  |

**SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA**  
**PRINCIPAL PROPERTY TAX PAYERS**  
**LAST TEN FISCAL YEARS**  
(amounts in thousands)

|                                 |                          | Fiscal Year |            |                |                                    |      |            |                |                                    |
|---------------------------------|--------------------------|-------------|------------|----------------|------------------------------------|------|------------|----------------|------------------------------------|
|                                 |                          | 2014        |            |                |                                    | 2013 |            |                |                                    |
| Taxpayer                        | Type of Business         | Rank        | Total Tax  | Assessed Value | Percentage of Total Assessed Value | Rank | Total Tax  | Assessed Value | Percentage of Total Assessed Value |
| Tampa Electric Company          | Electric Utility         | 1           | \$ 39,268  | \$ 1,792,659   | 2.57%                              | 1    | \$ 39,075  | \$ 1,751,481   | 2.65%                              |
| Verizon Florida Inc             | Communications           | 2           | 16,861     | 769,725        | 1.10%                              | 2    | 19,845     | 889,528        | 1.53%                              |
| Hillsborough Aviation Authority | Transportation           | 3           | 10,862     | 495,854        | 0.71%                              | 3    | 9,770      | 437,913        | 0.75%                              |
| Camden Operating LP             | Real Estate              | 4           | 5,637      | 257,338        | 0.37%                              | 4    | 6,260      | 280,592        | 0.48%                              |
| Highwoods/Florida Holding       | Real Estate Mgmt         | 5           | 5,183      | 236,623        | 0.34%                              | 5    | 5,347      | 239,686        | 0.41%                              |
| Post Apartment Homes LP         | Housing                  | 6           | 5,028      | 229,514        | 0.33%                              | 6    | 4,978      | 223,137        | 0.38%                              |
| Westfield                       | Shopping Malls           | 7           | 4,802      | 219,231        | 0.31%                              | 7    | 4,832      | 216,574        | 0.37%                              |
| Mosaic Fertilizer, LLC          | Mining                   | 8           | 4,795      | 218,899        | 0.31%                              | 8    | 4,164      | 186,628        | 0.32%                              |
| Wal-Mart                        | Retail Sales             | 9           | 4,350      | 198,576        | 0.28%                              | 9    | 4,018      | 180,103        | 0.31%                              |
| Liberty Property                | Property Management      | 10          | 3,887      | 177,469        | 0.25%                              | 10   | 3,535      | 158,442        | 0.27%                              |
| BrightHouse Networks            | Communications           |             |            |                |                                    |      |            |                |                                    |
| Tampa Port Authority            | Cargo/Cruise/Real Estate |             |            |                |                                    |      |            |                |                                    |
| Total                           |                          |             | \$ 100,673 | \$ 4,595,888   | 6.57%                              |      | \$ 101,824 | \$ 4,564,084   | 7.47%                              |

|                                 |                          | Fiscal Year |            |                |                                    |      |            |                |                                    |
|---------------------------------|--------------------------|-------------|------------|----------------|------------------------------------|------|------------|----------------|------------------------------------|
|                                 |                          | 2009        |            |                |                                    | 2008 |            |                |                                    |
| Taxpayer                        | Type of Business         | Rank        | Total Tax  | Assessed Value | Percentage of Total Assessed Value | Rank | Total Tax  | Assessed Value | Percentage of Total Assessed Value |
| Tampa Electric Company          | Electric Utility         | 1           | \$ 31,181  | \$ 1,435,499   | 1.61%                              | 1    | \$ 36,664  | \$ 1,653,149   | 1.88%                              |
| Verizon Florida Inc             | Communications           | 2           | 25,857     | 1,190,392      | 1.33%                              | 2    | 19,477     | 878,194        | 1.00%                              |
| Hillsborough Aviation Authority | Transportation           | 3           | 12,008     | 552,822        | 0.62%                              | 3    | 11,286     | 508,850        | 0.58%                              |
| Mosaic Fertilizer, LLC          | Mining                   | 4           | 8,101      | 372,968        | 0.42%                              | 4    | 7,955      | 358,690        | 0.41%                              |
| Camden Operating LP             | Real Estate              | 6           | 5,758      | 265,122        | 0.30%                              | 5    | 5,834      | 263,064        | 0.30%                              |
| Wal-Mart                        | Retail Sales             | 9           | 4,309      | 198,384        | 0.22%                              | 6    | 4,865      | 219,344        | 0.25%                              |
| Post Apartment Homes            | Housing                  | 8           | 5,245      | 241,460        | 0.27%                              | 9    | 4,585      | 206,741        | 0.24%                              |
| Westfield                       | Shopping Malls           |             |            |                |                                    | 8    | 4651       | 193195         | 0.0025                             |
| Busch Entertainment             | Entertainment            |             |            |                |                                    |      |            |                |                                    |
| Liberty Property                | Property Management      | 7           | 5,286      | 243,354        | 0.27%                              | 7    | 4,777      | 215,381        | 0.25%                              |
| Tampa Port Authority            | Cargo/Cruise/Real Estate | 10          | 4,071      | 187,440        | 0.21%                              | 10   | 3,763      | 169,685        | 0.19%                              |
| Teachers Insurance & Annuity    | Insurance                |             |            |                |                                    |      | 3,189      | 143,778        | 0.16%                              |
| Highwoods/Florida Holding       | Real Estate Mgmt         | 5           | 6455       | 297164         | 0.33%                              |      |            |                |                                    |
| Tampa Sports Authority          | Sports Facilities        |             |            |                |                                    |      |            |                |                                    |
| Cargil Incorporated             | Mining                   |             |            |                |                                    |      |            |                |                                    |
| Total                           |                          |             | \$ 108,271 | \$ 4,984,605   | 5.58%                              |      | \$ 107,046 | \$ 4,810,071   | 5.51%                              |

Source: Hillsborough County Tax Collector

| 2012 |                  |                     |                                    | 2011 |                  |                     |                                    | 2010 |                   |                     |                                    |
|------|------------------|---------------------|------------------------------------|------|------------------|---------------------|------------------------------------|------|-------------------|---------------------|------------------------------------|
| Rank | Total Tax        | Assessed Value      | Percentage of Total Assessed Value | Rank | Total Tax        | Assessed Value      | Percentage of Total Assessed Value | Rank | Total Tax         | Assessed Value      | Percentage of Total Assessed Value |
| 1    | \$ 37,592        | \$ 1,690,235        | 2.50%                              | 1    | \$ 34,683        | \$ 1,581,026        | 2.24%                              | 1    | \$ 32,379         | \$ 1,481,634        | 1.88%                              |
| 2    | 15,858           | 713,031             | 1.06%                              | 2    | 17,657           | 804,901             | 1.14%                              | 2    | 26,455            | 1,210,535           | 1.53%                              |
| 3    | 9,510            | 427,581             | 0.63%                              | 3    | 9,855            | 449,227             | 0.64%                              | 3    | 11,039            | 505,153             | 0.64%                              |
| 4    | 5,972            | 268,494             | 0.40%                              | 5    | 5,539            | 252,485             | 0.36%                              | 4    | 6,475             | 296,292             | 0.38%                              |
| 9    | 4,248            | 191,019             | 0.28%                              | 9    | 4,156            | 189,438             | 0.27%                              | 7    | 4,391             | 200,936             | 0.25%                              |
| 7    | 4,604            | 207,016             | 0.31%                              | 7    | 4,288            | 195,469             | 0.28%                              | 6    | 4,586             | 209,827             | 0.27%                              |
| 6    | 4,707            | 211,658             | 0.31%                              |      |                  |                     |                                    |      |                   |                     |                                    |
| 5    | 5,770            | 259,443             | 0.38%                              | 4    | 6,459            | 294,446             | 0.42%                              | 8    | 4,205             | 192,442             | 0.24%                              |
| 10   | 4,196            | 188,642             | 0.28%                              | 8    | 4,275            | 194,860             | 0.28%                              | 9    | 4,048             | 185,225             | 0.23%                              |
| 8    | 4,312            | 193,864             | 0.29%                              | 6    | 4,607            | 210,028             | 0.30%                              | 5    | 4,913             | 224,823             | 0.28%                              |
|      |                  |                     |                                    | 10   | 3,771            | 171,911             | 0.24%                              | 10   | 3,432             | 157,035             | 0.20%                              |
|      |                  |                     |                                    |      |                  |                     |                                    |      |                   |                     |                                    |
|      | <u>\$ 96,769</u> | <u>\$ 4,350,983</u> | <u>6.44%</u>                       |      | <u>\$ 95,290</u> | <u>\$ 4,343,791</u> | <u>6.17%</u>                       |      | <u>\$ 101,923</u> | <u>\$ 4,663,902</u> | <u>5.90%</u>                       |

| 2007 |                   |                     |                                    | 2006 |                   |                     |                                    | 2005 |                   |                     |                                    |
|------|-------------------|---------------------|------------------------------------|------|-------------------|---------------------|------------------------------------|------|-------------------|---------------------|------------------------------------|
| Rank | Total Tax         | Assessed Value      | Percentage of Total Assessed Value | Rank | Total Tax         | Assessed Value      | Percentage of Total Assessed Value | Rank | Total Tax         | Assessed Value      | Percentage of Total Assessed Value |
| 1    | \$ 40,472         | \$ 1,680,935        | 2.13%                              | 1    | \$ 40,917         | \$ 1,640,399        | 2.53%                              | 1    | \$ 34,257         | \$ 1,342,026        | 2.39%                              |
| 2    | 23,031            | 956,550             | 1.21%                              | 2    | 22,010            | 882,424             | 1.36%                              | 2    | 22,823            | 894,093             | 1.59%                              |
| 3    | 12,035            | 499,848             | 0.63%                              | 3    | 11,161            | 447,471             | 0.69%                              | 3    | 9,711             | 380,446             | 0.68%                              |
| 4    | 7,677             | 318,869             | 0.40%                              | 4    | 6,876             | 275,685             | 0.43%                              | 4    | 7,379             | 289,066             | 0.52%                              |
| 5    | 6,128             | 254,533             | 0.32%                              | 5    | 5,060             | 202,877             | 0.31%                              | 6    | 5,074             | 198,788             | 0.35%                              |
| 6    | 4,802             | 199,434             | 0.25%                              | 6    | 4,657             | 186,702             | 0.29%                              | 9    | 4,113             | 161,126             | 0.29%                              |
| 7    | 4,692             | 194,859             | 0.25%                              | 7    | 4,597             | 184,296             | 0.28%                              | 7    | 4,826             | 189,044             | 0.34%                              |
| 8    | 4,651             | 193,195             | 0.25%                              | 8    | 4,279             | 171,570             | 0.0026                             | 8    | 4,579             | 179,395             | 0.0032                             |
|      |                   |                     |                                    | 9    | 2,901             | 116,291             | 0.18%                              | 10   | 2,955             | 115,782             | 0.21%                              |
|      |                   |                     |                                    |      |                   |                     |                                    |      |                   |                     |                                    |
| 9    | 4,439             | 184,365             | 0.23%                              |      |                   |                     |                                    |      |                   |                     |                                    |
| 10   | 3,302             | 137,153             | 0.17%                              | 10   | 2,788             | 111,765             | 0.17%                              | 5    | 6,945             | 272,087             | 0.48%                              |
|      |                   |                     |                                    |      |                   |                     |                                    |      |                   |                     |                                    |
|      | <u>\$ 111,229</u> | <u>\$ 4,619,741</u> | <u>5.84%</u>                       |      | <u>\$ 105,246</u> | <u>\$ 4,219,480</u> | <u>6.50%</u>                       |      | <u>\$ 102,662</u> | <u>\$ 4,021,853</u> | <u>7.17%</u>                       |

**SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS**

| Fiscal<br>Year | Total<br>Tax Levy |             | Collected to End<br>of Tax Year   |                    | Delinquent<br>Collections (1) | Collected in<br>Fiscal Year |                    |
|----------------|-------------------|-------------|-----------------------------------|--------------------|-------------------------------|-----------------------------|--------------------|
|                |                   |             | Current<br>Tax<br>Collections (1) | Percent<br>of Levy |                               | Total<br>Collections (1)    | Percent<br>of Levy |
| 2014           | \$                | 538,166,770 | \$ 515,483,196                    | 95.79%             | 4,151,492                     | \$ 519,634,688              | 96.56%             |
| 2013           |                   | 521,066,245 | 497,507,461                       | 95.48%             | 6,707,034                     | 504,214,495                 | 96.77%             |
| 2012           |                   | 535,661,273 | 512,201,737                       | 95.62%             | 2,563,795                     | 514,765,532                 | 96.10%             |
| 2011           |                   | 537,023,488 | 508,048,259                       | 94.60%             | 4,153,742                     | 512,202,011                 | 95.38%             |
| 2010           |                   | 607,883,201 | 578,606,240                       | 95.18%             | 5,134,542                     | 583,740,782                 | 96.03%             |
| 2009           |                   | 695,871,440 | 664,675,893                       | 95.52%             | 2,887,719                     | 667,563,612                 | 95.93%             |
| 2008           |                   | 662,885,929 | 635,203,884                       | 95.82%             | 974,481                       | 636,178,365                 | 95.97%             |
| 2007           |                   | 616,369,811 | 592,574,795                       | 96.14%             | 460,888                       | 593,035,683                 | 96.21%             |
| 2006           |                   | 512,534,878 | 494,030,382                       | 96.39%             | 802,840                       | 494,833,222                 | 96.55%             |
| 2005           |                   | 469,234,393 | 449,419,671                       | 95.78%             | 2,809,251                     | 452,228,923                 | 96.38%             |

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

(1) Net of allowable discounts

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Source: Hillsborough County Tax Collector and District Records



**SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**

| Fiscal Year | Governmental Activities (A) |                                |                               |                        |                                                | Total Primary Government | Percentage of Personal Income (B) | Per Capita (B) |
|-------------|-----------------------------|--------------------------------|-------------------------------|------------------------|------------------------------------------------|--------------------------|-----------------------------------|----------------|
|             | General Obligation Bonds    | State Board of Education Bonds | Certificates Of Participation | District Revenue Bonds | Premiums/ (Discounts)/ (Loss on Refunding) (C) |                          |                                   |                |
| 2014        | \$ -                        | \$ 34,641,000                  | \$ 827,508,000                | \$ 198,469,861         | \$ 28,191,208                                  | #####                    | 2.130%                            | \$ 843.01      |
| 2013        | -                           | 39,960,000                     | 855,283,000                   | 209,448,592            | 4,845,256                                      | 1,109,536,848            | 2.234%                            | 868.35         |
| 2012        | -                           | 46,620,000                     | 881,518,000                   | 220,082,159            | 5,084,377                                      | 1,153,304,536            | 2.536%                            | 925.25         |
| 2011        | -                           | 50,570,000                     | 925,971,000                   | 230,290,971            | (3,561,048)                                    | 1,203,270,923            | 2.644%                            | 971.25         |
| 2010        | -                           | 50,735,000                     | 912,061,000                   | 240,101,621            | (3,584,929)                                    | 1,199,312,692            | 2.620%                            | 975.66         |
| 2009        | -                           | 54,530,000                     | 936,491,000                   | 249,560,619            | (3,607,539)                                    | 1,236,974,080            | 2.738%                            | 1,002.40       |
| 2008        | -                           | 58,400,000                     | 958,151,000                   | 258,698,225            | (3,063,895)                                    | 1,272,185,330            | 2.962%                            | 1,038.93       |
| 2007        | -                           | 57,025,000                     | 977,486,000                   | 267,728,225            | (2,743,352)                                    | 1,299,495,873            | 3.124%                            | 1,092.06       |
| 2006        | -                           | 60,580,000                     | 907,121,000                   | 272,568,225            | (126)                                          | 1,240,269,099            | 3.228%                            | 1,065.50       |
| 2005        | 9,520,000                   | 61,820,000                     | 835,319,000                   | 224,173,000            | (1,668)                                        | 1,130,830,332            | 3.113%                            | 985.80         |

(A) The primary government does not have any business type activities.

(B) Total Primary Government Debt divided by Personal Income and Population from Page 150 - Demographics and Economics.

(C) Effective in 2014, only premiums and discounts are part of the debt totals. Loss on refunding has been moved to deferred outflows due to the implementation of GASB Statement 65. Prior year amounts were not restated.

Source District Records

**SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
RATIO OF NET GENERAL BONDED DEBT OUTSTANDING  
LAST TEN YEARS**

| <b>Fiscal Year</b> | <b>Estimated Population (A)</b> | <b>Net Taxable Assessed Value (B)</b> | <b>Gross Bonded Debt (C)</b> | <b>Less Debt Service Funds (D)</b> | <b>Net Bonded Debt</b> | <b>Ratio of Net General Bonded Debt to Assessed Value</b> | <b>Net Bonded Debt Per Capita</b> |
|--------------------|---------------------------------|---------------------------------------|------------------------------|------------------------------------|------------------------|-----------------------------------------------------------|-----------------------------------|
| 2014               | 1,291,578                       | \$ 69,568,965                         | \$ -                         | \$ -                               | \$ -                   | 0.000%                                                    | \$ -                              |
| 2013               | 1,277,746                       | 65,836,681                            | -                            | -                                  | -                      | 0.000%                                                    | -                                 |
| 2012               | 1,246,480                       | 67,359,851                            | -                            | -                                  | -                      | 0.000%                                                    | -                                 |
| 2011               | 1,245,870                       | 70,354,573                            | -                            | -                                  | -                      | 0.000%                                                    | -                                 |
| 2010               | 1,229,226                       | 78,519,732                            | -                            | -                                  | -                      | 0.000%                                                    | -                                 |
| 2009               | 1,234,010                       | 89,248,351                            | -                            | -                                  | -                      | 0.000%                                                    | -                                 |
| 2008               | 1,224,510                       | 87,605,046                            | -                            | -                                  | -                      | 0.000%                                                    | -                                 |
| 2007               | 1,189,946                       | 78,428,496                            | -                            | -                                  | -                      | 0.000%                                                    | -                                 |
| 2006               | 1,164,022                       | 64,575,391                            | -                            | -                                  | -                      | 0.000%                                                    | -                                 |
| 2005               | 1,147,120                       | 56,122,474                            | 9,520,000                    | 9,859,000                          | (339,000)              | -0.001%                                                   | -                                 |

- (A) Population was obtained from the United States Department of Commerce, Bureau of Economic Analysis and the University of Florida, Bureau of Economic and Business Research.  
 (B) Net Taxable Assessed Values are expressed in thousands.  
 (C) Includes General Obligation Bonds only.  
 (D) Reserved for Debt Service - General Obligation Bonds only.

Source: District Records

**SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES  
FOR GENERAL OBLIGATION BONDED DEBT  
TO TOTAL GENERAL GOVERNMENTAL EXPENDITURES  
LAST TEN FISCAL YEARS**

| <b>Fiscal<br/>Year</b> | <b>Principal</b> | <b>Interest</b> | <b>Total<br/>Debt<br/>Service</b> | <b>Total General<br/>Governmental<br/>Non-Capital<br/>Expenditures (A)</b> | <b>Ratio of<br/>Debt Service<br/>to General<br/>Governmental<br/>Non-Capital<br/>Expenditures</b> |
|------------------------|------------------|-----------------|-----------------------------------|----------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------|
| 2014                   | \$ -             | \$ -            | \$ -                              | \$ 1,985,755                                                               | -                                                                                                 |
| 2013                   | -                | -               | -                                 | 1,859,591                                                                  | -                                                                                                 |
| 2012                   | -                | -               | -                                 | 1,862,625                                                                  | -                                                                                                 |
| 2011                   | -                | -               | -                                 | 1,916,394                                                                  | -                                                                                                 |
| 2010                   | -                | -               | -                                 | 1,871,044                                                                  | -                                                                                                 |
| 2009                   | -                | -               | -                                 | 1,886,338                                                                  | -                                                                                                 |
| 2008                   | -                | -               | -                                 | 1,848,960                                                                  | -                                                                                                 |
| 2007                   | -                | -               | -                                 | 1,729,100                                                                  | -                                                                                                 |
| 2006                   | -                | -               | -                                 | 1,585,487                                                                  | -                                                                                                 |
| 2005                   | 9,065,000        | 794,000         | 9,859,000                         | 1,462,966                                                                  | 0.007                                                                                             |

(A) Includes general, special revenue, debt service, and capital projects funds of the Primary Government, excluding capital expenditures.  
Amounts in Thousands

Note: The District's General Obligation Bonded Debt was paid off in fiscal year 2005

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Source: District Records

**SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**June 30, 2014**

| Jurisdiction                                         | General<br>Obligation<br>Bonded<br>Debt<br>Outstanding | State<br>Board of<br>Education<br>Bonds | Certificates<br>Of<br>Participation | District<br>Revenue<br>Bonds | Premiums/<br>(Discounts) | Direct Debt                                                 |                                                         | Direct and Overlapping Debt                              |                                                      |
|------------------------------------------------------|--------------------------------------------------------|-----------------------------------------|-------------------------------------|------------------------------|--------------------------|-------------------------------------------------------------|---------------------------------------------------------|----------------------------------------------------------|------------------------------------------------------|
|                                                      |                                                        |                                         |                                     |                              |                          | Percentage<br>Applicable to<br>This<br>Governmental<br>Unit | Amount<br>Applicable to<br>This<br>Governmental<br>Unit | Percentage<br>Applicable<br>to<br>Hillsborough<br>County | Amount<br>Applicable<br>to<br>Hillsborough<br>County |
| Hillsborough County Board of<br>County Commissioners | \$ 68,163,000                                          | \$ -                                    | \$ -                                | \$ -                         | \$ -                     | 0%                                                          | \$ -                                                    | 100%                                                     | \$ 68,163,000                                        |
| School District of Hillsborough<br>County            | -                                                      | 34,641,000                              | 827,508,000                         | 198,469,861                  | 28,191,208               | 100%                                                        | 1,088,810,069                                           | 100%                                                     | 1,088,810,069                                        |
| <b>Totals</b>                                        | <u>\$ 68,163,000</u>                                   | <u>\$ 34,641,000</u>                    | <u>\$ 827,508,000</u>               | <u>\$ 198,469,861</u>        | <u>\$ 28,191,208</u>     |                                                             | <u>\$ 1,088,810,069</u>                                 |                                                          | <u>\$1,156,973,069</u>                               |

Source: District Records  
Hillsborough County Clerk of the Circuit Court

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

| <b>Fiscal<br/>Year</b> | <b>Taxable<br/>Assessed<br/>Value (A)</b> | <b>Annual Lease<br/>Payment</b> | <b>Millage Levy<br/>to Provide<br/>1.00x Coverage (B)</b> |
|------------------------|-------------------------------------------|---------------------------------|-----------------------------------------------------------|
| 2014                   | \$ 69,568,965                             | \$ 65,206,725                   | 0.9373                                                    |
| 2013                   | 65,836,681                                | 67,756,565                      | 1.0292                                                    |
| 2012                   | 67,359,851                                | 66,005,259                      | 0.9799                                                    |
| 2011                   | 70,354,573                                | 62,458,386                      | 0.8878                                                    |
| 2010                   | 78,519,732                                | 62,535,435                      | 0.7964                                                    |
| 2009                   | 89,248,351                                | 61,358,676                      | 0.6875                                                    |
| 2008                   | 87,605,046                                | 59,112,895                      | 0.6748                                                    |
| 2007                   | 78,428,497                                | 53,488,469                      | 0.6820                                                    |
| 2006                   | 64,575,391                                | 52,475,130                      | 0.8126                                                    |
| 2005                   | 56,122,474                                | 48,922,918                      | 0.8717                                                    |

(A) Assessed Value is in Thousands.

(B) Millage rate calculated using 95% of the taxable assessed valuation.

Note: Capital lease arrangements financed by Certificates of Participation are not considered general obligation debt as no specific property tax levy has been pledged.

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Source: District Records

**SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA**  
**CALCULATION OF LEGAL DEBT MARGIN**  
**LAST TEN FISCAL YEARS**  
(amounts in thousands)

|                                                                          | Fiscal Year          |                      |                      |                      |
|--------------------------------------------------------------------------|----------------------|----------------------|----------------------|----------------------|
|                                                                          | 2014                 | 2013                 | 2012                 | 2011                 |
| Net Assessed Value                                                       | <u>\$ 87,642,064</u> | <u>\$ 83,787,329</u> | <u>\$ 85,121,195</u> | <u>\$ 88,512,696</u> |
| Debt Limit - 10% of Assessed Value                                       | <u>\$ 8,764,206</u>  | <u>\$ 8,378,733</u>  | <u>\$ 8,512,120</u>  | <u>\$ 8,851,270</u>  |
| Amount of Debt Applicable to Debt Limit:                                 |                      |                      |                      |                      |
| Bond Payable                                                             | \$ -                 | \$ -                 | \$ -                 | \$ -                 |
| Less, Amount Available for Debt Service                                  | <u>-</u>             | <u>-</u>             | <u>-</u>             | <u>-</u>             |
| Total Debt Applicable to the Debt Limit                                  | <u>-</u>             | <u>-</u>             | <u>-</u>             | <u>-</u>             |
| Legal Debt Margin                                                        | <u>\$ 8,764,206</u>  | <u>\$ 8,378,733</u>  | <u>\$ 8,512,120</u>  | <u>\$ 8,851,270</u>  |
| Total Debt Applicable to the Debt Limit<br>as a Percentage of Debt Limit | 0.00%                | 0.00%                | 0.00%                | 0.00%                |

Note: Rule 6A-1.037(2), State Board of Education, Florida Administration Code, establishes a limit of 10 percent on the assessed valuation of the District.

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Source: District Records

| <b>2010</b>          | <b>2009</b>           | <b>2008</b>           | <b>2007</b>           | <b>2006</b>          | <b>2005</b>          |
|----------------------|-----------------------|-----------------------|-----------------------|----------------------|----------------------|
| <u>\$ 91,800,328</u> | <u>\$ 110,127,213</u> | <u>\$ 114,865,796</u> | <u>\$ 105,425,340</u> | <u>\$ 83,476,837</u> | <u>\$ 70,713,902</u> |
| <u>\$ 9,180,033</u>  | <u>\$ 11,012,721</u>  | <u>\$ 11,486,580</u>  | <u>\$ 10,542,534</u>  | <u>\$ 8,347,684</u>  | <u>\$ 7,071,390</u>  |
| \$ -                 | \$ -                  | \$ -                  | \$ -                  | \$ -                 | \$ 9,520             |
| -                    | -                     | -                     | -                     | -                    | 9,859                |
| -                    | -                     | -                     | -                     | -                    | (339)                |
| <u>\$ 9,180,033</u>  | <u>\$ 11,012,721</u>  | <u>\$ 11,486,580</u>  | <u>\$ 10,542,534</u>  | <u>\$ 8,347,684</u>  | <u>\$ 7,071,729</u>  |
| 0.00%                | 0.00%                 | 0.00%                 | 0.00%                 | 0.00%                | 0.00%                |

**SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN YEARS**

| <b>Fiscal<br/>Year</b> | <b>Population (A)</b> | <b>Personal<br/>Income (1) (A)</b> | <b>Per Capita<br/>Personal<br/>Income (A)</b> | <b>Median<br/>Age (A)</b> | <b>Unemployment<br/>Rate (B)</b> |
|------------------------|-----------------------|------------------------------------|-----------------------------------------------|---------------------------|----------------------------------|
| 2014                   | 1,291,578             | \$ 51,109,828                      | 39,572                                        | 36.50                     | 6.2%                             |
| 2013                   | 1,277,746             | 49,671,035                         | 38,874                                        | 36.40                     | 7.1%                             |
| 2012                   | 1,246,480             | 45,473,079                         | 36,481                                        | 36.40                     | 8.8%                             |
| 2011                   | 1,238,890             | 45,511,155                         | 36,735                                        | 36.10                     | 11.0%                            |
| 2010                   | 1,229,226             | 45,779,076                         | 37,242                                        | 35.60                     | 11.9%                            |
| 2009                   | 1,234,010             | 45,184,510                         | 36,616                                        | 37.10                     | 10.9%                            |
| 2008                   | 1,224,510             | 42,954,586                         | 35,079                                        | 36.50                     | 6.7%                             |
| 2007                   | 1,189,946             | 41,599,322                         | 34,959                                        | 36.30                     | 3.7%                             |
| 2006                   | 1,164,022             | 38,422,038                         | 33,008                                        | 37.80                     | 3.3%                             |
| 2005                   | 1,147,120             | 36,330,438                         | 31,671                                        | 35.50                     | 4.0%                             |

(1) Personal Income and Government-wide expenses are in thousands.

(2) The District adopted GASB Statement No. 65 during 2014, Prior year amount were not restated.

Sources:

(A) Estimates of Population, Personal Income, Per Capita Personal Income and Median Age were obtained from the United States Department of Commerce and the City-County Planning Commission

(B) Unemployment Rate was obtained from the City-County Planning Commission

(C) Education Level was obtained from the U. S. Census Bureau, Population 25 years and over.

(D) Student Enrollment was obtained from District Records.



| Education Level (C)      |             |           |          | School<br>Enrollment (D) | Government-wide<br>Governmental<br>Activities<br>(1) Expenses(2) |           | Cost per<br>Student |
|--------------------------|-------------|-----------|----------|--------------------------|------------------------------------------------------------------|-----------|---------------------|
| Less than<br>High School | High School | Bachelors | Graduate |                          |                                                                  |           |                     |
| 108,577                  | 484,510     | 173,879   | 95,403   | 201,300                  | \$                                                               | 2,071,638 | \$ 10,291           |
| 107,407                  | 488,402     | 164,779   | 88,920   | 198,659                  |                                                                  | 1,941,496 | 9,773               |
| 114,640                  | 493,709     | 149,792   | 83,115   | 195,198                  |                                                                  | 1,917,411 | 9,823               |
| 112,733                  | 463,938     | 155,213   | 77,644   | 192,499                  |                                                                  | 1,969,964 | 10,234              |
| 109,242                  | 458,402     | 142,655   | 78,010   | 190,799                  |                                                                  | 1,921,131 | 10,069              |
| 114,372                  | 438,754     | 148,956   | 79,789   | 189,761                  |                                                                  | 1,936,011 | 10,202              |
| 107,281                  | 438,220     | 151,495   | 77,595   | 190,580                  |                                                                  | 1,905,518 | 9,999               |
| 111,292                  | 439,818     | 142,748   | 68,748   | 190,699                  |                                                                  | 1,764,841 | 9,255               |
| 112,651                  | 422,193     | 135,029   | 68,763   | 190,596                  |                                                                  | 1,610,623 | 8,450               |
| 114,839                  | 412,486     | 130,701   | 66,478   | 185,511                  |                                                                  | 1,485,759 | 8,009               |

**SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
PRINCIPAL EMPLOYERS  
HILLSBOROUGH COUNTY EMPLOYMENT  
LAST TEN YEARS**

| Employer                               | Fiscal Year   |      |                                 |               |      |                                 |
|----------------------------------------|---------------|------|---------------------------------|---------------|------|---------------------------------|
|                                        | 2014          |      |                                 | 2013          |      |                                 |
|                                        | Employees     | Rank | Percentage of County Employment | Employees     | Rank | Percentage of County Employment |
| School District of Hillsborough County | 26,004        | 1    | 4.293%                          | 25,776        | 1    | 4.380%                          |
| MacDill Air Force Base                 | 14,500        | 2    | 2.394%                          | 15,485        | 2    | 2.631%                          |
| University of South Florida            | 10,837        | 3    | 1.789%                          | 9,464         | 4    | 1.608%                          |
| Hillsborough County Government         | 9,355         | 4    | 1.544%                          | 10,212        | 3    | 1.735%                          |
| Tampa International Airport            | 7,500         | 5    | 1.238%                          | 7,500         | 5    | 1.274%                          |
| Publix Supermarkets                    | 6,826         | 6    | 1.127%                          | 5,714         | 7    | 0.971%                          |
| Tampa General Hospital                 | 6,500         | 7    | 1.073%                          | 6,515         | 6    | 1.107%                          |
| James A Haley Veterans Hospital        | 4,700         | 8    | 0.776%                          | 4,700         | 8    | 0.799%                          |
| H. Lee Moffitt Cancer Center           | 4,187         | 9    | 0.691%                          | 4,187         | 10   | 0.711%                          |
| City of Tampa                          | 4,000         | 10   | 0.660%                          | 4,278         | 9    | 0.727%                          |
| St Josephs Hospital / Baker Health     |               |      |                                 |               |      |                                 |
| Verizon                                |               |      |                                 |               |      |                                 |
|                                        | <u>94,409</u> |      | <u>15.585%</u>                  | <u>93,831</u> |      | <u>15.943%</u>                  |

| Employer                               | Fiscal Year   |      |                                 |               |      |                                 |
|----------------------------------------|---------------|------|---------------------------------|---------------|------|---------------------------------|
|                                        | 2009          |      |                                 | 2008          |      |                                 |
|                                        | Employees     | Rank | Percentage of County Employment | Employees     | Rank | Percentage of County Employment |
| School District of Hillsborough County | 25,272        | 1    | 4.452%                          | 25,360        | 1    | 4.385%                          |
| Hillsborough County Government         | 12,246        | 3    | 2.157%                          | 10,502        | 2    | 1.816%                          |
| University of South Florida            | 8,600         | 4    | 1.515%                          | 9,575         | 3    | 1.656%                          |
| Tampa International Airport            | 7,500         | 6    | 1.321%                          | 7,500         | 4    | 1.297%                          |
| Verizon                                | 7,850         | 5    | 1.383%                          | 7,000         | 5    | 1.210%                          |
| MacDill Air Force Base                 | 13,300        | 2    | 2.343%                          | 6,656         | 6    | 1.151%                          |
| Tampa General Hospital                 | 6,020         | 7    | 1.061%                          | 5,842         | 7    | 1.010%                          |
| Publix Supermarkets                    | 5,714         | 8    | 1.007%                          | 4,984         | 8    | 0.862%                          |
| James A Haley Veterans Hospital        | 4,900         | 9    | 0.863%                          |               |      | 0.000%                          |
| City of Tampa                          | 4,154         | 10   | 0.732%                          | 4,502         | 10   | 0.778%                          |
| St Josephs Hospital / Baker Health     |               |      |                                 | 4,529         | 9    | 0.783%                          |
| Tampa Electric                         |               |      |                                 |               |      |                                 |
| JP Morgan Chase                        |               |      |                                 |               |      |                                 |
| U S Postal Service                     |               |      |                                 |               |      |                                 |
| GTE Communications Corp                |               |      |                                 |               |      |                                 |
| Nations Banks                          |               |      |                                 |               |      |                                 |
|                                        | <u>95,556</u> |      | <u>16.834%</u>                  | <u>86,450</u> |      | <u>14.948%</u>                  |

Sources: State of Florida, Department of Labor and Employment Statistics  
City-County Planning Commission

| 2012      |      |                                 | 2011      |      |                                 | 2010      |      |                                 |
|-----------|------|---------------------------------|-----------|------|---------------------------------|-----------|------|---------------------------------|
| Employees | Rank | Percentage of County Employment | Employees | Rank | Percentage of County Employment | Employees | Rank | Percentage of County Employment |
| 25,554    | 1    | 4.444%                          | 25,226    | 1    | 4.526%                          | 24,957    | 1    | 4.467%                          |
| 15,485    | 2    | 2.693%                          | 15,485    | 2    | 2.778%                          | 13,300    | 2    | 2.380%                          |
| 8,507     | 4    | 1.479%                          | 8,353     | 4    | 1.499%                          | 6,151     | 6    | 1.101%                          |
| 9,328     | 3    | 1.622%                          | 10,034    | 3    | 1.800%                          | 12,246    | 3    | 2.192%                          |
| 8,047     | 5    | 1.399%                          | 8,060     | 5    | 1.446%                          | 7,500     | 5    | 1.342%                          |
| 6,100     | 8    | 1.061%                          | 5,823     | 8    | 1.045%                          | 5,823     | 8    | 1.042%                          |
| 6,600     | 7    | 1.148%                          | 6,700     | 7    | 1.202%                          | 6,020     | 7    | 1.077%                          |
|           |      |                                 |           |      |                                 |           |      | 0.000%                          |
| 4,500     | 9    | 0.783%                          | 4,246     | 10   | 0.762%                          | 4,525     | 9    | 0.810%                          |
| 4,437     | 10   | 0.772%                          | 4,437     | 9    | 0.796%                          | 4,437     | 10   | 0.794%                          |
| 7,850     | 6    | 1.365%                          | 7,850     | 6    | 1.408%                          | 7,850     | 4    | 1.405%                          |
| 96,408    |      | 16.765%                         | 96,214    |      | 17.262%                         | 92,809    |      | 16.611%                         |

| 2007      |      |                                 | 2006      |      |                                 | 2005      |      |                                 |
|-----------|------|---------------------------------|-----------|------|---------------------------------|-----------|------|---------------------------------|
| Employees | Rank | Percentage of County Employment | Employees | Rank | Percentage of County Employment | Employees | Rank | Percentage of County Employment |
| 25,121    | 1    | 4.232%                          | 24,286    | 1    | 4.129%                          | 23,601    | 1    | 4.172%                          |
| 11,169    | 2    | 1.881%                          | 11,920    | 2    | 2.027%                          | 10,498    | 2    | 1.856%                          |
| 9,026     | 3    | 1.520%                          | 8,743     | 3    | 1.487%                          | 7,794     | 3    | 1.378%                          |
| 7,300     | 5    | 1.230%                          | 6,500     | 5    | 1.105%                          | 7,626     | 4    | 1.348%                          |
| 7,456     | 4    | 1.256%                          | 7,652     | 4    | 1.301%                          | 7,000     | 5    | 1.237%                          |
| 5,432     | 6    | 0.915%                          | 5,812     | 6    | 0.988%                          | 5,756     | 6    | 1.018%                          |
| 5,000     | 7    | 0.842%                          | 4,920     | 7    | 0.837%                          |           |      |                                 |
| 4,832     | 8    | 0.814%                          | 4,702     | 8    | 0.799%                          | 4,672     | 7    | 0.826%                          |
|           |      | 0.000%                          | 4,407     | 10   | 0.749%                          |           |      |                                 |
| 4,700     | 9    | 0.792%                          | 4,700     | 9    | 0.799%                          | 4,525     | 8    | 0.800%                          |
| 4,111     | 10   | 0.692%                          |           |      |                                 | 3,907     | 9    | 0.691%                          |
|           |      |                                 |           |      |                                 | 3,543     | 10   | 0.626%                          |
| 84,147    |      | 14.175%                         | 83,642    |      | 14.222%                         | 78,922    |      | 13.952%                         |

**SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA**  
**SCHOOL BUILDING INFORMATION & FULL-TIME EQUIVALENT ENROLLMENT DATA**  
**LAST TEN FISCAL YEARS**

|                             | Acquired | Square      | Portables | Full-Time Equivalent Enrollment Data |            |            |
|-----------------------------|----------|-------------|-----------|--------------------------------------|------------|------------|
|                             | Date (1) | Footage (2) |           | 2013-14                              | 2012-13    | 2011-12    |
| Elementary Schools          |          |             |           |                                      |            |            |
| Alafia Elementary           | 1980     | 108,279     | -         | 574.4524                             | 572.9850   | 569.8300   |
| Alexander Elementary        | 1950     | 72,170      | -         | 618.5000                             | 661.0000   | 634.0000   |
| Anderson Elementary         | 1954     | 54,253      | -         | 355.5000                             | 348.5000   | 380.5400   |
| Apollo Beach Elementary     | 1981     | 95,522      | -         | 643.4741                             | 594.6800   | 557.1800   |
| Bailey Elementary           | 2007     | 91,773      | -         | 752.0228                             | 744.6300   | 713.5200   |
| Ballast Point Elementary    | 1924     | 55,047      | -         | 401.1800                             | 372.6000   | 391.6100   |
| Bay Crest Elementary        | 1969     | 86,215      | -         | 765.0000                             | 799.0035   | 793.5484   |
| Bellamy Elementary          | 1973     | 97,211      | -         | 680.4842                             | 712.0800   | 757.0000   |
| Bevis Elementary            | 1998     | 92,720      | -         | 803.2200                             | 801.6600   | 820.6000   |
| Bing Elementary             | 1989     | 95,484      | -         | 590.4385                             | 592.8350   | 574.0800   |
| Boyette Springs Elementary  | 1990     | 104,130     | -         | 551.9798                             | 560.1600   | 563.6000   |
| Brooker Elementary          | 1961     | 97,935      | -         | 892.1400                             | 869.1200   | 919.0800   |
| Broward Elementary          | 1926     | 51,018      | -         | 389.5000                             | 387.0300   | 382.0000   |
| Bryan Pland City Elementary | 1924     | 83,419      | -         | 743.2000                             | 698.0400   | 714.0600   |
| Bryant Elementary           | 2001     | 98,847      | -         | 965.1018                             | 1,026.2000 | 1,014.7600 |
| Buckhorn Elementary         | 1976     | 102,317     | -         | 665.5700                             | 693.0400   | 676.5600   |
| Burney Elementary           | 1923     | 52,488      | -         | 337.1000                             | 332.5200   | 345.0000   |
| Cahoon Elementary           | 1952     | 59,943      | -         | 413.1400                             | 388.0500   | 360.3600   |
| Cannella Elementary         | 1989     | 119,695     | -         | 711.0400                             | 658.5600   | 735.5300   |
| Carrollwood Elementary      | 1961     | 95,779      | -         | 755.5785                             | 727.4700   | 720.0600   |
| Chiaromonte Elementary      | 1955     | 63,294      | -         | 392.0600                             | 399.5200   | 378.0000   |
| Chiles Elementary           | 1996     | 97,620      | -         | 787.5800                             | 782.5700   | 749.5500   |
| Cimino Elementary           | 2001     | 89,868      | -         | 800.5800                             | 815.6800   | 791.8900   |
| Citrus Park Elementary      | 1911     | 80,625      | -         | 588.6500                             | 605.3200   | 647.2700   |
| Clair-Mel Elementary        | 1960     | 76,317      | -         | 543.0552                             | 524.0100   | 515.6102   |
| Clark Elementary            | 1996     | 107,444     | -         | 808.1300                             | 829.5400   | 831.5400   |
| Claywell Elementary         | 1980     | 106,930     | -         | 747.6000                             | 760.5400   | 711.0400   |
| Cleveland Elementary        | 1926     | 39,417      | -         | 371.0932                             | 359.7700   | 325.8700   |
| Collins Elementary          | 2004     | 107,187     | -         | 1,020.0800                           | 955.0400   | 930.5000   |
| Colson Elementary           | 1990     | 95,676      | -         | 700.0800                             | 688.6000   | 716.1885   |
| Cork Elementary             | 1879     | 92,650      | -         | 694.5600                             | 703.2000   | 649.4750   |
| Corr Elementary             | 2000     | 88,445      | -         | 708.5437                             | 773.9651   | 826.8801   |
| Crestwood Elementary        | 1967     | 94,219      | -         | 890.0400                             | 911.0400   | 965.0600   |
| Cypress Creek Elementary    | 1990     | 103,644     | -         | 1,132.8427                           | 1,138.5200 | 1,088.0000 |
| Davis Elementary            | 2004     | 93,577      | -         | 795.5400                             | 805.0200   | 778.5000   |
| Deer Park Elementary        | 2006     | 84,619      | -         | 955.0800                             | 1,032.6800 | 990.6800   |
| Desoto Elementary           | 1910     | 34,078      | -         | 213.5000                             | 186.0600   | 199.5200   |
| Dickenson Elementary        | 1963     | 75,829      | -         | 556.0600                             | 570.0600   | 574.6428   |
| Doby Elementary             | 2003     | 81,193      | -         | 797.6400                             | 687.7300   | 708.2800   |
| Dover Elementary            | 1912     | 115,088     | -         | 698.6850                             | 706.6400   | 826.5600   |
| Dunbar Elementary           | 1926     | 37,812      | -         | 229.0000                             | 247.5000   | 254.5000   |
| Edison Elementary           | 1925     | 57,708      | -         | 456.1572                             | 482.7200   | 454.2202   |
| Egypt Lake Elementary       | 1955     | 64,544      | -         | 492.6450                             | 504.1000   | 508.4562   |
| Essrig Elementary           | 1985     | 86,338      | -         | 688.1500                             | 743.0300   | 775.5400   |
| Fishhawk Creek Elementary   | 2003     | 99,450      | -         | 997.8600                             | 1,045.2000 | 1,055.6700 |
| Folsom Elementary           | 1990     | 85,686      | -         | 542.5400                             | 533.0100   | 523.0200   |
| Forest Hills Elementary     | 1954     | 110,897     | -         | 960.6000                             | 929.5600   | 926.1000   |
| Foster Elementary           | 1953     | 74,644      | -         | 474.4900                             | 493.5000   | 451.5000   |
| Frost Elementary            | 2004     | 94,786      | -         | 768.0400                             | 722.5118   | 709.7003   |
| Gibson Elementary           | 1959     | 94,786      | -         | 565.7000                             | 545.7800   | 563.0900   |
| Gorrie Elementary           | 1899     | 60,439      | -         | 563.5970                             | 569.0600   | 568.1000   |
| Grady Elementary            | 1958     | 61,086      | -         | 454.6000                             | 422.6300   | 402.2100   |
| Graham Elementary           | 1922     | 39,529      | -         | 304.7300                             | 290.3200   | 343.9400   |
| Hammond Elementary          | 2005     | 83,551      | -         | 725.0800                             | 697.1000   | 639.0850   |
| Heritage Elementary         | 2000     | 66,504      | -         | 637.5266                             | 584.7706   | 607.5400   |
| Hunters Green Elementary    | 1990     | 122,008     | -         | 839.7108                             | 838.0880   | 837.1700   |
| Ippolito Elementary         | 2001     | 84,095      | -         | 854.5470                             | 847.3884   | 841.8050   |
| Jackson Elementary          | 1926     | 56,590      | -         | 503.5200                             | 478.0600   | 474.0000   |
| James K-8 School            | 1964     | 70,652      | -         | 621.5200                             | 627.9500   | 647.8750   |
| Just Elementary             | 1959     | 68,724      | -         | 591.5625                             | 503.6600   | 472.7000   |
| Kenly Elementary            | 1927     | 66,141      | -         | 488.4885                             | 511.0350   | 477.6900   |
| Kimbell Elementary          | 2007     | 64,847      | -         | 551.0000                             | 441.5000   | 422.5000   |
| Kingswood Elementary        | 1967     | 71,680      | -         | 613.2800                             | 651.9800   | 642.0400   |
| Knights Elementary          | 1976     | 94,287      | -         | 669.6002                             | 650.8000   | 666.1200   |

| 2010-11    | 2009-10    | 2008-09    | 2007-08    | 2006-07    | 2005-06    | 2004-05    |
|------------|------------|------------|------------|------------|------------|------------|
| 598.1500   | 623.2236   | 644.8500   | 666.6400   | 725.1000   | 775.7167   | 791.1700   |
| 646.0102   | 655.3254   | 658.0000   | 657.5000   | 628.9800   | 729.5800   | 675.1400   |
| 391.5402   | 411.0000   | 376.7300   | 372.5400   | 363.0000   | 510.5900   | 482.7700   |
| 532.6800   | 558.6400   | 570.0800   | 569.0200   | 600.6800   | 588.1500   | 591.1800   |
| 688.4500   | 616.0700   | -          | -          | -          | -          | -          |
| 402.1600   | 387.6500   | 395.5400   | 368.0600   | 392.8600   | 373.0200   | 377.5000   |
| 829.3655   | 817.8050   | 842.3785   | 803.5800   | 829.7200   | 847.0500   | 835.7800   |
| 743.4600   | 801.5000   | 767.0500   | 802.5800   | 804.5700   | 882.1200   | 843.1300   |
| 838.5800   | 860.8984   | 794.2200   | 777.1000   | 842.7400   | 865.9400   | 817.2600   |
| 611.8050   | 602.6286   | 625.0400   | 597.0000   | 612.0000   | 620.1350   | 787.2300   |
| 641.6600   | 663.5400   | 1,032.1700 | 1,049.8600 | 1,065.7100 | 1,050.0821 | 988.7468   |
| 963.2600   | 957.1800   | 892.2000   | 970.1800   | 978.3800   | 942.5067   | 948.4300   |
| 377.5400   | 381.5400   | 411.0000   | 508.0200   | 516.6200   | 536.0600   | 571.3000   |
| 715.5800   | 721.0200   | 782.9800   | 810.6400   | 851.5600   | 812.0500   | 887.3392   |
| 989.8900   | 995.7000   | 951.4700   | 907.5250   | 850.0100   | 1,301.4800 | 1,168.0617 |
| 633.6536   | 634.8100   | 642.9200   | 706.8150   | 724.3000   | 753.1800   | 719.6950   |
| 331.9490   | 325.5800   | 445.5400   | 426.5400   | 424.0400   | 389.0734   | 391.0800   |
| 373.3200   | 370.0000   | 360.5000   | 346.9800   | 374.5000   | 529.5800   | 522.5800   |
| 770.4750   | 772.9524   | 821.7405   | 894.0000   | 906.5400   | 904.5800   | 858.3400   |
| 714.1151   | 724.1200   | 715.3600   | 693.5400   | 723.8200   | 591.7000   | 641.7200   |
| 371.0000   | 398.5400   | 375.5400   | 369.0000   | 365.5000   | 397.5300   | 425.0500   |
| 763.4264   | 721.6000   | 726.0200   | 732.5200   | 760.6400   | 864.5600   | 868.1200   |
| 877.1900   | 936.3000   | 961.0000   | 962.2600   | 1,004.2300 | 1,001.2400 | 967.3700   |
| 655.2400   | 680.3000   | 690.3600   | 623.8800   | 804.5900   | 740.9000   | 754.1900   |
| 537.1151   | 539.1500   | 617.8800   | 681.9400   | 718.4600   | 725.3900   | 687.3300   |
| 832.9330   | 838.9198   | 814.3900   | 660.5400   | 640.0600   | 730.6500   | 1,015.1800 |
| 725.5000   | 726.0500   | 766.2300   | 769.8500   | 851.1900   | 948.8850   | 964.5900   |
| 298.8600   | 324.0700   | 338.3000   | 333.1800   | 331.3000   | 271.2700   | 285.4600   |
| 882.1518   | 882.2600   | 761.5800   | 683.6800   | 1,019.3200 | 902.0000   | -          |
| 727.6900   | 718.1917   | 743.4700   | 760.5384   | 755.5900   | 750.5000   | 759.4300   |
| 670.6400   | 672.8300   | 854.6500   | 897.6000   | 922.0300   | 921.7000   | 870.0900   |
| 773.0900   | 732.1100   | 701.5600   | 689.9100   | 639.5900   | 783.0300   | 651.6800   |
| 991.0300   | 956.0800   | 983.0000   | 1,014.4200 | 1,009.0000 | 1,014.5600 | 1,013.5000 |
| 1,079.0400 | 971.7835   | 915.1100   | 1,005.2100 | 962.6300   | 979.3400   | 964.7800   |
| 771.5200   | 801.6200   | 883.0800   | 917.0800   | 916.0900   | 892.5300   | 798.5200   |
| 978.1600   | 951.0400   | 825.1800   | 654.0600   | 411.0400   | -          | -          |
| 173.0000   | 199.5800   | 232.0300   | 195.2584   | 387.0000   | 368.6000   | 351.5000   |
| 530.1400   | 532.3000   | 517.0534   | 510.5000   | 511.2101   | 535.4017   | 546.2600   |
| 675.1401   | 610.5617   | 498.5600   | 452.7936   | 390.0700   | -          | -          |
| 799.0400   | 770.7352   | 818.1552   | 861.0200   | 859.1963   | 851.9706   | 896.7400   |
| 250.0000   | 257.0000   | 289.0000   | 307.5000   | 314.0000   | 325.0000   | 359.0000   |
| 458.1400   | 467.0784   | 441.4300   | 524.1000   | 504.1400   | 521.4200   | 562.1450   |
| 528.7277   | 480.3200   | 490.1000   | 475.4900   | 476.3901   | 543.4835   | 548.4600   |
| 801.6600   | 832.1200   | 817.1800   | 856.7500   | 851.1900   | 1,002.4700 | 1,016.3000 |
| 1,027.6750 | 1,057.4000 | 1,134.8400 | 1,085.8500 | 951.4767   | 768.6600   | 568.6800   |
| 559.6500   | 561.5500   | 580.4817   | 611.0000   | 636.0200   | 753.0600   | 793.1200   |
| 915.9000   | 963.1256   | 956.4300   | 1,109.3717 | 1,121.6200 | 899.6000   | 889.5300   |
| 491.0000   | 470.6300   | 502.1600   | 521.7751   | 562.0217   | 510.2500   | 461.5000   |
| 803.5950   | 846.1800   | 748.9434   | 745.0600   | 767.0300   | 670.1267   | -          |
| 588.5700   | 569.1500   | 641.9600   | 677.9300   | 743.4450   | 704.6600   | 690.6500   |
| 564.1800   | 559.0600   | 529.8600   | 560.5400   | 562.6100   | 541.2900   | 559.2800   |
| 394.5400   | 396.6968   | 386.9500   | 374.5300   | 401.1500   | 390.0800   | 419.7301   |
| 351.1700   | 382.2440   | 364.4700   | 359.9667   | 362.0100   | 372.9000   | 345.0400   |
| 608.5700   | 641.6600   | 607.1000   | 599.0600   | -          | -          | -          |
| 603.0600   | 581.5200   | 584.0000   | 542.5000   | 477.0800   | 456.6300   | 516.6200   |
| 854.2020   | 835.1818   | 880.1350   | 783.8000   | 876.6500   | 925.5700   | 988.0200   |
| 774.0150   | 736.0800   | 727.5400   | 809.3959   | 719.0000   | 602.0450   | 916.6700   |
| 484.0000   | 432.5818   | 505.9400   | 535.5600   | 567.3000   | 533.5000   | 518.0700   |
| 730.4050   | 714.8268   | 677.4441   | 598.8378   | 397.4800   | 882.0000   | 814.6500   |
| 475.7200   | 528.0800   | 575.8000   | 555.7700   | 645.6700   | 648.1200   | 579.0800   |
| 465.1200   | 440.5000   | 448.0200   | 469.0500   | 476.5400   | 467.9600   | 446.1000   |
| 481.5000   | 507.5000   | 440.3401   | -          | -          | -          | -          |
| 656.1800   | 618.7400   | 612.2400   | 582.0700   | 565.1200   | 604.6800   | 616.6900   |
| 639.1250   | 591.6800   | 718.5600   | 764.6900   | 773.2200   | 799.1900   | 782.1600   |

(Continued)

**SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
SCHOOL BUILDING INFORMATION & FULL-TIME EQUIVALENT ENROLLMENT DATA  
LAST TEN FISCAL YEARS**

|                                      | Acquired<br>Date (1) | Square<br>Footage (2) | Portables | Full-Time Equivalent Enrollment Data |            |          |
|--------------------------------------|----------------------|-----------------------|-----------|--------------------------------------|------------|----------|
|                                      |                      |                       |           | 2013-14                              | 2012-13    | 2011-12  |
| Lake Magdalene Elementary            | 1946                 | 109,683               | -         | 854.5800                             | 852.0504   | 884.6400 |
| Lanier Elementary                    | 1956                 | 52,377                | -         | 345.5652                             | 354.7050   | 351.7900 |
| Lee Elementary School Of Technology  | 1906                 | 46,043                | -         | 258.5000                             | 253.2823   | 248.0000 |
| Lewis Elementary                     | 1958                 | 98,606                | -         | 801.0400                             | 783.5200   | 764.0000 |
| Limona Elementary                    | 1971                 | 66,488                | -         | 486.5000                             | 468.5200   | 476.5200 |
| Lincoln Elementary                   | 1923                 | 51,315                | -         | 379.0668                             | 378.0400   | 379.5200 |
| Lithia Springs Elementary            | 1990                 | 95,153                | -         | 615.5600                             | 585.0600   | 606.0000 |
| Lockhart Elementary                  | 1951                 | 85,725                | -         | 360.0800                             | 347.2200   | 358.5800 |
| Lomax Elementary                     | 1907                 | 45,090                | -         | 353.5000                             | 363.5000   | 335.0000 |
| Lopez Elementary                     | 1950                 | 94,589                | -         | 478.5400                             | 500.5000   | 561.2052 |
| Lowry Elementary                     | 1991                 | 113,294               | -         | 768.0400                             | 915.0600   | 942.0400 |
| Lutz Elementary                      | 1920                 | 94,041                | -         | 590.0900                             | 587.5000   | 615.0000 |
| Mabry Elementary                     | 1926                 | 100,309               | -         | 785.8100                             | 793.7350   | 752.8000 |
| Macfarlane Elementary                | 1925                 | 43,667                | -         | 362.0000                             | 363.5000   | 366.5000 |
| Mango Elementary                     | 1927                 | 87,304                | -         | 703.7085                             | 691.6900   | 680.8100 |
| Maniscalco Elementary                | 1987                 | 104,406               | -         | 536.5000                             | 541.5000   | 565.0200 |
| Mcdonald Elementary                  | 1976                 | 68,677                | -         | 591.1400                             | 538.5400   | 502.5800 |
| Mckitrick Elementary                 | 1999                 | 102,662               | -         | 995.4798                             | 1,006.0130 | 977.1600 |
| Mendenhall Elementary                | 1947                 | 89,597                | -         | 676.4200                             | 664.0600   | 659.5600 |
| Metropolitan Ministries              | 2010                 | n/a                   | n/a       | 65.5000                              | 64.5000    | 64.0000  |
| Miles Elementary                     | 1954                 | 75,391                | -         | 796.5400                             | 698.5000   | 627.4665 |
| Mintz Elementary                     | 1990                 | 105,365               | -         | 826.7200                             | 807.6400   | 795.1200 |
| Mitchell Elementary                  | 1915                 | 69,390                | -         | 615.4370                             | 576.4465   | 604.9402 |
| Morgan Woods Elementary              | 1967                 | 62,805                | -         | 550.5000                             | 542.5800   | 529.4252 |
| Mort Elementary                      | 1965                 | 90,535                | -         | 817.1400                             | 789.6700   | 801.9401 |
| MOSI Partnership Elementary          | n/a                  | n/a                   | n/a       | 241.9602                             | 247.8168   | 220.5000 |
| Muller Elementary                    | 2001                 | 53,666                | -         | 332.0000                             | 335.0400   | 332.0800 |
| Nelson Elementary                    | 2002                 | 89,609                | -         | 768.2200                             | 780.5800   | 798.2100 |
| Northwest Elementary                 | 1984                 | 100,694               | -         | 654.6200                             | 619.6200   | 657.6400 |
| Oak Grove Elementary                 | 1946                 | 111,109               | -         | 868.1796                             | 802.0801   | 778.5400 |
| Oak Park Elementary                  | 1964                 | -                     | -         | 588.6000                             | -          | -        |
| Oak Park Elementary                  | 2005                 | 71,196                | -         | -                                    | 547.5600   | 600.3300 |
| Palm River Elementary                | 1948                 | 77,828                | 2         | 514.1600                             | 487.0850   | 481.5400 |
| Pinecrest Elementary                 | 1936                 | 103,714               | -         | 541.5200                             | 511.0600   | 543.2000 |
| Pizzo Elementary                     | 1996                 | 88,046                | -         | 697.4765                             | 630.0000   | 589.5551 |
| Potter Elementary                    | 1960                 | 62,387                | -         | 579.7100                             | 543.2000   | 536.2200 |
| Pride Elementary                     | 1999                 | 94,904                | -         | 897.0200                             | 897.1300   | 890.1400 |
| Rampello Downtown Partnership School | 2002                 | 140,645               | -         | 762.9296                             | 746.5000   | 692.5000 |
| Reddick Elementary                   | 2006                 | 81,058                | -         | 797.6000                             | 747.3760   | 731.1600 |
| Riverhills Elementary                | 1962                 | 51,637                | -         | 284.0600                             | 316.1200   | 342.0300 |
| Riverview Elementary                 | 1960                 | 86,496                | -         | 600.8400                             | 592.1200   | 594.1900 |
| Robinson Elementary                  | 1959                 | 83,357                | -         | 562.1100                             | 551.4385   | 586.1702 |
| Robles Elementary                    | 1959                 | 76,857                | -         | 638.6452                             | 633.8300   | 617.0200 |
| Roland Park K-8 School               | 1963                 | 119,119               | -         | 753.3800                             | 669.3857   | 527.9800 |
| Roosevelt Elementary                 | 1925                 | 71,016                | -         | 707.7700                             | 706.6600   | 686.0400 |
| Ruskin Elementary                    | 1942                 | 92,497                | 2         | 1,071.5800                           | 986.5800   | 992.0700 |
| Schmidt Elementary                   | 2002                 | 87,632                | -         | 609.1300                             | 643.5200   | 650.0000 |
| Schwarzkopf Elementary               | 1991                 | 91,118                | -         | 640.6000                             | 601.6127   | 610.2100 |
| Seffner Elementary                   | 1961                 | 86,465                | -         | 732.5200                             | 687.4400   | 664.5600 |
| Seminole Elementary                  | 1921                 | 71,458                | -         | 455.3244                             | 431.9052   | 436.1100 |
| Sessums Elementary                   | 2002                 | 101,809               | -         | 813.6400                             | 807.6200   | 817.3260 |
| Shaw Elementary                      | 1971                 | 82,530                | -         | 601.0950                             | 554.0000   | 550.4851 |
| Sheehy Elementary                    | 2001                 | 55,889                | -         | 406.1400                             | 422.3031   | 456.6100 |
| Shore Elementary                     | 1928                 | 63,479                | -         | 382.0000                             | 377.4789   | 366.5000 |
| Springhead Elementary                | 1914                 | 80,725                | -         | 808.1400                             | 766.6200   | 740.6150 |
| Stowers Elementary                   | 2008                 | 87,686                | -         | 875.7800                             | 798.7000   | 708.6000 |
| Sulphur Springs Elementary           | 1949                 | 86,950                | -         | 561.8602                             | 629.3200   | 542.9100 |
| Summerfield Crossings                | 2005                 | 80,100                | -         | 878.7200                             | 901.7000   | 880.1100 |
| Summerfield Elementary               | 1989                 | 111,194               | -         | 832.6600                             | 807.5800   | 831.6800 |
| Symmes Elementary                    | 1999                 | 69,747                | -         | 646.5000                             | 585.0000   | 545.1400 |
| Tampa Bay Boulevard Elementary       | 1924                 | 72,586                | 2         | 719.5600                             | 689.5900   | 652.5000 |
| Tampa Palms Elementary               | 1987                 | 122,485               | -         | 825.5000                             | 769.5000   | 765.5400 |
| Temple Terrace Elementary            | 1955                 | 94,526                | -         | 620.1817                             | 618.0000   | 617.0200 |
| Thonotosassa Elementary              | 1961                 | 55,534                | -         | 374.7000                             | 402.2300   | 397.7400 |
| Tinker Elementary                    | 1939                 | 69,191                | -         | 556.8082                             | 536.5000   | 640.5800 |
| Town & Country Elementary            | 1961                 | 72,568                | -         | 441.4355                             | 428.5601   | 442.9950 |

| 2010-11  | 2009-10  | 2008-09  | 2007-08    | 2006-07    | 2005-06    | 2004-05    |
|----------|----------|----------|------------|------------|------------|------------|
| 904.6600 | 879.6134 | 875.5400 | 860.6670   | 901.4523   | 890.5339   | 916.7336   |
| 337.0500 | 352.7000 | 318.3000 | 316.1000   | 345.6800   | 398.0300   | 448.2300   |
| 334.0000 | 326.0000 | 330.4700 | 346.9500   | 396.5584   | 385.0000   | 399.8000   |
| 744.0700 | 738.6000 | 715.6050 | 756.5950   | 777.1800   | 834.1100   | 767.2600   |
| 526.5600 | 493.1200 | 539.5200 | 607.5800   | 593.5800   | 626.0600   | 609.6200   |
| 371.0000 | 369.1600 | 354.7300 | 387.6300   | 384.0000   | 442.0000   | 455.5400   |
| 630.6150 | 603.6000 | 633.6000 | 648.1400   | 666.1800   | 677.7200   | 631.6200   |
| 433.3884 | 453.5900 | 446.0800 | 436.0000   | 431.1500   | 419.1200   | 365.2000   |
| 374.5000 | 364.5000 | 371.5000 | 385.0000   | 407.5000   | 404.5000   | 362.5000   |
| 583.4702 | 628.2600 | 815.7550 | 835.7200   | 830.6204   | 827.1404   | 796.2302   |
| 926.5200 | 864.6400 | 839.1100 | 889.6000   | 901.7000   | 759.8700   | 766.3100   |
| 668.5800 | 677.6200 | 716.0484 | 767.1000   | 769.0834   | 759.3300   | 697.8750   |
| 782.5687 | 789.6300 | 753.7200 | 748.2200   | 720.6000   | 711.2400   | 749.3200   |
| 368.5200 | 364.0000 | 363.0000 | 355.6600   | 392.4000   | 325.9000   | 308.0000   |
| 731.7700 | 619.1468 | 661.2335 | 663.2471   | 632.0238   | 633.5800   | 601.3170   |
| 603.0400 | 631.5600 | 616.5400 | 668.6100   | 742.7000   | 734.6800   | 758.3600   |
| 473.1000 | 483.0000 | 509.9600 | 538.9200   | 554.9600   | 558.3100   | 589.1750   |
| 985.6100 | 926.2000 | 866.2900 | 884.1500   | 1,107.3000 | 1,112.4900 | 1,060.9300 |
| 657.0200 | 588.5000 | 564.4800 | 577.0300   | 644.0000   | 602.0000   | 633.6200   |
| 68.5000  | 78.0000  | 78.0000  | 69.0000    | 40.0000    | 43.0000    | 26.5000    |
| 690.0200 | 733.5100 | 714.0603 | 749.5598   | 722.3500   | 680.0000   | 586.4800   |
| 867.0650 | 865.7300 | 884.4584 | 850.1200   | 901.0000   | 948.4500   | 982.1750   |
| 576.0350 | 578.1000 | 559.6400 | 523.5800   | 469.2000   | 565.1600   | 594.0600   |
| 531.9665 | 572.0000 | 570.0000 | 576.5000   | 551.9200   | 552.5000   | 577.5000   |
| 790.5150 | 724.1106 | 746.7500 | 789.4900   | 892.5600   | 869.6936   | 864.1500   |
| 223.0000 | 280.5000 | 282.0000 | 247.5000   | -          | -          | -          |
| 352.0000 | 306.0000 | 310.0000 | 358.0000   | 380.0000   | 371.5000   | 361.5000   |
| 826.7400 | 880.2400 | 897.3800 | 922.7850   | 920.6000   | 903.6600   | 839.6800   |
| 681.6200 | 684.6000 | 728.6850 | 789.6100   | 838.6600   | 860.1000   | 882.6634   |
| 841.5053 | 890.9769 | 880.6700 | 882.1000   | 849.6000   | 883.0800   | 851.0800   |
| -        | -        | -        | -          | 391.0400   | 429.5167   | 428.5100   |
| 584.5000 | 523.5000 | 587.5600 | 647.5000   | -          | -          | -          |
| 492.0700 | 475.0000 | 497.3501 | 556.5000   | 609.5800   | 554.0600   | 553.5900   |
| 573.7000 | 604.3400 | 584.8600 | 641.0600   | 656.3400   | 659.9200   | 649.3300   |
| 621.0300 | 643.0000 | 706.5600 | 830.7800   | 856.0400   | 935.5100   | 927.4300   |
| 541.2202 | 556.8800 | 553.6800 | 561.0267   | 787.1750   | 681.1134   | 595.0500   |
| 870.2800 | 902.7500 | 939.1400 | 882.0534   | 872.5800   | 893.9000   | 878.0200   |
| 630.5719 | 672.0400 | 689.3320 | 696.7134   | 680.4723   | 697.0977   | 211.0000   |
| 667.1551 | 597.1800 | 592.5800 | -          | -          | -          | -          |
| 384.5000 | 429.6524 | 464.9750 | 496.6000   | 498.5800   | 569.9734   | 571.5000   |
| 614.2600 | 629.2170 | 621.5250 | 595.7667   | 579.9488   | 607.7200   | 622.4300   |
| 601.2300 | 634.5800 | 680.2200 | 644.6848   | 616.5800   | 644.6400   | 629.1200   |
| 494.6902 | 548.5400 | 649.0300 | 682.8300   | 730.0500   | 653.1400   | 568.6500   |
| 536.5151 | 610.0000 | 663.8946 | 722.7500   | 772.0000   | 809.5000   | 880.5000   |
| 684.5451 | 647.7400 | 555.8450 | 534.4200   | 528.3635   | 489.4100   | 504.6600   |
| 937.1932 | 869.1800 | 845.9100 | 1,135.5667 | 1,024.0950 | 846.5367   | 802.5900   |
| 600.5000 | 666.1004 | 658.4502 | 646.4600   | 762.7400   | 761.6900   | 713.1000   |
| 610.7500 | 585.4100 | 578.8500 | 579.1854   | 742.0800   | 786.4950   | 800.8000   |
| 658.1000 | 627.6900 | 709.0700 | 695.0900   | 691.1700   | 698.3300   | 746.2500   |
| 418.6000 | 390.1400 | 347.2850 | 368.4200   | 438.0000   | 536.5000   | 522.0200   |
| 850.1860 | 887.5600 | 872.8500 | 893.6200   | 872.0600   | 662.0000   | 1,212.6100 |
| 593.9950 | 591.5000 | 633.8000 | 908.5000   | 1,124.2701 | 1,049.2400 | 864.0600   |
| 409.1000 | 491.0600 | 471.6500 | 502.5400   | 493.7300   | 511.7367   | 423.5800   |
| 387.0000 | 367.5000 | 347.7000 | 396.2500   | 405.3987   | 400.9000   | 409.5000   |
| 732.2000 | 761.0800 | 812.6200 | 854.6200   | 823.6800   | 819.7700   | 791.5900   |
| 663.5400 | 557.6100 | -        | -          | -          | -          | -          |
| 549.4500 | 506.0452 | 474.3734 | 600.0600   | 662.1801   | 673.4400   | 668.1400   |
| 914.6900 | 936.0968 | 886.2700 | 722.0400   | -          | -          | -          |
| 847.9100 | 929.5000 | 889.6100 | 860.6200   | 926.5500   | 939.1400   | 853.4300   |
| 607.5800 | 608.6400 | 586.5800 | 635.0800   | 595.0900   | 590.6900   | 625.0100   |
| 627.5338 | 670.3224 | 699.1967 | 721.2034   | 769.5401   | 653.0400   | 670.0950   |
| 760.6400 | 754.5400 | 784.1701 | 755.7000   | 852.6000   | 789.8350   | 840.2600   |
| 680.0000 | 689.5000 | 664.0550 | 608.9200   | 691.4350   | 746.4700   | 729.6000   |
| 397.1400 | 406.5900 | 374.6200 | 402.0600   | 383.6300   | 391.5000   | 346.0400   |
| 656.0400 | 588.0200 | 573.0300 | 581.9600   | 555.0500   | 526.6200   | 492.7400   |
| 426.5600 | 440.7776 | 449.4500 | 468.5600   | 493.3600   | 475.4000   | 494.9950   |

(Continued)

**SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
SCHOOL BUILDING INFORMATION & FULL-TIME EQUIVALENT ENROLLMENT DATA  
LAST TEN FISCAL YEARS**

|                               | Acquired<br>Date (1) | Square<br>Footage (2) | Portables | Full-Time Equivalent Enrollment Data |             |             |
|-------------------------------|----------------------|-----------------------|-----------|--------------------------------------|-------------|-------------|
|                               |                      |                       |           | 2013-14                              | 2012-13     | 2011-12     |
| Trapnell Elementary           | 1931                 | 65,217                | -         | 544.5737                             | 479.6000    | 457.1600    |
| Turner Elementary             | 2001                 | 104,393               | -         | 1,121.7400                           | 1,065.2925  | 974.8600    |
| Twin Lakes Elementary         | 1926                 | 75,182                | -         | 689.4900                             | 659.0800    | 662.4700    |
| USF/Patel Partnership         | 2009                 | n/a                   | n/a       | 200.5200                             | 177.3102    | 151.0000    |
| Valrico Elementary            | 1993                 | 113,930               | -         | 788.5452                             | 855.5400    | 823.1100    |
| Walden Lake Elementary        | 1990                 | 111,693               | -         | 850.0200                             | 854.5200    | 872.6000    |
| Washington Elementary         | 1925                 | 59,934                | -         | 458.5800                             | 470.7200    | 492.1300    |
| West Tampa Elementary         | 1985                 | 89,016                | -         | 466.1664                             | 438.6500    | 432.6600    |
| Westchase Elementary          | 1997                 | 120,409               | -         | 931.6700                             | 981.1000    | 1,009.7000  |
| Westshore Elementary          | 1926                 | 40,599                | -         | 285.1100                             | 289.0500    | 288.0600    |
| Wilson Elementary             | 1924                 | 41,864                | -         | 337.0900                             | 352.1200    | 333.6300    |
| Wimauma Elementary            | 1926                 | 67,731                | -         | 507.1000                             | 487.9270    | 464.5600    |
| Witter Elementary             | 1959                 | 72,391                | -         | 500.5100                             | 445.2500    | 487.7996    |
| Woodbridge Elementary         | 1971                 | 77,893                | -         | 586.0000                             | 576.5000    | 572.5000    |
| Yates Elementary              | 1953                 | 115,314               | -         | 672.0400                             | 703.6300    | 744.0450    |
| Total Elementary Schools      |                      |                       |           | 90,601.7554                          | 89,250.9064 | 88,822.7949 |
| <b>Middle Schools</b>         |                      |                       |           |                                      |             |             |
| Adams Middle                  | 1957                 | 125,060               | -         | 1,106.8014                           | 1,219.4186  | 1,243.2514  |
| Barrington Middle School      | 2008                 | 144,125               | -         | 1,214.9074                           | 1,159.5040  | 1,067.2522  |
| Bartels Middle School         | 2001                 | 124,320               | -         | 845.3070                             | 883.5004    | 831.0020    |
| Benito Middle                 | 1995                 | 151,974               | -         | 1,038.2170                           | 1,073.8468  | 1,126.3348  |
| Buchanan Middle               | 1960                 | 119,492               | -         | 738.8000                             | 740.5004    | 717.5012    |
| Burnett Middle                | 1993                 | 147,317               | -         | 908.9296                             | 1,017.8348  | 1,014.0000  |
| Burns Middle                  | 1980                 | 200,212               | -         | 1,272.5988                           | 1,340.5008  | 1,343.2531  |
| Coleman Middle                | 1958                 | 98,026                | -         | 864.7951                             | 930.8356    | 932.0844    |
| Davidson Middle               | 1998                 | 125,167               | -         | 970.3246                             | 1,034.8344  | 1,135.2840  |
| Dowdell Middle                | 1959                 | 117,716               | -         | 603.7904                             | 655.0000    | 663.0000    |
| Eisenhower Middle             | 1954                 | 158,687               | -         | 1,266.0286                           | 1,366.2502  | 1,425.3304  |
| Farnell Middle                | 2000                 | 132,288               | -         | 1,391.6432                           | 1,368.9182  | 1,268.1696  |
| Ferrell (Girls) Middle Magnet | 1950                 | 93,268                | -         | 401.3584                             | 348.8604    | 300.0000    |
| Franklin (Boys) Middle Magnet | 1926                 | 95,618                | -         | 408.5855                             | 346.5000    | 279.0000    |
| Giunta Middle School          | 2004                 | 142,011               | -         | 986.9720                             | 973.2502    | 1,022.0000  |
| Greco Middle School           | 1955                 | 139,312               | -         | 888.3460                             | 934.2510    | 931.5000    |
| Hill Middle                   | 1980                 | 151,775               | -         | 932.4800                             | 967.1672    | 1,010.0012  |
| Jennings Middle               | 2001                 | 115,015               | -         | 839.5000                             | 863.0000    | 916.2938    |
| Liberty Middle                | 2000                 | 129,454               | -         | 1,077.8400                           | 1,103.4174  | 1,191.5000  |
| Madison Middle                | 1950                 | 105,625               | -         | 801.9000                             | 779.5000    | 798.4167    |
| Mann Middle                   | 1957                 | 135,985               | -         | 1,135.8400                           | 1,154.0000  | 1,141.8328  |
| Marshall Middle               | 1956                 | 152,662               | -         | 818.7352                             | 841.0000    | 865.6672    |
| Martinez Middle               | 1999                 | 113,231               | -         | 1,060.0401                           | 1,088.0036  | 1,085.8352  |
| McLane Middle                 | 1914                 | 118,350               | -         | 898.4200                             | 1,015.5000  | 1,028.5000  |
| Memorial Middle               | 1925                 | 109,032               | -         | 698.0000                             | 710.8332    | 704.5008    |
| Monroe Middle                 | 1956                 | 108,611               | -         | 527.4880                             | 588.5000    | 627.0000    |
| Mulrennan Middle              | 2002                 | 124,207               | -         | 1,133.5909                           | 1,179.4190  | 1,213.0846  |
| Orange Grove Middle           | 1926                 | 79,379                | -         | 553.2600                             | 552.7685    | 527.6714    |
| Pierce Middle                 | 1953                 | 125,864               | -         | 1,047.8762                           | 1,032.6676  | 1,067.9170  |
| Progress Village Middle       | 1959                 | 144,535               | -         | 854.7960                             | 828.1484    | 804.0004    |
| Randall Middle                | 1997                 | 128,935               | -         | 1,334.5155                           | 1,331.4046  | 1,337.0212  |
| Rodgers Middle                | 1996                 | 141,920               | -         | 730.9706                             | 901.5000    | 986.5664    |
| Shields Middle                | 2001                 | 138,397               | -         | 1,483.4850                           | 1,485.0000  | 1,409.8340  |
| Sligh Middle                  | 1949                 | 122,229               | -         | 641.3601                             | 704.9835    | 693.5000    |
| Smith Middle School           | 2009                 | 119,218               | -         | 949.4056                             | 1,046.0000  | 1,109.4254  |
| Stewart Middle                | 1954                 | 118,074               | -         | 843.6050                             | 848.5000    | 918.9178    |
| Tomlin Middle                 | 1950                 | 154,960               | -         | 1,610.6975                           | 1,588.2526  | 1,579.0024  |
| Turkey Creek Middle           | 1929                 | 129,586               | -         | 1,038.6000                           | 978.9186    | 993.0004    |
| Van Buren Middle              | 1952                 | 118,528               | -         | 582.4200                             | 589.5000    | 646.8034    |
| Walker Middle                 | 1985                 | 142,694               | -         | 887.4862                             | 800.6672    | 732.1050    |
| Webb Middle                   | 1968                 | 116,742               | -         | 850.0000                             | 881.5000    | 870.4600    |
| Williams Middle               | 1994                 | 132,153               | -         | 789.2670                             | 741.5000    | 790.5000    |
| Wilson Middle                 | 1915                 | 71,455                | -         | 562.3007                             | 599.3368    | 619.4175    |
| Young Middle                  | 1963                 | 134,411               | -         | 555.0000                             | 553.2510    | 574.9190    |
| Total Middle Schools          |                      |                       |           | 40,146.2846                          | 41,148.0450 | 41,542.6567 |



| 2010-11     | 2009-10     | 2008-09     | 2007-08     | 2006-07     | 2005-06     | 2004-05     |
|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| 479.7200    | 504.6500    | 519.5300    | 505.0367    | 541.3287    | 544.4084    | 546.7600    |
| 896.2200    | 876.6500    | 855.8800    | 789.1400    | 636.6800    | 419.0600    | -           |
| 621.0000    | 627.5000    | 622.9200    | 664.8800    | 693.6850    | 969.2350    | 874.7151    |
| 167.0000    | 158.5000    | 175.9000    | -           | -           | -           | -           |
| 887.6700    | 896.6800    | 889.1500    | 806.4600    | 869.1600    | 842.2100    | 825.7800    |
| 862.1600    | 858.3368    | 849.4700    | 825.0900    | 858.7400    | 877.7800    | 904.1400    |
| 461.0400    | 419.6500    | 440.6600    | 449.5700    | 563.5500    | 559.5400    | 895.5312    |
| 408.2350    | 424.6900    | 432.6850    | 452.4950    | 488.1400    | 487.9184    | 496.1350    |
| 1,046.7600  | 1,034.7152  | 1,027.2900  | 1,000.6600  | 1,008.7100  | 1,141.0050  | 1,052.1400  |
| 303.0800    | 293.1468    | 323.7600    | 347.2567    | 333.2550    | 316.7600    | 302.9667    |
| 330.0800    | 362.5600    | 361.9900    | 361.0000    | 361.0544    | 361.8200    | 328.5000    |
| 451.5400    | 458.5800    | 455.0300    | 609.3450    | 594.0800    | 567.5500    | 550.5800    |
| 537.0518    | 473.1568    | 484.5600    | 708.5750    | 796.0701    | 774.2700    | 774.8100    |
| 578.5500    | 569.0300    | 561.0500    | 593.8334    | 594.5807    | 641.0000    | 713.0900    |
| 795.2800    | 779.1600    | 722.0700    | 739.0000    | 762.8100    | 785.5700    | 798.2200    |
| 89,747.6262 | 89,599.6056 | 89,525.0046 | 90,266.6038 | 90,976.8407 | 91,157.0657 | 88,682.7350 |
|             |             |             |             |             |             |             |
| 1,245.3352  | 1,290.1000  | 1,292.4000  | 1,251.0000  | 1,233.6676  | 1,186.0000  | 1,205.8336  |
| 996.9178    | 889.8536    | -           | -           | -           | -           | -           |
| 877.2112    | 899.3000    | 897.7000    | 841.0000    | 730.3818    | -           | -           |
| 1,112.4178  | 1,125.0332  | 1,155.5000  | 1,140.6000  | 1,187.5000  | 1,498.2316  | 1,456.5000  |
| 749.2502    | 777.0000    | 783.8350    | 716.7400    | 723.6936    | 785.7034    | 897.0000    |
| 985.3008    | 969.3000    | 947.8000    | 965.4000    | 1,017.5762  | 977.1680    | 903.5016    |
| 1,387.7526  | 1,464.6100  | 1,511.1167  | 1,499.5000  | 1,481.1672  | 1,491.7506  | 1,531.5846  |
| 944.0866    | 932.5000    | 914.1800    | 914.8000    | 887.9382    | 802.6016    | 837.8336    |
| 1,108.4924  | 1,099.5000  | 1,019.9000  | 1,223.0200  | 1,197.1588  | 1,213.5000  | 1,303.5000  |
| 628.5000    | 652.3400    | 677.8300    | 717.5000    | 790.5000    | 860.5000    | 966.3000    |
| 1,460.5941  | 1,434.4830  | 1,559.5234  | 1,556.7502  | 1,545.6171  | 1,429.2740  | 1,215.6500  |
| 1,223.4186  | 1,199.6000  | 1,140.9000  | 1,382.5000  | 1,331.2506  | 1,386.6310  | 1,381.8010  |
| 323.5000    | 361.0000    | 382.0000    | 427.5834    | 549.4658    | 586.0000    | 686.5000    |
| 550.9170    | 565.0000    | 542.5000    | 619.1001    | 600.0000    | 576.9167    | 622.9500    |
| 1,054.7502  | 1,171.0000  | 1,234.1000  | 1,187.5000  | 1,165.5000  | 1,038.7502  | -           |
| 913.3726    | 901.9600    | 911.2798    | 904.0000    | 1,012.0000  | 1,089.0000  | 1,115.4337  |
| 963.0842    | 988.9000    | 962.5000    | 1,012.8332  | 1,102.9335  | 1,174.1734  | 1,149.7018  |
| 935.5000    | 974.5000    | 1,001.0000  | 985.5000    | 1,007.5000  | 1,099.1500  | 1,356.4880  |
| 1,214.8340  | 1,192.0474  | 1,151.2776  | 1,159.3320  | 1,167.5612  | 1,552.3186  | 1,502.1340  |
| 781.5000    | 738.0000    | 696.8000    | 644.7000    | 766.5000    | 783.5000    | 726.8785    |
| 1,022.0012  | 1,090.7000  | 1,104.2332  | 1,180.6332  | 893.0000    | 891.0000    | 811.5000    |
| 900.8340    | 881.1000    | 934.5000    | 980.0000    | 1,001.7334  | 921.1167    | 914.0000    |
| 1,130.0008  | 1,052.7070  | 1,078.9000  | 1,103.0000  | 1,135.8366  | 1,060.4807  | 1,028.6680  |
| 1,028.2514  | 1,057.0000  | 1,157.1300  | 1,109.6400  | 1,067.5600  | 1,022.8500  | 1,391.0000  |
| 779.4190    | 794.5000    | 725.5000    | 786.7838    | 822.3334    | 920.0500    | 1,155.0169  |
| 602.0834    | 609.3000    | 654.0000    | 771.5000    | 768.0000    | 783.3023    | 714.9002    |
| 1,146.9178  | 1,088.3000  | 1,042.4000  | 1,078.5000  | 1,351.9180  | 1,334.6341  | 1,331.7766  |
| 525.9170    | 557.0000    | 567.0000    | 615.7600    | 656.4400    | 635.0000    | 628.5000    |
| 1,049.0000  | 1,021.0000  | 1,023.0000  | 1,034.0000  | 1,043.0000  | 1,122.0000  | 1,103.3750  |
| 777.9174    | 781.8340    | 791.9170    | 843.0000    | 899.3668    | 855.9504    | 858.7852    |
| 1,340.8340  | 1,296.4446  | 1,551.7604  | 1,489.3627  | 1,502.0951  | 1,401.3927  | 1,245.5500  |
| 1,014.7532  | 937.5000    | 1,180.2000  | 1,117.0000  | 1,140.0673  | 1,078.7000  | 1,620.0842  |
| 1,393.7540  | 1,334.1000  | 1,312.5000  | 1,225.0000  | 1,127.7260  | 1,077.3008  | 1,063.7676  |
| 631.0000    | 692.5000    | 765.9170    | 883.5074    | 905.7000    | 998.2950    | 952.5000    |
| 1,094.5000  | 1,034.7000  | 1,016.0000  | -           | -           | -           | -           |
| 890.0000    | 910.5000    | 923.0834    | 908.9170    | 904.5000    | 917.2667    | 886.5000    |
| 1,473.7502  | 1,434.7498  | 1,480.9644  | 1,505.0932  | 1,534.1111  | 1,511.4178  | 1,514.1138  |
| 1,032.0000  | 1,086.1000  | 1,158.4832  | 1,134.8826  | 1,115.0000  | 1,102.2834  | 1,108.0004  |
| 594.0000    | 590.5000    | 678.0000    | 755.0000    | 837.0000    | 834.5000    | 831.9670    |
| 647.8040    | 650.9399    | 651.5000    | 1,075.5000  | 1,118.9170  | 1,032.5000  | 973.0000    |
| 819.0000    | 758.5000    | 793.0000    | 720.5334    | 739.0000    | 788.9107    | 732.5000    |
| 801.6664    | 806.5000    | 878.9040    | 913.0000    | 925.0245    | 881.5000    | 846.5000    |
| 621.0008    | 631.5000    | 610.0000    | 598.5000    | 586.0000    | 589.3344    | 584.5838    |
| 661.0000    | 677.4400    | 659.3340    | 689.1668    | 788.5000    | 744.0000    | 797.0000    |
| 41,434.1399 | 41,401.4425 | 41,520.3691 | 41,667.6390 | 42,360.7408 | 42,034.9548 | 41,953.1791 |

(Continued)

**SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
SCHOOL BUILDING INFORMATION & FULL-TIME EQUIVALENT ENROLLMENT DATA  
LAST TEN FISCAL YEARS**

|                                        | Acquired<br>Date (1) | Square<br>Footage (2) | Portables | Full-Time Equivalent Enrollment Data |             |             |
|----------------------------------------|----------------------|-----------------------|-----------|--------------------------------------|-------------|-------------|
|                                        |                      |                       |           | 2013-14                              | 2012-13     | 2011-12     |
| High Schools                           |                      |                       |           |                                      |             |             |
| Alonso High                            | 1999                 | 245,257               | 5         | 2,466.6122                           | 2,450.0942  | 2,355.6573  |
| Armwood Senior High                    | 1983                 | 337,384               | -         | 1,720.5358                           | 1,681.5983  | 1,699.3348  |
| Blake Senior High                      | 1995                 | 347,402               | -         | 1,640.9072                           | 1,699.1600  | 1,565.8444  |
| Bloomington Senior High                | 1982                 | 288,270               | -         | 2,150.7699                           | 2,272.6644  | 2,366.3236  |
| Brandon Senior High                    | 1960                 | 302,054               | -         | 1,896.9202                           | 1,947.7051  | 1,930.9634  |
| Chamberlain Senior High                | 1956                 | 260,447               | 3         | 1,768.0263                           | 1,788.3366  | 1,836.9242  |
| D. W. Waters Center                    | 1911                 | 74,586                | -         | 180.3244                             | 182.9665    | 206.4021    |
| Durant Senior High                     | 1992                 | 282,735               | 1         | 2,179.3573                           | 2,194.8680  | 2,167.1050  |
| East Bay Senior High                   | 1971                 | 261,226               | 2         | 2,231.7610                           | 2,096.5611  | 1,994.8421  |
| Freedom Senior High                    | 1999                 | 293,407               | -         | 2,028.0564                           | 1,969.5192  | 2,017.1014  |
| Gaither Senior High                    | 1983                 | 302,030               | 2         | 2,047.4663                           | 1,988.3680  | 1,945.4333  |
| Hillsborough Senior High               | 1927                 | 280,224               | 2         | 1,846.4900                           | 1,800.8264  | 1,859.2514  |
| Jefferson Senior High                  | 1971                 | 243,761               | 1         | 1,499.0808                           | 1,590.3184  | 1,666.1680  |
| King Senior High                       | 1959                 | 248,172               | -         | 1,813.7031                           | 1,784.5078  | 1,744.2555  |
| Lennard High School                    | 2003                 | 233,007               | -         | 1,883.4810                           | 1,772.8827  | 1,606.9144  |
| Leto Senior High                       | 1964                 | 292,496               | -         | 1,803.3546                           | 1,690.7154  | 1,625.1874  |
| Middleton Senior High                  | 1999                 | 237,021               | 2         | 1,244.9700                           | 1,128.5644  | 1,167.9190  |
| Newsome Senior High                    | 1999                 | 251,410               | -         | 2,334.5757                           | 2,326.6162  | 2,250.7076  |
| Plant City Senior High                 | 1971                 | 296,496               | 3         | 2,115.2174                           | 2,032.1152  | 1,943.4504  |
| Plant Senior High                      | 1926                 | 233,263               | -         | 2,308.1880                           | 2,281.4261  | 2,328.6318  |
| Riverview Senior High                  | 1995                 | 289,109               | -         | 2,297.8006                           | 2,215.1706  | 2,265.4286  |
| Robinson Senior High                   | 1957                 | 198,974               | 1         | 1,530.7566                           | 1,557.3368  | 1,489.0735  |
| Sickles Senior High                    | 1985                 | 311,652               | -         | 2,049.4281                           | 2,044.4277  | 1,959.0938  |
| Spoto High School                      | 2004                 | 222,018               | -         | 1,337.5768                           | 1,258.4022  | 1,193.4170  |
| Steinbrenner High                      | 2006                 | 249,297               | -         | 2,229.2332                           | 2,220.0256  | 2,152.6816  |
| Strawberry Crest High                  | 2007                 | 252,568               | -         | 2,134.8384                           | 2,204.3476  | 2,001.0068  |
| Tampa Bay Technical High School        | 1967                 | 256,316               | -         | 1,972.1008                           | 2,003.9716  | 1,972.5840  |
| Wharton Senior High                    | 1987                 | 299,792               | -         | 2,284.0106                           | 2,360.4888  | 2,347.0998  |
| Total High Schools                     |                      |                       |           | 52,995.5427                          | 52,543.9849 | 51,658.8022 |
| Specialty Schools                      |                      |                       |           |                                      |             |             |
| Bowers Whitley Career Center           | 2001                 | 54,179                | -         | 234.0809                             | 289.5000    | 318.3104    |
| Brandon Alternative                    | 1954                 | 5,966                 | -         | 91.0960                              | 125.1085    | 162.9500    |
| Caminiti Exceptional Student Education | 1985                 | 60,661                | -         | 126.5000                             | 143.4337    | 153.6758    |
| Carver Exceptional Center              | 1925                 | 34,340                | -         | 77.5000                              | 82.2502     | 81.2502     |
| East County Alternative Center         | 1957                 | n/a                   | -         | -                                    | -           | -           |
| Lavoy Exceptional Student Education    | 1962                 | 42,748                | -         | 87.8351                              | 108.0000    | 101.0000    |
| Lopez Exceptional Student Center       | 1950                 | n/a                   | -         | 55.1300                              | 61.5000     | -           |
| Mecham Center                          | 1926                 | n/a                   | -         | -                                    | -           | -           |
| North Tampa Alternative Center         | 1988                 | n/a                   | -         | 115.0220                             | 147.0980    | 182.3728    |
| Simmons Career Center                  | 1923                 | 46,448                | 2         | 223.8909                             | 252.1762    | 286.1061    |
| South County Career Center             | 2000                 | 102,850               | -         | 263.5611                             | 293.3856    | 323.1487    |
| Velasco Student Services               | 1985                 | 41,018                | -         | -                                    | -           | -           |
| Willis Peters Exceptional Center       | n/a                  | n/a                   | -         | 90.9002                              | 101.0000    | -           |
| Total Specialty Schools                |                      |                       |           | 1,365.5162                           | 1,603.4522  | 1,608.8140  |
| Charter Schools                        |                      |                       |           |                                      |             |             |
| A. T. Jones Science Academy            | n/a                  | n/a                   | n/a       | -                                    | -           | 216.5000    |
| Anderson Elementary Academy            | n/a                  | n/a                   | n/a       | -                                    | -           | -           |
| Advantage Elementary Academy           | n/a                  | n/a                   | n/a       | 322.5000                             | 337.0000    | 305.0000    |
| Advantage Middle Academy               | n/a                  | n/a                   | n/a       | 144.0000                             | 142.5000    | 149.0000    |
| Bell Creek Academy                     | n/a                  | n/a                   | n/a       | 454.5000                             | -           | -           |
| Bell Creek Academy High School         | n/a                  | n/a                   | n/a       | 115.0000                             | -           | -           |
| Brooks DeBartolo Collegiate            | n/a                  | n/a                   | n/a       | 414.0000                             | 320.1692    | 286.7542    |
| Carl Sagan Academy                     | n/a                  | n/a                   | n/a       | -                                    | -           | -           |
| Central City Elem of Tampa             | n/a                  | n/a                   | n/a       | -                                    | -           | -           |
| Channelside Academy                    | n/a                  | n/a                   | n/a       | 353.4500                             | 311.0000    | 194.5000    |
| Channelside Academy Middle School      | n/a                  | n/a                   | n/a       | 88.0000                              | 55.5000     | -           |
| Community Charter Middle School        | n/a                  | n/a                   | n/a       | 85.0000                              | 102.5000    | 102.5000    |
| Community Charter School               | n/a                  | n/a                   | n/a       | 118.5000                             | 291.0000    | 249.5000    |
| Eastside Multi-Cultural School         | n/a                  | n/a                   | n/a       | -                                    | -           | -           |
| Focus Academy                          | n/a                  | n/a                   | n/a       | 28.5000                              | -           | -           |
| Florida Autism Charter School          | n/a                  | n/a                   | n/a       | 95.5000                              | 105.0000    | 87.0000     |
| Gates Senior High Charter School       | n/a                  | n/a                   | n/a       | -                                    | 73.5000     | -           |
| Henderson Hammock Charter School       | n/a                  | n/a                   | n/a       | 881.5000                             | 602.7083    | -           |
| Hillsborough Academy Math & Science    | n/a                  | n/a                   | n/a       | 627.0000                             | -           | -           |
| Kid's Community College                | n/a                  | n/a                   | n/a       | 348.0000                             | 346.0000    | 313.0000    |
| Kid's Community Middle College         | n/a                  | n/a                   | n/a       | 195.0000                             | 153.0000    | 108.5000    |
| Kid's Community Senior College         | n/a                  | n/a                   | n/a       | 180.0000                             | 115.5000    | -           |
| King Kids Academy                      | n/a                  | n/a                   | n/a       | 84.0000                              | 49.5000     | -           |
| Learning Gate Community                | n/a                  | n/a                   | n/a       | 800.5000                             | 794.0000    | 798.5000    |
| Literacy Leadership Tech Academy       | n/a                  | n/a                   | n/a       | 527.0000                             | 294.3250    | 285.5000    |
| Literacy Leadership Tech High          | n/a                  | n/a                   | n/a       | -                                    | -           | -           |
| Lutz Preparatory School                | n/a                  | n/a                   | n/a       | 565.9600                             | 476.4506    | 230.0000    |

| 2010-11     | 2009-10     | 2008-09     | 2007-08     | 2006-07     | 2005-06     | 2004-05     |
|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| 2,365.9290  | 2,441.3380  | 2,791.0090  | 2,742.1688  | 2,662.7518  | 2,695.0012  | 2,519.9250  |
| 1,720.1704  | 1,686.5024  | 1,865.2874  | 1,934.5842  | 1,926.5700  | 2,029.9559  | 1,952.9850  |
| 1,460.1768  | 1,430.7702  | 1,383.2666  | 1,595.0000  | 1,721.9170  | 1,789.9173  | 1,682.1450  |
| 2,374.1976  | 2,346.0084  | 2,361.0244  | 2,266.5882  | 2,181.9332  | 2,234.0556  | 2,241.9848  |
| 2,026.9310  | 2,191.0060  | 2,326.1700  | 2,208.5838  | 2,017.1000  | 2,002.1114  | 2,029.3850  |
| 1,944.6712  | 1,969.4194  | 2,061.0095  | 2,118.4528  | 2,190.9598  | 2,170.3057  | 2,203.7950  |
| 198.1639    | 232.0560    | 263.7160    | 245.1583    | 267.1325    | 350.3500    | 339.9750    |
| 2,228.5252  | 2,235.1820  | 2,458.9338  | 2,571.5044  | 2,733.4250  | 2,766.5000  | 2,582.0000  |
| 1,965.4800  | 1,951.0902  | 1,941.2854  | 1,820.3948  | 1,848.0800  | 2,558.8000  | 2,321.2800  |
| 2,025.4086  | 2,136.5116  | 2,118.0092  | 2,084.3364  | 2,110.3344  | 2,079.7506  | 1,793.7260  |
| 2,002.1740  | 2,106.7428  | 2,307.1042  | 2,317.0854  | 2,309.5033  | 2,374.2854  | 2,368.7862  |
| 1,902.4194  | 1,897.4182  | 1,950.1680  | 1,910.4170  | 2,043.8250  | 2,016.1633  | 1,980.2500  |
| 1,702.0842  | 1,662.5000  | 1,691.5846  | 1,827.7518  | 1,819.8750  | 1,847.8000  | 1,823.2015  |
| 1,714.8348  | 1,790.4042  | 1,821.9904  | 1,823.2136  | 1,956.0750  | 2,040.6500  | 2,056.8750  |
| 1,487.4313  | 1,381.6002  | 1,226.9230  | 1,101.5016  | 730.4302    | -           | -           |
| 1,695.3238  | 1,771.3126  | 1,756.1031  | 1,727.8336  | 1,764.7070  | 1,799.7481  | 1,773.0534  |
| 1,130.5838  | 1,124.5016  | 1,287.5440  | 1,606.2522  | 1,749.8486  | 1,977.8750  | 2,002.7750  |
| 2,203.9426  | 2,081.3444  | 2,109.3136  | 2,172.0132  | 2,052.0500  | 1,847.8500  | 1,538.2000  |
| 2,002.4286  | 2,179.4290  | 2,826.3892  | 2,752.6656  | 2,658.0734  | 2,627.2000  | 2,455.1100  |
| 2,331.5116  | 2,288.0938  | 2,254.8396  | 2,155.8428  | 1,997.1812  | 1,958.5828  | 1,993.9224  |
| 2,191.5294  | 2,154.7906  | 2,131.1560  | 2,085.6948  | 2,268.0000  | 2,775.8201  | 2,652.6111  |
| 1,390.2697  | 1,331.6680  | 1,281.4683  | 1,225.0000  | 1,210.1000  | 1,187.9000  | 1,168.2930  |
| 1,811.3160  | 1,952.2007  | 2,588.1748  | 2,631.7578  | 2,640.1688  | 2,627.0024  | 2,492.7494  |
| 1,302.0008  | 1,353.2502  | 1,433.9170  | 1,458.8344  | 1,086.8500  | -           | -           |
| 1,996.2582  | 1,541.7626  | -           | -           | -           | -           | -           |
| 1,843.1740  | 1,307.3312  | -           | -           | -           | -           | -           |
| 2,040.8380  | 2,189.5870  | 2,096.4182  | 1,969.9202  | 1,859.2214  | 1,841.1490  | 1,735.4804  |
| 2,431.6860  | 2,456.0990  | 2,320.4274  | 2,326.2526  | 2,309.7750  | 2,211.8206  | 2,074.2250  |
| 51,489.4599 | 51,189.9203 | 50,653.2327 | 50,678.8083 | 50,115.8876 | 49,810.5944 | 47,782.7332 |
|             |             |             |             |             |             |             |
| 338.5524    | 353.5004    | 387.1680    | 367.3000    | 368.7500    | 399.1131    | 403.5000    |
| 186.3000    | 184.5000    | 199.3190    | 190.9706    | 220.1250    | 193.2000    | 168.1950    |
| 174.9008    | 183.7338    | 185.9303    | 181.9364    | 185.5000    | 187.9350    | 194.0749    |
| 77.9170     | 92.0000     | 94.0000     | 116.5000    | 106.4903    | 94.4086     | 76.0000     |
| -           | -           | -           | -           | 38.5000     | 59.0000     | 56.0000     |
| 111.0000    | 101.0000    | 106.4400    | 124.6750    | 125.4750    | 125.0000    | 115.2800    |
| -           | -           | -           | -           | -           | -           | -           |
| -           | -           | -           | -           | 121.4575    | 144.7725    | 132.5425    |
| 185.0854    | 175.5000    | 210.0000    | 178.7584    | 78.0000     | 137.3310    | 113.6100    |
| 263.4593    | 284.7543    | 302.3395    | 313.3961    | 311.7211    | 352.7451    | 342.9951    |
| 274.7468    | 251.5192    | 276.3750    | 277.2500    | 321.2500    | 391.8650    | 392.6200    |
| -           | -           | -           | -           | -           | -           | 40.7015     |
| -           | -           | -           | -           | -           | -           | -           |
| 1,611.9617  | 1,626.5077  | 1,761.5718  | 1,750.7865  | 1,877.2689  | 2,085.3703  | 2,035.5190  |
|             |             |             |             |             |             |             |
| 129.0000    | -           | -           | -           | -           | -           | -           |
| -           | -           | 103.1100    | 153.5500    | 62.0000     | -           | -           |
| 295.0000    | 236.0000    | -           | -           | -           | -           | -           |
| 132.0000    | 109.5000    | -           | -           | -           | -           | -           |
| -           | -           | -           | -           | -           | -           | -           |
| -           | -           | -           | -           | -           | -           | -           |
| 271.9750    | 268.4180    | 245.5000    | 186.5000    | -           | -           | -           |
| -           | -           | 75.5000     | 68.5000     | 71.0000     | 49.6680     | -           |
| -           | -           | -           | -           | -           | 130.0000    | 102.5000    |
| -           | -           | -           | -           | -           | -           | -           |
| -           | -           | -           | -           | -           | -           | -           |
| -           | -           | -           | -           | -           | -           | -           |
| 253.5000    | 193.0000    | 120.0000    | -           | -           | -           | -           |
| -           | -           | -           | -           | -           | -           | -           |
| -           | -           | -           | -           | -           | -           | -           |
| 69.0000     | 59.4600     | 70.1300     | 89.5000     | -           | -           | -           |
| -           | -           | -           | -           | -           | -           | -           |
| -           | -           | -           | -           | -           | -           | -           |
| -           | -           | -           | -           | -           | -           | -           |
| 303.5000    | 279.9940    | 223.0000    | 152.5000    | 99.0000     | 51.0000     | -           |
| 64.5000     | -           | -           | -           | -           | -           | -           |
| -           | -           | -           | -           | -           | -           | -           |
| -           | -           | -           | -           | -           | -           | -           |
| 572.0000    | 550.0000    | 526.3753    | 500.5000    | 454.5000    | 404.5000    | 391.0000    |
| 251.5000    | 233.0000    | 231.5000    | 173.0000    | 109.5000    | 92.0000     | -           |
| -           | 103.9500    | 63.5000     | -           | -           | -           | -           |
| -           | -           | -           | -           | -           | -           | -           |

(Continued)

**SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
SCHOOL BUILDING INFORMATION & FULL-TIME EQUIVALENT ENROLLMENT DATA  
LAST TEN FISCAL YEARS**

|                                   | Acquired<br>Date (1) | Square<br>Footage (2) | Portables | Full-Time Equivalent Enrollment Data |                     |                   |
|-----------------------------------|----------------------|-----------------------|-----------|--------------------------------------|---------------------|-------------------|
|                                   |                      |                       |           | 2013-14                              | 2012-13             | 2011-12           |
| Mount Pleasant                    | n/a                  | n/a                   | n/a       | 97.0000                              | 85.5000             | 88.0000           |
| New Springs Elementary Schools    | n/a                  | n/a                   | n/a       | 204.0000                             | 176.0000            | 99.5000           |
| New Springs Schools               | n/a                  | n/a                   | n/a       | 145.0000                             | 173.5000            | 145.5000          |
| Newpoint High of Tampa            | n/a                  | n/a                   | n/a       | -                                    | 161.1000            | 222.0000          |
| Pepin Academy of Tampa            | n/a                  | n/a                   | n/a       | 568.9532                             | 174.2510            | 158.1672          |
| Pepin Elementary                  | n/a                  | n/a                   | n/a       | -                                    | 109.0000            | 87.5000           |
| Pepin Middle                      | n/a                  | n/a                   | n/a       | -                                    | 162.5000            | 121.0000          |
| Pepin Transitional                | n/a                  | n/a                   | n/a       | 61.5000                              | 67.5000             | 67.9074           |
| Pivot Charter School              | n/a                  | n/a                   | n/a       | 321.9203                             | 232.5000            | 108.5000          |
| Prince Academy                    | n/a                  | n/a                   | n/a       | -                                    | -                   | -                 |
| RCMA Leadership Academy           | n/a                  | n/a                   | n/a       | 58.5000                              | 51.5000             | -                 |
| RCMA Wimauma Academy              | n/a                  | n/a                   | n/a       | 203.5000                             | 193.0000            | 224.8751          |
| RE-Birth Academy                  | n/a                  | n/a                   | n/a       | -                                    | -                   | -                 |
| Redlands Christian Migrant        | n/a                  | n/a                   | n/a       | -                                    | -                   | -                 |
| Richard Milburn Academy           | n/a                  | n/a                   | n/a       | -                                    | -                   | -                 |
| Seminole Heights Charter School   | n/a                  | n/a                   | n/a       | 441.0000                             | 389.0000            | 384.9000          |
| Shiloh Elem Charter School        | n/a                  | n/a                   | n/a       | 437.0000                             | 429.5000            | 411.4424          |
| Shiloh Middle Charter School      | n/a                  | n/a                   | n/a       | 183.8000                             | 190.9000            | 181.0000          |
| Tampa Bay Academy                 | n/a                  | n/a                   | n/a       | -                                    | -                   | -                 |
| Tampa Charter School              | n/a                  | n/a                   | n/a       | 200.0000                             | 172.0000            | 165.5000          |
| Tampa United Methodist            | n/a                  | n/a                   | n/a       | -                                    | -                   | -                 |
| Terrace Community School          | n/a                  | n/a                   | n/a       | 658.5000                             | 659.0000            | 658.3668          |
| The Richardson Academy            | n/a                  | n/a                   | n/a       | 42.5000                              | 63.5000             | 61.5000           |
| Trinity School for Children       | n/a                  | n/a                   | n/a       | 701.5000                             | 488.0000            | 471.5000          |
| Trinity Upper School              | n/a                  | n/a                   | n/a       | -                                    | 255.3882            | 227.9862          |
| University City Charter School    | n/a                  | n/a                   | n/a       | -                                    | -                   | -                 |
| USF/Patel                         | n/a                  | n/a                   | n/a       | -                                    | -                   | -                 |
| USF/Patel Intermediate Charter    | n/a                  | n/a                   | n/a       | -                                    | -                   | -                 |
| Valrico Lake Advantage Academy    | n/a                  | n/a                   | n/a       | 645.5000                             | 666.0000            | 539.5000          |
| Village of Excellence             | n/a                  | n/a                   | n/a       | 219.0000                             | 211.9900            | 168.9900          |
| W.E. Phillips Learning            | n/a                  | n/a                   | n/a       | 43.0000                              | 21.0000             | -                 |
| Walton Academy                    | n/a                  | n/a                   | n/a       | 175.0000                             | 159.0000            | 153.5000          |
| West University Charter H S       | n/a                  | n/a                   | n/a       | 327.0000                             | 181.8600            | -                 |
| Winthrop Charter School           | n/a                  | n/a                   | n/a       | 1,262.5000                           | 1,081.0000          | 830.0000          |
| Woodmont Charter School           | n/a                  | n/a                   | n/a       | 644.0000                             | 702.0000            | 504.6500          |
| Wilbesan Academy                  | n/a                  | n/a                   | n/a       | -                                    | -                   | -                 |
| Total Charter Schools             |                      |                       |           | <u>14,068.5835</u>                   | <u>11,826.1423</u>  | <u>9,408.0393</u> |
| <b>Other Programs</b>             |                      |                       |           |                                      |                     |                   |
| Acts                              | n/a                  | n/a                   | n/a       | 10.2514                              | 16.5000             | 10.7566           |
| Alternative Sch Non-DJJ Prog      | n/a                  | n/a                   | n/a       | 3.4000                               | -                   | 1.4000            |
| AMI Kids - Tampa Marine Institute | n/a                  | n/a                   | n/a       | 36.0000                              | 20.5000             | 54.0000           |
| AMI Kids Yes - Youth Services     | n/a                  | n/a                   | n/a       | 31.0000                              | 32.0000             | 33.0000           |
| Columbus Juvenile Residential     | n/a                  | n/a                   | n/a       | 47.0000                              | 48.5000             | 47.0000           |
| Detention Center, East            | n/a                  | n/a                   | n/a       | -                                    | -                   | -                 |
| Detention Center, West            | n/a                  | n/a                   | n/a       | 81.5000                              | 82.0000             | 84.0000           |
| Dorothy Thomas                    | n/a                  | n/a                   | n/a       | 46.5000                              | 67.4170             | 64.5000           |
| ESE Birth Through Age 5           | n/a                  | n/a                   | n/a       | 16.4502                              | 18.6500             | 20.4318           |
| ESE Hospital/Homebound Program    | n/a                  | n/a                   | n/a       | 40.5130                              | 40.4236             | 44.6490           |
| Falkenburg Road Jail              | n/a                  | n/a                   | n/a       | 11.5000                              | 56.5000             | 52.0000           |
| Fl Virtual School Franchise       | n/a                  | n/a                   | n/a       | -                                    | -                   | -                 |
| Haven Poe                         | n/a                  | n/a                   | n/a       | -                                    | -                   | -                 |
| Hillsborough ESE Contract Res     | n/a                  | n/a                   | n/a       | 2.5000                               | 3.5000              | 5.5000            |
| Hillsborough Girls Academy        | n/a                  | n/a                   | n/a       | 11.5000                              | 17.0000             | 14.5000           |
| Lake Academy                      | n/a                  | n/a                   | n/a       | 46.5000                              | -                   | -                 |
| Leslie Peters Halfway House       | n/a                  | n/a                   | n/a       | 11.0000                              | 21.5000             | 22.0000           |
| Mendez Exceptional Center         | n/a                  | n/a                   | n/a       | 47.5000                              | 41.9750             | 38.1668           |
| Pace                              | n/a                  | n/a                   | n/a       | 54.5000                              | 51.5000             | 47.0000           |
| Parkhill Exception Center         | n/a                  | n/a                   | n/a       | -                                    | -                   | -                 |
| Plant City Exceptional Ed Center  | n/a                  | n/a                   | n/a       | -                                    | -                   | -                 |
| Private School (Disabled)         | n/a                  | n/a                   | n/a       | 1,459.1667                           | 1,433.6667          | 1,253.8334        |
| Private School PPPS               | n/a                  | n/a                   | n/a       | 8.3582                               | 9.5000              | 7.4700            |
| Project Craft                     | n/a                  | n/a                   | n/a       | -                                    | -                   | -                 |
| Riverside Academy                 | n/a                  | n/a                   | n/a       | 130.5000                             | 136.5000            | 120.0000          |
| Tampa Residential Facility        | n/a                  | n/a                   | n/a       | 29.5000                              | 41.5000             | 44.0000           |
| Teen Parent East                  | n/a                  | n/a                   | n/a       | 25.5806                              | 17.0000             | 19.2500           |
| Teen Parent North                 | n/a                  | n/a                   | n/a       | -                                    | 8.0000              | 12.5683           |
| Teen Parent South                 | n/a                  | n/a                   | n/a       | 20.7600                              | 16.4175             | 47.0026           |
| Teen Parent West                  | n/a                  | n/a                   | n/a       | 81.9931                              | 105.6027            | 114.0307          |
| Total Other Sites                 |                      |                       |           | <u>2,253.4732</u>                    | <u>2,286.1525</u>   | <u>2,157.0592</u> |
| Total District                    |                      |                       |           | <u>201,431.1556</u>                  | <u>198,658.6833</u> | <u>195,198.17</u> |

- 1) Date contract was let to build.  
2) Square footage is current, but does not include portables.

Source: District Records

| 2010-11    | 2009-10    | 2008-09    | 2007-08    | 2006-07    | 2005-06    | 2004-05    |
|------------|------------|------------|------------|------------|------------|------------|
| 95.5000    | 69.0000    | 122.0000   | 96.0000    | 109.0000   | 114.0000   | 66.5000    |
| -          | -          | -          | -          | -          | -          | -          |
| 104.0000   | -          | -          | -          | -          | -          | -          |
| 204.0000   | 117.5000   | -          | -          | -          | -          | -          |
| 154.5036   | 157.3348   | 148.0036   | 143.3356   | 136.5862   | 112.7874   | 209.2542   |
| 82.5000    | 85.5000    | 73.0000    | 55.5000    | 54.5000    | 33.0000    | -          |
| 111.5000   | 116.8800   | 74.5922    | 113.0000   | 117.5000   | 105.0000   | -          |
| 68.8670    | 61.8970    | 54.4166    | 34.4811    | 23.3610    | -          | -          |
| -          | -          | -          | -          | -          | -          | -          |
| -          | -          | -          | 43.5000    | 64.5000    | 73.5000    | 35.5000    |
| -          | -          | -          | -          | -          | -          | -          |
| 189.0000   | 170.5000   | 150.9500   | 153.0000   | 156.5000   | 130.5000   | 109.0000   |
| -          | -          | 73.9500    | 94.5000    | 100.0000   | 118.0000   | 109.0000   |
| -          | -          | -          | -          | -          | -          | -          |
| -          | -          | -          | -          | -          | 254.4001   | 214.6676   |
| 239.5000   | -          | -          | -          | -          | -          | -          |
| 382.3852   | 353.5000   | 386.3000   | 193.8650   | -          | -          | -          |
| 152.5000   | 110.0000   | -          | -          | -          | -          | -          |
| 88.8500    | 162.5000   | 148.3000   | 184.5000   | 151.5000   | 154.0000   | 170.0000   |
| 138.0000   | 142.5000   | 103.2300   | 113.5000   | 105.0000   | 98.5000    | 97.0000    |
| -          | -          | -          | -          | -          | -          | 178.5000   |
| 643.5000   | 638.0000   | 528.0000   | 504.0000   | 399.5000   | 351.5000   | 307.5000   |
| 74.0000    | 69.0000    | 84.0000    | 89.0000    | 88.0000    | 61.5000    | 79.4416    |
| 455.5000   | 402.5000   | 410.5000   | 413.0000   | 340.0000   | 481.0000   | 467.0000   |
| 208.0000   | 195.0000   | 184.0000   | 194.9800   | 339.0000   | 207.5000   | 196.5026   |
| -          | -          | -          | -          | -          | -          | -          |
| -          | -          | -          | 139.0000   | 139.5000   | 147.5000   | 190.5000   |
| -          | -          | -          | 69.5000    | 67.5000    | 57.0000    | -          |
| 205.0000   | 154.0000   | -          | -          | -          | -          | -          |
| 136.0000   | 119.0000   | 113.5000   | 106.0000   | 105.5000   | 104.4500   | 113.5000   |
| -          | -          | -          | -          | -          | -          | -          |
| 164.5000   | 166.0000   | 163.5000   | 175.4600   | 166.9200   | 122.9200   | 71.9600    |
| -          | -          | -          | -          | -          | -          | -          |
| -          | -          | -          | -          | -          | -          | -          |
| -          | -          | -          | -          | -          | -          | -          |
| -          | -          | -          | -          | -          | -          | 55.5000    |
| 6,239.5808 | 5,323.9338 | 4,476.8577 | 4,240.1717 | 3,460.3672 | 3,454.2255 | 3,164.8260 |
| -          | -          | -          | -          | -          | -          | -          |
| 15.4750    | 22.2800    | 106.1164   | 95.0000    | 112.5000   | 97.4850    | 50.1875    |
| 53.5000    | 52.0000    | 59.5000    | 54.0000    | 46.0000    | 56.0000    | 69.8584    |
| 33.5000    | 31.0000    | 33.0000    | 32.0000    | 32.0000    | 34.0000    | 29.0000    |
| 50.0000    | 48.0000    | 48.5000    | 49.0000    | 50.0000    | 49.5000    | 47.0000    |
| 43.5000    | 41.5000    | 38.5000    | 59.5000    | 56.0000    | 69.2000    | 66.5000    |
| 66.5000    | 55.5000    | 65.9990    | 94.0000    | 108.5000   | 116.5000   | 113.2000   |
| 69.7044    | 72.0000    | 80.3790    | 112.5000   | 92.0000    | 123.5000   | 143.0000   |
| 20.5800    | 19.7034    | 15.6535    | 16.9500    | 17.8118    | 16.1684    | 15.0350    |
| 44.3181    | 43.0050    | 46.9210    | 43.2430    | 40.0408    | 45.6674    | -          |
| 26.5000    | 44.5000    | 47.4670    | 39.5000    | 28.5084    | 66.0000    | 34.5000    |
| -          | -          | 38.5299    | 0.8340     | -          | 41.1018    | 57.6146    |
| -          | 11.0000    | 8.0000     | 7.5000     | 7.5000     | 3.5000     | 9.5000     |
| 3.8000     | -          | -          | -          | -          | -          | -          |
| 12.0000    | 22.0000    | 20.9340    | 16.0000    | 22.5000    | 23.5000    | 16.0000    |
| -          | -          | -          | -          | -          | -          | -          |
| 22.0000    | 22.5000    | 26.0000    | 23.0000    | 27.5000    | 26.5000    | 23.0000    |
| 29.5000    | 47.6668    | 44.9174    | 56.5504    | 60.9100    | 56.5000    | 68.5000    |
| 43.0000    | 44.0000    | 46.0000    | 40.5850    | 50.0000    | 45.7000    | 43.0000    |
| -          | -          | -          | -          | -          | -          | -          |
| -          | -          | -          | -          | -          | -          | -          |
| 990.7934   | 650.4982   | 742.1268   | 907.0000   | 855.0000   | 836.5000   | 713.0000   |
| 10.4000    | -          | -          | -          | -          | -          | -          |
| -          | -          | -          | -          | -          | 16.5000    | 15.5000    |
| 150.0000   | 156.0000   | 157.9375   | 156.4751   | 154.0000   | 147.0000   | 139.0000   |
| 89.5000    | 96.0000    | 92.0000    | 81.0000    | 92.0000    | 89.0000    | 84.0000    |
| 30.5000    | 41.8165    | 37.2093    | 30.3221    | 27.4747    | 33.6078    | 155.0096   |
| 18.5000    | -          | -          | -          | -          | -          | -          |
| 29.5068    | -          | -          | -          | -          | -          | -          |
| 123.1638   | 136.2796   | 67.8668    | 61.3376    | 27.8689    | 60.1250    | -          |
| 1,976.2415 | 1,657.2495 | 1,823.5576 | 1,976.2972 | 1,908.1146 | 2,053.5554 | 1,892.4051 |
| 192,499.01 | 190,798.66 | 189,760.59 | 190,580.31 | 190,699.22 | 190,595.77 | 185,511.40 |

**SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NUMBER OF PERSONNEL  
LAST TEN FISCAL YEARS**

| <b>Fiscal<br/>Year</b> | <b>(A)<br/>Instructional</b> | <b>(B)<br/>Administrative</b> | <b>(C)<br/>Support<br/>Services</b> | <b>Total</b> | <b>Ratio of<br/>Students to<br/>Instructional<br/>Personnel</b> | <b>Ratio of<br/>Instructional<br/>Personnel to<br/>Administrators</b> |
|------------------------|------------------------------|-------------------------------|-------------------------------------|--------------|-----------------------------------------------------------------|-----------------------------------------------------------------------|
| 2014                   | 15,787                       | 937                           | 9,280                               | 26,004       | 12.75                                                           | 16.85                                                                 |
| 2013                   | 15,638                       | 915                           | 9,223                               | 25,776       | 12.70                                                           | 17.09                                                                 |
| 2012                   | 15,477                       | 882                           | 9,185                               | 25,544       | 12.61                                                           | 17.55                                                                 |
| 2011                   | 15,217                       | 890                           | 9,119                               | 25,226       | 12.65                                                           | 17.10                                                                 |
| 2010                   | 15,048                       | 880                           | 9,029                               | 24,957       | 12.68                                                           | 17.10                                                                 |
| 2009                   | 15,376                       | 840                           | 9,056                               | 25,272       | 12.34                                                           | 18.30                                                                 |
| 2008                   | 15,229                       | 836                           | 9,295                               | 25,360       | 12.51                                                           | 18.22                                                                 |
| 2007                   | 15,118                       | 828                           | 9,175                               | 25,121       | 12.61                                                           | 18.26                                                                 |
| 2006                   | 14,517                       | 800                           | 8,969                               | 24,286       | 13.13                                                           | 18.15                                                                 |
| 2005                   | 13,959                       | 799                           | 8,843                               | 23,601       | 13.29                                                           | 17.47                                                                 |

Note: Full Time Employees Only

- (A) Classroom Teachers, Guidance/Psychologists, Exceptional Education Teachers, Media Specialists  
Other Professional Instructional Staff
- (B) Principals, Assistant Principals, Superintendent, Assistant Superintendent/Chief Division Officer, General Directors  
Directors, General Managers, Managers, Supervisors/Customer Svc Managers, Coordinators/Asst Dept Managers
- (C) Paraprofessional, Bus Drivers, Maintenance, Student Nutrition, Custodial, Clerical, Etc.

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Source: District Records

**SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
TEACHER BASE SALARIES  
LAST TEN FISCAL YEARS**

| <u>Fiscal<br/>Year</u> | <u>Minimum<br/>Salary</u> | <u>Maximum<br/>Salary</u> | <u>Average<br/>Salary</u> |
|------------------------|---------------------------|---------------------------|---------------------------|
| 2014 (1)               | \$ 37,785                 | \$ 64,885                 | \$ 51,158                 |
| 2013                   | 37,569                    | 61,519                    | 48,314                    |
| 2012                   | 37,014                    | 61,594                    | 47,601                    |
| 2011                   | 37,014                    | 61,594                    | 47,601                    |
| 2010                   | 37,014                    | 61,594                    | 47,601                    |
| 2009                   | 37,014                    | 61,594                    | 47,601                    |
| 2008                   | 37,014                    | 61,594                    | 47,601                    |
| 2007                   | 35,012                    | 57,905                    | 44,755                    |
| 2006                   | 32,005                    | 53,619                    | 37,370                    |
| 2005                   | 31,000                    | 51,544                    | 37,338                    |

10 Month Teachers with Bachelors Degree

(1) Average of regular salary schedule and the new empowering effective teachers evaluation schedule

---

Source: District Records

**SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
FOOD SERVICE OPERATING DATA  
LAST TEN YEARS**

|                                         | Fiscal Year       |                   |                   |                   |                   |                   |                   |                   |                   |                   |
|-----------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
|                                         | 2014              | 2013              | 2012              | 2011              | 2010              | 2009              | 2008              | 2007              | 2006              | 2005              |
| <b>Days Meals Served:</b>               | 181               | 181               | 181               | 180               | 181               | 182               | 182               | 184               | 184               | 184               |
| <b>Student Lunches Served:</b>          |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Paid Lunches (regular)                  | 3,414,131         | 3,461,533         | 3,637,054         | 3,868,506         | 3,961,620         | 4,551,148         | 5,409,282         | 5,201,286         | 4,242,669         | 4,527,037         |
| Reduced Lunches (regular)               | 1,696,283         | 1,930,977         | 1,987,547         | 2,149,221         | 2,423,399         | 2,822,078         | 2,767,948         | 2,677,766         | 2,253,652         | 1,763,595         |
| Free Lunches (regular)                  | 15,044,904        | 14,193,275        | 13,989,877        | 13,527,929        | 12,820,820        | 11,785,998        | 10,990,241        | 10,766,501        | 10,644,586        | 10,430,109        |
| <b>Total Student Lunches Served</b>     | <b>20,155,318</b> | <b>19,585,785</b> | <b>19,614,478</b> | <b>19,545,656</b> | <b>19,205,839</b> | <b>19,159,224</b> | <b>19,167,471</b> | <b>18,645,553</b> | <b>17,140,907</b> | <b>16,720,741</b> |
| Daily Average Student Lunches Served    | 111,355           | 108,209           | 108,367           | 108,587           | 106,110           | 105,270           | 105,316           | 101,335           | 93,157            | 90,874            |
| <b>Student Breakfasts Served:</b>       |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Paid Breakfasts (regular)               | 2,811,466         | 2,757,077         | 3,062,197         | 3,373,601         | 3,539,910         | 3,901,214         | 3,976,455         | 4,053,309         | 3,744,477         | 3,598,110         |
| Reduced Breakfasts (regular)            | 934,465           | 999,640           | 1,037,880         | 1,153,426         | 1,320,463         | 1,527,314         | 1,440,498         | 1,413,870         | 1,264,644         | 1,120,542         |
| Free Breakfasts (regular)               | 9,366,988         | 8,371,783         | 8,169,292         | 7,954,549         | 7,566,867         | 6,990,486         | 6,266,791         | 6,267,877         | 6,474,779         | 6,430,671         |
| <b>Total Student Breakfasts Served</b>  | <b>13,112,919</b> | <b>12,128,500</b> | <b>12,269,369</b> | <b>12,481,576</b> | <b>12,427,240</b> | <b>12,419,014</b> | <b>11,683,744</b> | <b>11,735,056</b> | <b>11,483,900</b> | <b>11,149,323</b> |
| Daily Average Student Breakfasts Served | 72,447            | 67,008            | 67,787            | 69,342            | 68,659            | 68,236            | 64,196            | 63,777            | 62,413            | 60,594            |
| <b>LUNCH PRICES:</b>                    |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Elementary                              | \$2.25            | \$2.25            | \$2.25            | \$2.25            | \$2.25            | \$2.25            | \$1.75            | \$1.75            | \$1.75            | \$1.75            |
| Secondary                               | \$2.75            | \$2.75            | \$2.75            | \$2.75            | \$2.75            | \$2.75            | \$2.25            | \$2.25            | \$2.25            | \$2.25            |
| <b>BREAKFAST PRICES:</b>                |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Elementary                              | FREE              | FREE              | FREE              | FREE              | FREE              | FREE              | FREE              | FREE              | FREE              | FREE              |
| Secondary                               | FREE              | FREE              | FREE              | FREE              | FREE              | FREE              | FREE              | FREE              | FREE              | FREE              |
| <b>Free and Reduced Percentages:</b>    |                   |                   |                   |                   |                   |                   |                   |                   |                   |                   |
| Paid                                    | 18.7%             | 19.6%             | 21.0%             | 22.6%             | 23.7%             | 26.7%             | 30.4%             | 30.5%             | 27.9%             | 29.2%             |
| Reduced                                 | 7.9%              | 9.2%              | 9.5%              | 10.3%             | 11.8%             | 13.8%             | 13.6%             | 13.5%             | 12.3%             | 10.3%             |
| Free                                    | 73.4%             | 71.2%             | 69.5%             | 67.2%             | 64.6%             | 59.5%             | 55.9%             | 56.1%             | 59.8%             | 60.5%             |

Source: District Records



**APPENDIX C**  
**FORM OF RESOLUTION**

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ADOPTED JANUARY 8, 2002

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## BOND RESOLUTION

A RESOLUTION OF THE SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA, AS THE GOVERNING BODY OF THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA, AUTHORIZING THE ISSUANCE OF NOT EXCEEDING \$250,000,000 IN AGGREGATE PRINCIPAL AMOUNT OF SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA SALES TAX REVENUE BONDS, SERIES 2002, TO FINANCE THE ACQUISITION, CONSTRUCTION, EQUIPPING AND FINANCING OF VARIOUS CAPITAL IMPROVEMENTS AND EDUCATIONAL FACILITIES WITHIN THE DISTRICT; PLEDGING MONEYS RECEIVED BY THE DISTRICT FROM THE ONE-HALF CENT LOCAL INFRASTRUCTURE SALES SURTAX TO SECURE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SAID BONDS; PROVIDING FOR THE RIGHTS OF THE HOLDERS OF SAID BONDS; MAKING CERTAIN OTHER COVENANTS AND AGREEMENTS IN CONNECTION WITH THE ISSUANCE OF SUCH BONDS; PROVIDING CERTAIN TERMS AND DETAILS OF SAID BONDS, INCLUDING AUTHORIZING A DELEGATED NEGOTIATED SALE OF SAID BONDS AND THE EXECUTION AND DELIVERY OF A PURCHASE AGREEMENT WITH RESPECT THERETO UPON SATISFACTION OF THE CONDITIONS SET FORTH HEREIN; APPROVING THE USE OF THE PRELIMINARY OFFICIAL STATEMENT RELATING TO THE SALE OF SAID BONDS, AUTHORIZING THE EXECUTION AND DELIVERY OF THE OFFICIAL STATEMENT RELATING TO SALE OF SAID BONDS; APPROVING THE REGISTRAR AND PAYING AGENT FOR THE BONDS; APPROVING THE EXECUTION AND DELIVERY OF A CONTINUING DISCLOSURE CERTIFICATE; APPROVING THE PREPAYMENT OF ALL OF THE DISTRICT'S OUTSTANDING SALES TAX REVENUE BONDS, SERIES 1996 AND THE EXECUTION AND DELIVERY OF AN ESCROW DEPOSIT AGREEMENT IN CONNECTION THEREWITH; AND PROVIDING FOR AN EFFECTIVE DATE FOR THIS RESOLUTION.

BE IT RESOLVED BY THE SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA, AS THE GOVERNING BODY OF THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA:

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## ARTICLE I

### GENERAL

**SECTION 1.01. DEFINITIONS.** When used in this Resolution, the following terms shall have the following meanings, unless the context clearly otherwise requires:

**"Accreted Value"** shall mean, as of any date of computation with respect to any Capital Appreciation Bond, an amount equal to the principal amount of such Capital Appreciation Bond (the principal amount at its initial offering) plus the interest accrued on such Capital Appreciation Bond from the date of delivery to the original purchasers thereof to the Interest Date next preceding the date of computation, or the date of computation if an Interest Date, such interest to accrue at a rate not exceeding the legal rate, compounded semiannually, plus, with respect to matters related to the payment upon redemption or acceleration of the Capital Appreciation Bonds, if such date of computation shall not be an Interest Date, a portion of the difference between the Accreted Value as of the immediately preceding Interest Date and the Accreted Value as of the immediately succeeding Interest Date, calculated based on the assumption that Accreted Value accrues during any semi-annual period in equal daily amounts on the basis of a 360-day year.

**"Act"** shall mean Chapter 230, Florida Statutes, Chapter 212, Part I, Florida Statutes, the Ordinance, the Interlocal Agreement and other applicable provisions of law.

**"Additional Bonds"** shall mean the obligations (including, but not limited to, bond anticipation notes or other similar short-term indebtedness) issued at any time under the provisions of Section 5.02 hereof on a parity with the Series 2002 Bonds.

**"Ambac Assurance"** shall mean Ambac Assurance Corporation, a Wisconsin domiciled stock insurance company.

**"Amortization Installment"** shall mean (i) with respect to the Series 2002 Bonds, the amounts designated in the Purchase Agreement as Amortization Installments with respect to the Series 2002 Term Bonds and (ii) with respect to any Additional Bonds, an amount designated as such by Supplemental Resolution of the Board and established with respect to the Additional Term Bonds.

**"Annual Debt Service"** shall mean, at any time, the aggregate amount in the then current Fiscal Year of (1) interest required to be paid on the Outstanding Bonds during such Fiscal Year, except to the extent that such interest is to be paid from deposits in the Interest Account or Construction Fund from Bond proceeds for such purpose, (2) principal of Outstanding Serial Bonds maturing in such Fiscal Year, (3) the Amortization Installments with respect to such Fiscal Year, and (4) any amounts owing to the issuer of a Reserve Account Insurance Policy or Reserve Account Letter of Credit. For purposes of this definition, all amounts payable on a Capital Appreciation Bond

shall be considered a principal payment due in the year of its maturity or date of redemption by Amortization Installment.

**"Authorized Investments"** shall mean any of the following, if and to the extent that the same are at the time legal for investment of funds of the Board:

- (1) Cash (insured at all times by the Federal Deposit Insurance Corporation).
- (2) Direct obligations of (including obligations issued or held in book entry form on the books of) the Department of the Treasury of the United States of America.
- (3) Senior debt obligations of other Government Sponsored Agencies approved by the Credit Facility Provider.
- (4) Obligations of any of the following federal agencies which obligations represent full faith and credit of the United States of America, including:
  - Export-Import Bank
  - Rural Economic Community Development Administration
  - U.S. Maritime Administration
  - Small Business Administration
  - U.S. Department of Housing & Urban Development (PHA's)
  - Federal Housing Administration
  - Federal Financing Bank
- (5) Direct obligations of any of the following federal agencies which obligations are not fully guaranteed by the full faith and credit of the United States of America:
  - Senior debt obligations rated "AAA" by Standard & Poor's and "Aaa" by Moody's issued by the Federal National Mortgage Association or the Federal Home Loan Mortgage Corporation.
  - Senior debt obligations of other government sponsored agencies approved by the Insurer.
  - Obligations of the Resolution Funding Corporation (REFCORP).
  - Senior debt obligations of the Federal Home Loan Bank System.
- (6) U.S. dollar denominated deposit accounts, federal funds and banker's acceptances with domestic commercial banks which have a rating on their short-term certificates of deposit on the date of purchase of "A-1" or "A-1+" by Standard & Poor's and "P-1" by Moody's and maturing no more than 360 days after the date of purchase. (Ratings on holding companies are not considered as the rating of the bank.)

(7) Commercial paper which is rated at the time of purchase in the single highest classification, "A-1+" by Standard & Poor's and "P-1" by Moody's and which matures not more than 270 days after the date of purchase.

(8) Investments in a money market fund rated "AAA" or "AAAm-G" or better by Standard & Poor's.

(9) Prerefunded Obligations.

(10) Investments in the Florida Local Government Surplus Funds Trust Fund.

(11) Investment agreements approved in writing by the Credit Facility Provider (supported by appropriate opinions of counsel).

(12) Other forms of investments (including repurchase agreements) approved in writing by the Credit Facility Provider.

"Value," which shall be determined at least semiannually, means that the value of any investments shall be calculated as follows:

(a) for securities:

1. the closing bid price quoted by Interactive Data Systems; or
2. a valuation performed by a nationally recognized and accepted pricing service acceptable to Ambac whose valuation method consists of the composite average of various bid price quotes on the valuation date; or
3. the lower of two dealer bids on the valuation date. The dealers or their parent holding companies must be rated at least investment grade by S&P and Moody's and must be market makers in the securities being valued.

(b) as to certificates of deposit and bankers acceptances: the face amount thereof, plus accrued interest; and

(c) as to any investment not specified above: the value thereof established by prior agreement between the Board and the Credit Facility Provider.

(13) Any other investments approved in writing by the Credit Facility Provider.

"Board" shall mean the School Board of Hillsborough County, Florida, the governing body of the District.

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"Continuing Disclosure Certificate" shall mean the Continuing Disclosure Certificate to be executed by the Board on or prior to the date of issuance of the Bonds, the form of which is attached hereto as Exhibit B.

"Cost" when used in connection with a Project and permitted by the Act, shall mean (1) the Board's cost of physical construction; (2) costs of acquisition by or for the Board of such Project; (3) any costs of land and interests therein and the costs of the Board incidental to such acquisition (including, without limitation, title insurance and related costs and costs associated with the examination, survey and any remediation required with respect to such land); (4) the cost of any indemnity and surety bonds and premiums for insurance during construction; (5) all interest due to be paid on the Bonds and other obligations relating to the Project during the period of construction of the Project and a reasonable period subsequent to completion of construction as the Board shall determine; (6) engineering, legal, financial advisory and other consultant fees and expenses; (7) costs and expenses of the financing incurred for the Project, including fees and expenses of any Paying Agent, Registrar, Credit Facility Provider or depository; (8) payments, when due (whether at the maturity of principal or the due date of interest) on any interim or temporary indebtedness of the Board incurred for the Project; (9) costs of machinery, equipment, technology, supplies, spare parts, books, furniture and any other items required by the Board for the commencement of operation of the Project; and (10) any other costs properly attributable to such construction or acquisition or to the issuance of the Bonds which finance the Project, as determined by generally accepted accounting principles applicable to the Project, and shall include reimbursement to the Board for any such items of Cost paid by the Board prior to the issuance of the Bonds or other obligations issued to finance the Project.

"County" shall mean Hillsborough County, Florida, a political subdivision of the State.

"Credit Facility" shall mean as to any particular Series of Bonds, a Bond Insurance Policy, a letter of credit, a line of credit or another credit or liquidity enhancement facility, as approved herein or in the Supplemental Resolution providing for the issuance of such Series of Bonds. With respect to the Series 2002 Bonds, "Credit Facility" shall mean the Bond Insurance Policy issued by Ambac Assurance.

"Credit Facility Provider" shall mean the Insurer, bank or other financial institution issuing a Credit Facility for a particular Series of Bonds.

"Debt Service Fund" shall mean the School District of Hillsborough County, Florida Sales Tax Revenue Bonds, Debt Service Fund established pursuant to Section 4.04 hereof.

"District" shall mean the School District of Hillsborough County, Florida.

"Escrow Agent" shall mean The Bank of New York, New York, New York, in its capacity as escrow agent under the Escrow Deposit Agreement, its successors and assigns.

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"Bond Amortization Account" shall mean the separate account in the Debt Service Fund established pursuant to Section 4.04 hereof.

"Bond Counsel" shall mean Nabors, Giblin & Nickerson, P.A. or any other attorney at law or firm of attorneys, of nationally recognized standing in matters pertaining to the federal tax exemption of interest on obligations issued by states and political subdivisions, and duly admitted to practice law before the highest court of any state of the United States of America.

"Bond Insurance Policy" shall mean a municipal bond insurance policy issued by an Insurer insuring the payment, when due, of the principal of and interest on a Series of Bonds as provided therein. With respect to the Series 2002 Bonds, "Bond Insurance Policy" shall mean the municipal bond insurance policy issued by Ambac Assurance guaranteeing, when due, the scheduled principal of and interest on the Series 2002 Bonds.

"Bond Year" shall mean the period commencing on October 2 of each year and ending on October 1 of each year.

"Bondholder" or "Holder" or "holder of Bonds" or any similar term, when used with reference to a Bond or Bonds, shall mean any Person who shall be the registered owner of any Outstanding Bond or Bonds as provided in the registration books of the Board.

"Bonds" shall mean the Series 2002 Bonds, together with any Additional Bonds, issued pursuant to this Resolution and any Subordinated Indebtedness which accedes to the status of Bonds pursuant to Section 5.04 hereof.

"Capital Appreciation Bonds" shall mean those Bonds so designated by Supplemental Resolution of the Board, which may be either Serial Bonds or Term Bonds and which shall bear interest payable at maturity or redemption. In the case of Capital Appreciation Bonds that are convertible to Bonds with interest payable prior to maturity or prior to redemption of such Bonds, such Bonds shall be considered Capital Appreciation Bonds only during the period of time prior to such conversion.

"Chairman" shall mean the Chairman or the Vice-Chairman of the Board, and such other person as may be duly authorized to act on his or her behalf.

"Code" shall mean the Internal Revenue Code of 1986, as amended, and the regulations and rules promulgated thereunder.

"Construction Fund" shall mean the School District of Hillsborough County, Florida Sales Tax Revenue Bonds Construction Fund established pursuant to Section 4.03 hereof.

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"Escrow Deposit Agreement" shall mean the Escrow Deposit Agreement to be dated the first day of the month in which the Series 2002 Bonds are delivered, between the District and the Escrow Agent, substantially in the form of Exhibit D attached hereto, and providing for the defeasance of the Refunded Bonds.

"Fiscal Year" shall mean the period commencing on July 1 of each year and continuing through the next succeeding June 30, or such other period as may be prescribed by law.

"Fitch" shall mean Fitch, Inc. and any assigns or successors thereto.

"Insurer" shall mean with respect to the Series 2002 Bonds, Ambac Assurance, and with respect to any other Series of Bonds, the Credit Facility Provider, if any, issuing a Bond Insurance Policy with respect to such Series of Bonds.

"Interest Account" shall mean the separate account in the Debt Service Fund established pursuant to Section 4.04 hereof.

"Interest Date" or "interest payment date" shall be such date or dates for the payment of interest on the Bonds as provided pursuant to Sections 2.01 or 2.02 hereof.

"Interlocal Agreement" shall mean the Interlocal Agreement among the Board, the County and the Cities of Tampa, Temple Terrace and Plant City, Florida, dated as of July 17, 1996, providing for the distribution of the one-half cent local infrastructure sales surtax levied and collected pursuant to Section 212.055(2), Florida Statutes and the Ordinance, as the same may be amended or supplemented.

"Maximum Annual Debt Service" shall mean the largest aggregate amount of the Annual Debt Service becoming due in any Fiscal Year in which Bonds are Outstanding, excluding all Fiscal Years which shall have ended prior to the Fiscal Year in which the Maximum Annual Debt Service shall at any time be computed.

"Maximum Interest Rate" shall mean, with respect to any particular Variable Rate Bonds, a numerical rate of interest, which shall be set forth in the Supplemental Resolution of the Board delineating the details of such Bonds, that shall be the maximum rate of interest such Bonds may at any particular time bear in the future in accordance with the terms of such Supplemental Resolution.

"Moody's Investors Service" or "Moody's" shall mean Moody's Investors Service, and any assigns or successors thereto.

"Ordinance" shall mean Hillsborough County Ordinance No. 96-12, dated July 15, 1996, authorizing the levy of a discretionary local infrastructure sales tax and the execution and delivery of the Interlocal Agreement.

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**"Outstanding"** when used with reference to the Bonds and as of any particular date, shall describe all of the Bonds theretofore and thereupon being authenticated and delivered except, (1) any Bond in lieu of which another Bond or Bonds have been issued under agreement to replace lost, mutilated or destroyed Bonds, (2) any Bond surrendered by the Holder thereof in exchange for another Bond or Bonds under Sections 2.07, 2.08 and 2.09 hereof, (3) Bonds deemed to have been paid pursuant to Section 9.01 hereof, and (4) Bonds cancelled after purchase in the open market or because of payment at maturity.

**"Paying Agent"** shall mean The Bank of New York, New York, New York, appointed as the paying agent for the Bonds pursuant to Section 9.03 hereof.

**"Person"** shall mean an individual, a corporation, a partnership, an association, a joint stock company, a trust, any unincorporated organization or governmental entity.

**"Pledged Funds"** shall mean (1) the Sales Tax Revenues, and (2) until applied in accordance with the provisions of this Resolution, all moneys, including investments thereof, in the funds and accounts established hereunder except for the Unrestricted Revenue Account and the Rebate Fund.

**"Prefunded Obligations"** shall mean any bonds or other obligations of any state of the United States of America or of any agency, instrumentality or local governmental unit of any such state (1) which are (A) not callable at the option of the obligor prior to maturity or (B) as to which irrevocable instructions have been given to the fiduciary for such bonds or other obligations by the obligor to give due notice of redemption and to call such bonds for redemption on the date or dates specified in such instructions, (2) which are fully secured as to principal, redemption premium, if any, and interest by a fund consisting only of cash or securities described in paragraph (2) of the definition of Authorized Investments, secured in the manner set forth in Section 9.01 hereof, which fund may be applied only to the payment of such principal of, redemption premium, if any, and interest on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as the case may be, (3) as to which the principal of and interest on the Federal Securities, which have been deposited in such fund along with any cash on deposit in such fund, are sufficient, as verified by an independent certified public accountant, to pay principal of, redemption premium, if any, and interest on the bonds or other obligations on the maturity date or dates thereof or on the redemption date or dates specified in the irrevocable instructions referred to in clause (1) above, and (4) which are rated in the highest rating category of Standard & Poor's and Moody's.

**"Principal Account"** shall mean the separate account in the Debt Service Fund established pursuant to Section 4.04 hereof.

**"Project"** shall mean the 2002 Project and the acquisition, construction and improvement of such additional properties and facilities as may be financed by the Sales Tax Revenues pursuant to the Act and the Project Resolutions.

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**"Restricted Revenue Account"** shall mean the separate account in the Revenue Fund established pursuant to Section 4.04 hereof.

**"Revenue Fund"** shall mean the School District of Hillsborough County, Florida Sales Tax Revenue Bonds, Revenue Fund established pursuant to Section 4.04 hereof.

**"Sales Tax Revenues"** shall mean the proceeds received by the Board pursuant to the Interlocal Agreement and the Ordinance from the levy and collection by the County of the one-half cent local infrastructure sales surtax pursuant to Section 212.055(2), Florida Statutes.

**"Secretary"** shall mean the Superintendent of the District as the Ex-officio Secretary of the Board.

**"Serial Bonds"** shall mean all of the Bonds other than Term Bonds.

**"Series"** shall mean all the Bonds delivered on original issuance in a simultaneous transaction and identified pursuant to Sections 2.01 and 2.02 hereof or a Supplemental Resolution authorizing the issuance by the Board as a separate Series, regardless of variations in maturity, interest rate, amortization installments or other provisions.

**"Series 2002 Bonds"** shall mean the School District of Hillsborough County, Florida Sales Tax Revenue Bonds, Series 2002 authorized and issued pursuant to Section 2.02 of this Resolution.

**"Series 2002 Guaranty Agreement"** shall mean the Guaranty Agreement to be dated the first day of the month in which the Series 2002 are issued between the Board and Ambac Assurance, pursuant to which Ambac Assurance is delivering the Series 2002 Surety Bond. The Series 2002 Guaranty Agreement shall be substantially in the form attached hereto as Exhibit E.

**"Series 2002 Surety Bond"** shall mean the Surety Bond issued by Ambac Assurance guaranteeing certain payments into the Reserve Account as provided therein and subject to the limitations set forth therein.

**"Standard & Poor's"** shall mean Standard and Poor's Ratings Group, and any assigns and successors thereto.

**"State"** shall mean the State of Florida.

**"Subordinated Indebtedness"** shall mean that indebtedness of the Board, subordinate and junior to the Bonds, issued in accordance with the provisions of Section 5.01 hereof.

**"Superintendent"** shall mean the Superintendent of the District, and such other person as may be duly authorized to act on his or her behalf.

**"Project Resolutions"** means the resolutions adopted from time to time by the Board in accordance with the Ordinance and the Interlocal Agreement.

**"Purchase Agreement"** shall mean the Bond Purchase Agreement to be executed between the Board and the Underwriters in accordance with Section 2.02(b) hereof, which Purchase Agreement shall set forth the terms of the Series 2002 Bonds and the form of which is attached hereto as Exhibit B.

**"Rebate Fund"** shall mean the School District of Hillsborough County, Florida Sales Tax Revenue Bonds, Rebate Fund established pursuant to Section 4.04 hereof.

**"Redemption Price"** shall mean, with respect to any Bond or portion thereof, the principal amount or portion thereof, plus the applicable premium, if any, payable upon redemption thereof pursuant to such Bond or this Resolution.

**"Refunded Bonds"** shall mean the outstanding School District of Hillsborough County, Florida Sales Tax Revenue Bonds, Series 1996, dated December 1, 1996.

**"Refunding Securities"** shall mean any of the items listed in paragraph (1), (2) or (3) of the definition of Authorized Investments and Prefunded Obligations.

**"Registrar"** shall mean The Bank of New York, New York, New York, appointed as the paying agent for the Bonds pursuant to Section 9.03 hereof.

**"Reserve Account"** shall mean the separate account in the Debt Service Fund established pursuant to Section 4.04 hereof.

**"Reserve Account Insurance Policy"** shall mean an insurance policy or surety bond deposited in the Reserve Account in lieu of or in partial substitution for cash on deposit therein pursuant to Section 4.05(A)(4) hereof including, without limitation, the Series 2002 Surety Bond.

**"Reserve Account Letter of Credit"** shall mean an unconditional irrevocable letter of credit or line of credit (other than a Reserve Account Insurance Policy) deposited in the Reserve Account in lieu of or in partial substitution for cash on deposit therein pursuant to Section 4.05(A)(4) hereof.

**"Reserve Account Requirement"** shall mean, as of any date of calculation for the Reserve Account or any subaccount thereof, an amount equal to the lesser of (1) Maximum Annual Debt Service for all Outstanding Bonds secured thereby, (2) one hundred twenty-five percent (125%) of the average annual debt service for all Outstanding Bonds secured thereby, or (3) ten percent (10%) of the proceeds of the Bonds secured thereby.

**"Resolution"** shall mean this Sales Tax Revenue Bond Resolution, as the same may from time to time be amended, modified or supplemented by Supplemental Resolution.

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**"Supplemental Resolution"** shall mean any resolution of the Board amending or supplementing this Resolution enacted and becoming effective in accordance with the terms of Sections 7.01, 7.02 and 7.03 hereof.

**"Taxable Bonds"** shall mean any Bonds which state, in the body thereof, that the interest income thereon is includable in the gross income of the Holder thereof for federal income taxation purposes or that such interest is subject to federal income taxation.

**"Term Bonds"** shall mean (i) with respect to the Series 2002 Bonds, the Series 2002 Bonds designated as Term Bonds in the Purchase Agreement and (ii) with respect to any Additional Bonds, those Bonds which shall be designated as Term Bonds by Supplemental Resolution of the Board and which are subject to mandatory redemption by Amortization Installment.

**"2002 Project"** shall mean certain capital improvements and educational facilities to be made within the District, all as more particularly described in the Project Resolutions and the plans and specifications on file or to be on file with the Board, as the same may be modified or amended from time to time. A general description of the education facilities expected to comprise the 2002 Project is provided in the Project Resolution adopted by the Board on June 19, 2001, as the same may be amended from time to time.

**"Underwriters"** shall mean PaineWebber Incorporated, Smith Barney Inc., Morgan Stanley Dean Witter, A. G. Edwards & Sons, Inc., Jackson Securities, Inc., Siebert, Bradford, Shank & Co., LLC, William R. Hough & Co., First Union/Wachovia Securities, Loop Capital Markets, LLC and Raymond James & Associates, Inc.

**"Unrestricted Revenue Account"** shall mean the separate account in the Revenue Fund established pursuant to Section 4.04 hereof.

**"Variable Rate Bonds"** shall mean Bonds issued with a variable, adjustable, convertible or other similar rate which is not fixed in percentage for the entire term thereof at the date of issue.

The terms "herein," "hereunder," "hereby," "hereto," "hereof," and any similar terms, shall refer to this Resolution; the term "heretofore" shall mean before the date of adoption of this Resolution; and the term "hereafter" shall mean after the date of adoption of this Resolution.

Words importing the masculine gender include every other gender.

Words importing the singular number include the plural number, and vice versa.

**SECTION 1.02. AUTHORITY FOR RESOLUTION.** This Resolution is adopted pursuant to the provisions of the Act.

**SECTION 1.03. RESOLUTION TO CONSTITUTE CONTRACT.** In consideration of the purchase and acceptance of any or all of the Bonds by those who shall hold the same from time to time, the provisions of this Resolution shall be a part of the contract of the Board with the Holders of the Bonds and the Insurer and shall be deemed to be and shall constitute a contract between the Board and the Holders from time to time of the Bonds and the Insurer. The pledge made in this Resolution and the provisions, covenants and agreements herein set forth to be performed by or on behalf of the Board shall be for the equal benefit, protection and security of the Holders of any and all of said Bonds and for the benefit, protection and security of the Insurer. All of the Bonds, regardless of the time or times of their issuance or maturity, shall be of equal rank without preference, priority or distinction of any of the Bonds over any other thereof except as expressly provided in or pursuant to this Resolution.

**SECTION 1.04. FINDINGS.** It is hereby ascertained, determined and declared:

(A) That the Board has heretofore entered into the Interlocal Agreement providing for the Board's receipt of the Sales Tax Revenues.

(B) That the Board deems it desirable and in the best interest of the Board to acquire, construct and equip the 2002 Project and to refund the Refunded Bonds.

(C) That the most efficient and cost-effective method of acquiring, constructing and equipping the 2002 Project is by the issuance of the Series 2002 Bonds secured by the Pledged Funds.

(D) That the amount of proceeds received by the Board from the sale of the Series 2002 Bonds will be substantially increased if the Board provides for the refunding of the Refunded Bonds utilizing Sales Tax Revenues previously received by the Board and not yet applied to pay the Costs of Projects.

(D) That the estimated Sales Tax Revenues will be sufficient to pay the principal of and interest on the Series 2002 Bonds, as the same become due, and all other payments provided for in the Resolution.

(E) Due to the potential volatility of the market for tax-exempt obligations such as the Bonds and the complexity of the transactions relating to such Bonds, it is in the best interest of the Board to sell the Bonds pursuant to a delegated negotiated sale, allowing the Board to enter the market at the most advantageous time, rather than at a specified advertised date, thereby permitting the Board to obtain the best possible price and interest rate for the Bonds, subject in all respects to satisfaction of the conditions set forth in Section 2.02(b) hereof.

(F) The 2002 Project constitutes infrastructure within the meaning of Section 212.055(2), Florida Statutes.

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## ARTICLE II

### AUTHORIZATION, TERMS, SALE, EXECUTION AND REGISTRATION OF BONDS

**SECTION 2.01. AUTHORIZATION OF BONDS.** This Resolution creates an issue of Bonds of the Board to be designated as "School District of Hillsborough County, Florida, Sales Tax Revenue Bonds" which may be issued in one or more Series as hereinafter provided. The aggregate principal amount of the Bonds which may be executed and delivered under this Resolution is not limited except as is or may hereafter be provided in this Resolution or as limited by the Act or by law.

The Bonds may, if and when authorized by the Board pursuant to this Resolution, be issued in one or more Series, with such further appropriate particular designations added to or incorporated in such title for the Bonds of any particular Series as the Board may determine and as may be necessary to distinguish such Bonds from the Bonds of any other Series. Each Bond shall bear upon its face the designation so determined for the Series to which it belongs.

The Bonds shall be issued for such purpose or purposes; shall bear interest at such rate or rates not exceeding the maximum rate permitted by law; and shall be payable in lawful money of the United States of America on such dates, all as determined hereby or by Supplemental Resolution of the Board.

The Bonds shall be issued in such denominations and such form, whether coupon or registered; shall be dated such date; shall bear such numbers; shall be payable at such place or places; shall contain such redemption provisions; shall have such Paying Agents and Registrars; shall mature in such years and amounts; and the proceeds shall be used in such manner; all as determined by Supplemental Resolution of the Board in accordance with the provisions of the Act. The Board may issue Bonds which may be secured by a Credit Facility all as shall be determined hereby or by Supplemental Resolution of the Board.

**SECTION 2.02. AUTHORIZATION AND DESCRIPTION OF THE SERIES 2002 BONDS.**

(a) In accordance with the Act and the terms of this Resolution, this Resolution hereby creates an issue of bonds of the Board to be designated as "School District of Hillsborough County, Florida Sales Tax Revenue Bonds, Series 2002," to be issued in the aggregate principal amount of not exceeding \$250,000,000. The Series 2002 Bonds shall be issued for the principal purposes of financing the acquisition, construction and equipping of the 2002 Project, and paying certain costs and expenses incurred in connection with the issuance of the Series 2002 Bonds, including the Bond Insurance Policy premium. The exact principal amount of the Series 2002 Bonds to be issued by the Board shall be determined by the Chairman and the Superintendent in accordance with Section

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**SECTION 1.05. AUTHORIZATION OF THE 2002 PROJECT.** The Board hereby authorizes and empowers the acquisition, construction and equipping of the 2002 Project.

**SECTION 1.06. AUTHORIZATION OF THE REFUNDING.** The Board hereby authorizes and empowers the refunding of the Refunded Bonds from Sales Tax Revenues presently held by the Board in accordance with the terms of the Escrow Deposit Agreement.

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2.02(b) below. In the event the Chairman and Superintendent approve an amount less than \$250,000,000 in accordance with Section 2.02(b) hereof, the remaining authorized amount hereunder with respect to the Series 2002 Bonds shall be cancelled.

The Bonds shall be dated as of the first day of the month in which the Purchase Agreement is delivered, shall be issued in the form of fully registered bonds in the denominations of \$5,000 and any integral multiple thereof, shall be numbered consecutively from one upward in order of maturity preceded by the letter "R," and shall bear interest from their dated date, payable semiannually, on April 1 and October 1 of each year, commencing on April 1, 2002 or, if dated after February 1, 2002, October 1, 2002, at such rates and maturing in such amounts on October 1 of such years as shall be determined by the Chairman and the Superintendent in accordance with Section 2.02(b) below.

The principal of the Bonds is payable upon presentation and surrender of the Bonds at the designated corporate trust office of the Paying Agent. Interest payable on the Bonds on any Interest Date will be paid by check or draft to the Holder in whose name such Bond shall be registered at the close of business on the date which shall be the fifteenth day (whether or not a business day) of the calendar month next preceding such Interest Date, or, at the request and expense of such Holder, by bank wire transfer for the account of such Holder. All payments of principal of and interest on the Bonds shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

(b) Subject to full satisfaction of the conditions set forth in this Section 2.02(b), the Board hereby authorizes a delegated negotiated sale of the Series 2002 Bonds to the Underwriters in accordance with the terms of a Purchase Agreement to be dated the date of sale and to be substantially in the form attached hereto as Exhibit C, with such changes, amendments, modifications, omissions and additions thereto as shall be approved by the Chairman and the Superintendent in accordance with the provisions of this Section 2.02(b), the execution thereof being deemed conclusive evidence of the approval of such changes and the full and complete satisfaction of the conditions set forth in this Section 2.02(b). The Purchase Agreement shall not be executed by the Chairman until such time as all of the following conditions have been satisfied:

(1) Receipt by the Chairman and the Superintendent of a written offer to purchase the Series 2002 Bonds by the Underwriters substantially in the form of the Purchase Agreement, said offer to provide for, among other things, (i) the issuance of not exceeding \$250,000,000 initial aggregate principal amount of Series 2002 Bonds, (ii) an underwriting discount (including management fee and all expenses) not in excess of 0.7% of the initial par amount of the Series 2002 Bonds, (iii) a true interest cost of not more than 5.60% per annum, and (iv) the maturities of the Series 2002 Bonds with the final maturity no later than October 1, 2026.

(2) With respect to any redemption terms of the Series 2002 Bonds, the Series 2002 Bonds the first call date may be no later than October 1, 2012 and no call premium may exceed 2% of the par amount of that portion of the Series 2002 Bonds to be redeemed.

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(3) Receipt by the Chairman and Superintendent from the Underwriters of a disclosure statement and truth-in-bonding information complying with Section 218.385, Florida Statutes and substantially in the form of Exhibit C to the Purchase Agreement.

**SECTION 2.04. APPLICATION OF SERIES 2002 BOND PROCEEDS.** (a) Except as otherwise provided by Supplemental Resolution of the Board, the proceeds derived from the sale of the Series 2002 Bonds, including accrued interest and premium, if any, shall be applied by the Board as follows:

(i) Accrued and any capitalized interest shall be deposited to the Interest Account and shall be used only for the purpose of paying the interest which shall thereafter become due on the Series 2002 Bonds. Accrued and any capitalized interest shall be held in trust solely for the payment of the Series 2002 Bonds.

(ii) A sufficient amount of the Series 2002 Bond proceeds shall be applied to the payment of the premium of the Bond Insurance Policy and to the payment of costs and expenses relating to the issuance of the Series 2002 Bonds.

(iii) The balance of the Series 2002 Bond proceeds shall be deposited to the Construction Fund and shall be used to pay the Costs of the 2002 Project.

(b) The proceeds of any Series of Additional Bonds shall be applied by the Board in accordance with the provisions of the Supplemental Resolution authorizing such Series of Bonds.

**SECTION 2.05. EXECUTION OF BONDS.** The Bonds shall be executed in the name of the Board with the manual or facsimile signature of the Chairman and the official seal of the Board shall be imprinted thereon, attested and countersigned with the manual or facsimile signature of the Secretary. In case any one or more of the officers who shall have signed or sealed any of the Bonds or whose facsimile signature shall appear thereon shall cease to be such officer of the Board or the Board before the Bonds so signed and sealed have been actually sold and delivered, such Bonds may nevertheless be sold and delivered as herein provided and may be issued as if the person who signed or sealed such Bonds had not ceased to hold such office. Any Bond may be signed and sealed on behalf of the Board by such person who at the actual time of the execution of such Bond shall hold the proper office of the Board, although at the date of such Bond such person may not have held such office or may not have been so authorized. The Board may adopt and use for such purposes the facsimile signatures of any such persons who shall have held such offices at any time after the date of the adoption of this Resolution, notwithstanding that either or both shall have ceased to hold such office at the time the Bonds shall be actually sold and delivered.

**SECTION 2.06. AUTHENTICATION.** No Bond shall be secured hereunder or entitled to the benefit hereof or shall be valid or obligatory for any purpose unless there shall be manually endorsed on such Bond a certificate of authentication by the Registrar or such other entity as may be approved by the Board for such purpose. Such certificate on any Bond shall be conclusive

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The Bonds issued under this Resolution shall be and have all the qualities and incidents of negotiable instruments under the law merchant and the Uniform Commercial Code of the State of Florida, subject to the provisions for registration and transfer contained in this Resolution and in the Bonds. So long as any of the Bonds shall remain Outstanding, the Board shall maintain and keep, at the office of the Registrar, books for the registration and transfer of the Bonds.

The transfer of any Bond shall be registered only upon the books of the Board, at the office of the Registrar, under such reasonable regulations as the Board may prescribe, by the Holder thereof in person or by his attorney duly authorized in writing upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar duly executed and guaranteed by the Holder or his duly authorized attorney. Upon the registration or transfer of any such Bond, the Board shall issue, and cause to be authenticated, in the name of the transferee a new Bond or Bonds of the same aggregate principal amount and maturity as the surrendered Bond. The Board, the Registrar and any Paying Agent or fiduciary of the Board may deem and treat the Person in whose name any Outstanding Bond shall be registered upon the books of the Board as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal and interest on such Bond and for all other purposes, and all such payments so made to any such Holder or upon his order shall be valid and effectual to satisfy and discharge the liability upon such Bond to the extent of the sum or sums so paid and neither the Board nor the Registrar nor any Paying Agent or other fiduciary of the Board shall be affected by any notice to the contrary.

The Registrar, in any case where it is not also the Paying Agent in respect to the Bonds, forthwith (A) following the fifteenth day prior to an interest payment date for the Bonds, and (B) at any other time as reasonably requested by the Paying Agent, certify and furnish to the Paying Agent the names, addresses and holdings of the Bondholders and any other relevant information reflected in the registration books. Any Paying Agent of any fully registered Bond shall effect payment of interest on such Bonds by mailing a check to the Holder entitled thereto or may, in lieu thereof, upon the request and at the expense of such Holder, transmit such payment by bank wire transfer for the account of such Holder.

In all cases in which the privilege of exchanging Bonds or the transfer of Bonds shall be registered, the Board shall execute and the Registrar shall authenticate and deliver such Bonds in accordance with the provisions of this Resolution. Execution of Bonds by the Chairman and Secretary for purposes of exchanging, replacing or registering the transfer of Bonds may occur at the time of the original delivery of the Bonds. All Bonds surrendered in any such exchanges or registration of transfer shall be held by the Registrar in safekeeping until directed by the Board to be cancelled by the Registrar. For every such exchange or registration of transfer, the Board or the Registrar may make a charge sufficient to reimburse it for any tax, fee, expense or other governmental charge required to be paid with respect to such exchange or registration of transfer. The Board and the Registrar shall not be obligated to make any such exchange or transfer of the Bonds during the period commencing on the fifteenth day of the month immediately preceding an Interest Date on the Bonds and ending on such Interest Date.

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evidence that such Bond has been duly authenticated and delivered under this Resolution. The form of such certificate shall be substantially in the form provided in Section 2.11 hereof.

**SECTION 2.07. TEMPORARY BONDS.** Until the definitive Bonds are prepared, the Board may execute, in the same manner as is provided in Section 2.05 hereof, and deliver, upon authentication by the Registrar pursuant to Section 2.06 hereof, in lieu of definitive Bonds, but subject to the same provisions, limitations and conditions as the definitive Bonds, except as to the denominations thereof, one or more temporary Bonds substantially of the tenor of the definitive Bonds in lieu of which such temporary Bond or Bonds are issued, in denominations authorized by the Board by subsequent resolution, and with such omissions, insertions and variations as may be appropriate to temporary Bonds. The Board, at its own expense, shall prepare and execute definitive Bonds, which shall be authenticated by the Registrar. Upon the surrender of such temporary Bonds for exchange, the Registrar, without charge to the Holder thereof, shall deliver in exchange therefor definitive Bonds, of the same aggregate principal amount and maturity as the temporary Bonds surrendered. Until so exchanged, the temporary Bonds shall in all respects be entitled to the same benefits and security as definitive Bonds issued pursuant to this Resolution. All temporary Bonds surrendered in exchange for another temporary Bond or Bonds or for a definitive Bond or Bonds shall be forthwith cancelled by the Registrar.

**SECTION 2.08. BONDS MUTILATED, DESTROYED, STOLEN OR LOST.** In case any Bond shall become mutilated, or be destroyed, stolen or lost, the Board may, in its discretion, issue and deliver, and the Registrar shall authenticate, a new Bond of like tenor as the Bond so mutilated, destroyed, stolen or lost, in exchange and substitution for such mutilated Bond upon surrender and cancellation of such mutilated Bond or in lieu of and substitution for the Bond destroyed, stolen or lost, and upon the Holder furnishing the Board and the Registrar proof of his ownership thereof and satisfactory indemnity and complying with such other reasonable regulations and conditions as the Board or the Registrar may prescribe and paying such expenses as the Board and the Registrar may incur. All Bonds so surrendered or otherwise substituted shall be cancelled by the Registrar. If any of the Bonds shall have matured or be about to mature, instead of issuing a substitute Bond, the Board may pay the same or cause the Bond to be paid, upon being indemnified as aforesaid, and if such Bonds be lost, stolen or destroyed, without surrender thereof.

Any such duplicate Bonds issued pursuant to this Section 2.08 shall constitute original contractual obligations on the part of the Board whether or not the lost, stolen or destroyed Bond be at any time found by anyone, and such duplicate Bond shall be entitled to equal and proportionate benefits and rights as to lien on the Pledged Funds to the same extent as all other Bonds issued hereunder.

**SECTION 2.09. INTERCHANGEABILITY, NEGOTIABILITY AND TRANSFER.** Bonds, upon surrender thereof at the office of the Registrar with a written instrument of transfer satisfactory to the Registrar, duly executed by the Holder thereof or his attorney duly authorized in writing, may, at the option of the Holder thereof, be exchanged for an equal aggregate principal amount of registered Bonds of the same maturity of any other authorized denominations.

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The Board may elect to issue any Bonds as uncertificated registered public obligations (not represented by instruments), commonly known as book-entry obligations, provided it shall establish a system of registration therefor by Supplemental Resolution. In accordance with Section 2.10 hereof, the Board elects to initially provide for a book entry only system of registration for the Series 2002 Bonds.

**SECTION 2.10. FULL BOOK ENTRY FOR SERIES 2002 BONDS.** Notwithstanding the provisions set forth in Section 2.09 hereof, the Series 2002 Bonds shall be initially issued in the form of a separate single certificated fully registered Bond for each of the maturities of the Series 2002 Bonds. Upon initial issuance, the ownership of each such Bond shall be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"). All of the Outstanding Series 2002 Bonds shall be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC. As long as the Series 2002 Bonds shall be registered in the name of Cede & Co., all payments of principal on the Series 2002 Bonds shall be made by the Paying Agent by check or draft or by bank wire transfer to Cede & Co., as Holder of the Series 2002 Bonds, upon presentation of the Series 2002 Bonds to be paid, to the Paying Agent.

With respect to the Series 2002 Bonds registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC, the Board, the Registrar and the Paying Agent shall have no responsibility or obligation to any direct or indirect participant in the DTC book-entry program (the "Participants"). Without limiting the immediately preceding sentence, the Board, the Registrar and the Paying Agent shall have no responsibility or obligation with respect to (A) the accuracy of the records of DTC, Cede & Co. or any Participant with respect to any ownership interest on the Series 2002 Bonds, (B) the delivery to any Participant or any other Person other than a Bondholder, as shown in the registration books kept by the Registrar, of any notice with respect to the Series 2002 Bonds, including any notice of redemption, or (C) the payment to any Participant or any other Person, other than a Bondholder, as shown in the registration books kept by the Registrar, of any amount with respect to principal of, redemption premium, if any, or interest on the Series 2002 Bonds. The Board, the Registrar and the Paying Agent may treat and consider the Person in whose name each Bond is registered in the registration books kept by the Registrar as the Holder and absolute owner of such Bond for the purpose of payment of principal, redemption premium, if any, and interest with respect to such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Paying Agent shall pay all principal of, redemption premium, if any, and interest on the Series 2002 Bonds only to or upon the order of the respective Holders, as shown in the registration books kept by the Registrar, or their respective attorneys duly authorized in writing, as provided herein and all such payments shall be valid and effective to fully satisfy and discharge the Board's obligations with respect to payment of principal, redemption premium, if any, and interest on the Series 2002 Bonds to the extent of the sum or sums so paid. No Person other than a Holder, as shown in the registration books kept by the Registrar, shall receive a certificated Bond evidencing the obligation of the Board to make payments of principal, redemption premium, if any, and interest pursuant to the provisions of the Resolution. Upon delivery by DTC to the Board of written notice to the effect that DTC has determined to

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substitute a new nominee in place of Code & Co., and subject to the provisions herein with respect to transfers during the 15 days next preceding an Interest Date or mailing of notice of redemption, the words "Code & Co." shall refer to such new nominee of DTC; and upon receipt of such notice, the Board shall promptly deliver a copy of the same to the Registrar and the Paying Agent.

Upon (A) receipt by the Board of written notice from DTC (i) to the effect that a continuation of the requirement that all of the Outstanding Series 2002 Bonds be registered in the registration books kept by the Registrar in the name of Code & Co., as nominee of DTC, is not in the best interest of the beneficial owners of the Series 2002 Bonds or (ii) to the effect that DTC is unable or unwilling to discharge its responsibilities and no substitute depository willing to undertake the functions of DTC hereunder can be found which is willing and able to undertake such functions upon reasonable and customary terms, or (B) determination by the Board that such book-entry only system is burdensome to the Board, the Series 2002 Bonds shall no longer be restricted to being registered in the registration books kept by the Registrar in the name of Code & Co., as nominee of DTC, but may be registered in whatever name or names Holders shall designate, in accordance with the provisions of this Resolution. In such event, the Board shall issue, and the Registrar shall authenticate, transfer and exchange the Series 2002 Bonds of like principal amount and maturity, in denominations of \$5,000 or any integral multiple thereof to the Holders thereof. The foregoing notwithstanding, until such time as participation in the book-entry only system is discontinued, the provisions set forth in the Letter of Representations executed by the Board and the Registrar and delivered to DTC in order to induce DTC to act as securities depository for the Series 2002 Bonds shall apply to the payment of principal of and interest on the Series 2002 Bonds.

**SECTION 2.11. FORM OF BONDS.** The text of the Bonds, except for Capital Appreciation Bonds and Variable Rate Bonds, the form of which shall be provided by Supplemental Resolution of the Board, shall be in substantially the following form with such omissions, insertions and variations as may be necessary and/or desirable and approved by the Chairman or the Secretary prior to the issuance thereof (which necessity and/or desirability and approval shall be presumed by such officer's execution of the Bonds and the Board's delivery of the Bonds to the purchaser or purchasers thereof):

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mailed to such Registered Holder at the address appearing on such registration books or, at the request and expense of such Registered Holder, by bank wire transfer for the account of such Holder.

This Bond is one of an authorized issue of Bonds in the aggregate principal amount of \$\_\_\_\_\_. (the "Bonds") of like date, tenor and effect, except as to maturity date, interest rate, denomination and number, issued for the principal purposes of providing moneys for the acquisition, construction and equipping of certain capital improvements and educational facilities within the Board (all as more particularly described in the hereinafter defined Resolution), under the authority of and in full compliance with the Constitution and laws of the State of Florida, particularly Chapter 230, Florida Statutes, Chapter 212, Part I, Florida Statutes, the Project Resolutions, the Interlocal Agreement, the Ordinance (as such terms are defined in the hereinafter defined Resolution), and other applicable provisions of law (collectively, the "Act"), and a Sales Tax Revenue Bond Resolution of the Board adopted on January 8, 2002 (as amended and supplemented from time to time, the "Resolution"), and is subject to all the terms and conditions of the Resolution.

This Bond and the interest hereon are payable from and secured by a pledge of and lien upon (1) the Sales Tax Revenues (as defined in the Resolution) and (2) until applied in accordance with the provisions of the Resolution, all moneys, including investments thereof, in certain of the funds and accounts established by the Resolution, all in the manner and to the extent described in the Resolution (collectively, the "Pledged Funds").

IT IS EXPRESSLY AGREED BY THE REGISTERED HOLDER OF THIS BOND THAT THE FULL FAITH AND CREDIT OF THE BOARD, THE STATE OF FLORIDA, OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF, ARE NOT PLEDGED TO THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THIS BOND AND THAT SUCH HOLDER SHALL NEVER HAVE THE RIGHT TO REQUIRE OR COMPEL THE EXERCISE OF ANY TAXING POWER OF THE BOARD, THE STATE OF FLORIDA, OR ANY POLITICAL SUBDIVISION OR AGENCY THEREOF, TO THE PAYMENT OF SUCH PRINCIPAL AND INTEREST. THIS BOND AND THE OBLIGATION EVIDENCED HEREBY SHALL NOT CONSTITUTE A LIEN UPON ANY PROPERTY OF THE BOARD, BUT SHALL CONSTITUTE A LIEN ONLY ON, AND SHALL BE PAYABLE SOLELY FROM, THE PLEDGED FUNDS.

Neither the members of the School Board of Hillsborough County, Florida, as the governing board of the Board nor any person executing this Bond shall be liable personally hereon or be subject to any personal liability or accountability by reason of the issuance hereof.

REFERENCE IS HEREBY MADE TO THE FURTHER PROVISIONS OF THIS BOND SET FORTH ON THE REVERSE SIDE HEREOF AND SUCH FURTHER PROVISIONS SHALL FOR ALL PURPOSES HAVE THE SAME EFFECT AS IF SET FORTH ON THE FRONT SIDE HEREOF.

This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Registrar.

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No. R-

\$

UNITED STATES OF AMERICA  
STATE OF FLORIDA  
SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
SALES TAX REVENUE BOND, SERIES \_\_\_\_\_

| Interest<br>Rate | Maturity<br>Date | Date of<br>Original Issue | CUSIP |
|------------------|------------------|---------------------------|-------|
| _____%           | _____, ____      | _____, ____               | _____ |

Registered Holder:

Principal Amount:

**KNOW ALL MEN BY THESE PRESENTS**, that the School District of Hillsborough County, Florida, a governmental authority created by Article IX, Section 4 of the Florida Constitution (the "Board"), for value received, hereby promises to pay, solely from the Pledged Funds hereinafter described, to the Registered Holder identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above, the Principal Amount identified above and to pay interest on such Principal Amount from the Date of Original Issue identified above or from the most recent interest payment date to which interest has been paid at the Interest Rate identified above on \_\_\_\_\_ and \_\_\_\_\_ of each year commencing \_\_\_\_\_ until such Principal Amount shall have been paid.

Such Principal Amount and interest on this Bond are payable in any coin or currency of the United States of America which, on the respective dates of payment thereof, shall be legal tender for the payment of public and private debts. Such Principal Amount on this Bond is payable, upon presentation and surrender hereof, at the designated corporate trust office of The Bank of New York, New York, New York, as Paying Agent. Payment of each installment of interest shall be made to the person in whose name this Bond shall be registered on the registration books of the Board maintained by The Bank of New York, New York, New York, as Registrar, at the close of business on the date which shall be the fifteenth day (whether or not a business day) of the calendar month next preceding each interest payment date and shall be paid by a check or draft of such Paying Agent

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**IN WITNESS WHEREOF**, the School District of Hillsborough County, Florida, acting by and through the School Board of Hillsborough County, Florida, has issued this Bond and has caused the same to be executed by the manual or facsimile signature of the Chairman of the School Board and countersigned and attested by the manual or facsimile signature of the Secretary to the School Board, and its official seal or a facsimile thereof to be affixed or reproduced hereon, all as of the Date of Original Issue.

SCHOOL DISTRICT OF HILLSBOROUGH  
COUNTY, FLORIDA

(SEAL)

\_\_\_\_\_  
Chairman of the School Board of Hillsborough  
County, Florida

ATTESTED AND COUNTERSIGNED:

\_\_\_\_\_  
Superintendent and Ex-officio Secretary  
of the School Board of Hillsborough County,  
Florida

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**CERTIFICATE OF AUTHENTICATION**

(Provisions on Reverse Side of Bond)

This Bond is one of the Bonds of the Issue described in the within-mentioned Resolution.

[Insert Redemption Provisions]

DATE OF AUTHENTICATION:

**THE BANK OF NEW YORK**, Registrar

Authorized Signatory

The transfer of this Bond is registrable in accordance with the terms of the Resolution only upon the books of the Board kept for that purpose at the designated corporate trust office of the Registrar by the Registered Holder hereof in person or by his attorney duly authorized in writing, upon the surrender of this Bond together with a written instrument of transfer satisfactory to the Registrar duly executed by the Registered Holder or his attorney duly authorized in writing, and thereupon a new Bond or Bonds in the same aggregate principal amount shall be issued to the transferee in exchange therefor, and upon the payment of the charges, if any, therein prescribed. For every such exchange or registration of transfer, the Board or the Registrar may make a charge sufficient to reimburse it for any tax, fee, expense or other governmental charge required to be paid with respect to such exchange or registration of transfer. The Bonds are issuable in the form of fully registered Bonds in the denomination of \$5,000 and any integral multiple thereof, not exceeding the aggregate principal amount of the Bonds. The Board, the Registrar and any Paying Agent may treat the Registered Holder of this Bond as the absolute owner hereof for all purposes, whether or not this Bond shall be overdue, and shall not be affected by any notice to the contrary. The Board and the Registrar shall not be obligated to make any exchange or transfer of the Bonds during the period commencing on the 15th day of the month immediately preceding an interest payment date on the Bonds and ending on such interest payment date.

Reference to the Resolution and any and all resolutions supplemental thereto and modifications and amendments thereof and to the Act is made for a description of the pledge and covenants securing this Bond, the nature, manner and extent of enforcement of such pledge and covenants, and the rights, duties, immunities and obligations of the Board.

It is hereby certified and recited that all acts, conditions and things required to exist, to happen and to be performed precedent to and in the issuance of this Bond, exist, have happened and have been performed, in regular and due form and time as required by the laws and Constitution of the State of Florida applicable thereto, and that the issuance of the Bonds does not violate any constitutional or statutory limitations or provisions.

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**ASSIGNMENT**

**FOR VALUE RECEIVED**, the undersigned sells, assigns and transfers unto

Insert Social Security or Other  
Identifying Number of Assignee

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint \_\_\_\_\_, as attorneys to register the transfer of the said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature guaranteed:

**NOTICE:** Signature(s) must be guaranteed by an institution which is a participant in the Securities Transfer Agent Medallion Program (STAMP) or similar program.

**NOTICE:** The signature to this assignment must correspond with the name of the Registered Holder as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever and the Social Security or other identifying number of such assignee must be supplied.

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The following abbreviations, when used in the inscription on the face of the within Bond, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM -- as tenants in common

TEN ENT -- as tenants by the entireties

JT TEN -- as joint tenants with right of survivorship and not as tenants in common

UNIF TRANS MIN ACT -- \_\_\_\_\_  
(Cust.)

Custodian for \_\_\_\_\_

under Uniform Transfers to Minors Act of \_\_\_\_\_  
(State)

Additional abbreviations may also be used though not in list above.

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### ARTICLE III

#### REDEMPTION OF BONDS

**SECTION 3.01. PRIVILEGE OF REDEMPTION; OPTIONAL AND MANDATORY REDEMPTION.** (a) The terms of this Article III shall apply to redemption of Bonds other than Capital Appreciation Bonds or Variable Rate Bonds. The terms and provisions relating to redemption of Capital Appreciation Bonds and Variable Rate Bonds shall be provided by Supplemental Resolution.

(b) The Series 2002 Bonds shall be subject to optional and mandatory sinking fund redemption as set forth in the Purchase Agreement and in the Official Statement (referred to in Section 9.02 hereof).

(c) Additional Bonds shall be subject to optional and mandatory redemption in accordance with the terms of the Supplemental Resolution setting forth the details of such Additional Bonds.

**SECTION 3.02. SELECTION OF BONDS TO BE REDEEMED.** The Bonds shall be redeemed only in the principal amount of \$5,000 each and integral multiples thereof. The Board shall, at least thirty-seven (37) days and not more than sixty (60) days prior to the redemption date (unless a shorter time period shall be satisfactory to the Registrar) notify the Registrar of such redemption date and of the principal amount of Bonds to be redeemed. For purposes of any redemption of less than all of the Outstanding Bonds of a single maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected not more than sixty (60) days and not less than thirty-seven (37) days prior to the redemption date by the Registrar from the Outstanding Bonds of the maturity or maturities designated by the Board or by such method as the Registrar shall deem fair and appropriate and which may provide for the selection for redemption of Bonds or portions of Bonds in principal amounts of \$5,000 and integral multiples thereof.

If less than all of the Outstanding Bonds of a single maturity are to be redeemed, the Registrar shall promptly notify the Board and Paying Agent (if the Registrar is not the Paying Agent for such Bonds) in writing of the Bonds or portions of Bonds selected for redemption and, in the case of any Bond selected for partial redemption, the principal amount thereof to be redeemed.

**SECTION 3.03. NOTICE OF REDEMPTION.** Notice of such redemption, which shall specify the Bond or Bonds (or portions thereof) to be redeemed and the date and place for redemption, shall be given by the Registrar on behalf of the Board, and (A) shall be filed with the Paying Agents of such Bonds and (B) shall be mailed first class, postage prepaid, at least thirty (30) days and not more than sixty (60) days prior to the redemption date to all Holders of Bonds to be redeemed at their addresses as they appear on the registration books kept by the Registrar as of the date of mailing of such notice. Failure to mail notice to the Holders of the Bonds to be redeemed,

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**SECTION 3.04. REDEMPTION OF PORTIONS OF BONDS.** Any Bond which is to be redeemed only in part shall be surrendered at any place of payment specified in the notice of redemption (with due endorsement by, or written instrument of transfer in form satisfactory to the Registrar duly executed by, the Holder thereof or his attorney duly authorized in writing) and the Board shall execute and the Registrar shall authenticate and deliver to the Holder of such Bond, without service charge, a new Bond or Bonds, of the same interest rate and maturity, and of any authorized denomination as requested by such Holder, in an aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Bonds so surrendered.

**SECTION 3.05. PAYMENT OF REDEEMED BONDS.** Notice of redemption having been given substantially as aforesaid, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Board shall default in the payment of the Redemption Price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Registrar and/or Paying Agent at the appropriate Redemption Price, plus accrued interest. Each check or other transfer of funds issued by the Paying Agent to pay the Redemption Price of Bonds being redeemed shall bear the CUSIP number or numbers of such Bonds and identify the payments applicable to each CUSIP number. All Bonds which have been redeemed shall be cancelled by the Registrar and shall not be reissued.

or any defect therein, shall not affect the proceedings for redemption of Bonds as to which no such failure or defect has occurred.

Each notice of redemption shall state: (1) the CUSIP numbers of all Bonds being redeemed, (2) the original issue date of such Bonds, (3) the maturity date and rate of interest borne by each Bond being redeemed, (4) the redemption date, (5) the Redemption Price, (6) the date on which such notice is mailed, (7) if less than all Outstanding Bonds are to be redeemed, the certificate number (and, in the case of a partial redemption of any Bond, the principal amount) of each Bond to be redeemed, (8) that on such redemption date there shall become due and payable upon each Bond to be redeemed the Redemption Price thereof, or the Redemption Price of the specified portions of the principal thereof in the case of Bonds to be redeemed in part only, together with interest accrued thereon to the redemption date, and that from and after such date interest thereon shall cease to accrue and be payable, (9) that the Bonds to be redeemed, whether as a whole or in part, are to be surrendered for payment of the Redemption Price at the designated office of the Paying Agent at an address specified, and (10) unless sufficient funds have been set aside by the Board for such purpose prior to the mailing of the notice of redemption, that such redemption is conditioned upon the deposit of sufficient funds for such purpose on or prior to the date set for redemption; and provided, further, that such notice and the redemption set forth therein may be subject to the satisfaction of one or more additional conditions set forth therein.

Within sixty (60) days of the date of redemption, the Registrar shall give a second notice of redemption by mailing another copy of the redemption notice to the registered Holders of Bonds called for redemption but which have not been presented for payment within thirty (30) days after the date set for redemption; provided, however, the failure to provide such further notice of redemption or to comply with the terms of this paragraph shall not in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed above.

In addition to the mailing of the notice described above, each notice of redemption and payment of the redemption price shall meet the following requirement; provided, however, the failure to provide such further notice of redemption or to comply with the terms of this paragraph shall not in any manner defeat the effectiveness of a call for redemption if notice thereof is given as prescribed above:

Each further notice of redemption shall be sent by certified mail or overnight delivery service or telecopy to all registered securities depositories then in the business of holding substantial amounts of obligations of types comprising the Bonds (such depositories now being The Depository Trust Company, New York, New York and Midwest Securities Trust Company, Chicago, Illinois) and to two or more national information services which disseminate notices of prepayment or redemption of obligations such as the Bonds (such information services now being Financial Information, Inc.'s "Daily Called Bond Service," Jersey City, New Jersey, Kenny Information Services "Called Bond Service," New York, New York, Moody's "Municipal and Government," New York, New York and Standard & Poor's "Called Bond Record," New York, New York).

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### ARTICLE IV

#### SECURITY, SPECIAL FUNDS AND APPLICATION THEREOF

**SECTION 4.01. BONDS NOT TO BE INDEBTEDNESS OF BOARD.** The Bonds shall not be or constitute general obligations or indebtedness of the Board as "bonds" within the meaning of any constitutional or statutory provision, but shall be special obligations of the Board, payable solely from and secured by a lien upon and pledge of the Pledged Funds and moneys payable pursuant to the Bond Insurance Policy, with and to the extent set forth in this Resolution. No Holder of any Bond or the Insurer shall ever have the right to compel the exercise of any ad valorem taxing power to pay such Bond, or be entitled to payment of such Bond from any moneys of the Board except from the Pledged Funds in the manner provided herein.

**SECTION 4.02. SECURITY FOR BONDS.** Except as otherwise provided herein or by Supplemental Resolution, the payment of the principal of and interest on the Bonds shall be secured forthwith equally and ratably by a pledge of and lien upon the Pledged Funds; provided, however, (i) a Series of Bonds may be further secured by a Credit Facility in addition to the security provided herein; and (ii) a Series of Bonds may be secured independently of any other Series of Bonds by the establishment of a separate subaccount in the Reserve Account for such Series of Bonds. The Board does hereby irrevocably pledge the Pledged Funds to the payment of the principal of and interest on the Bonds in accordance with the provisions hereof. The Pledged Funds shall immediately be subject to the lien of this pledge without any physical delivery thereof or further act, and the lien of this pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Board.

**SECTION 4.03. CONSTRUCTION FUND.** The Board covenants and agrees to establish a special fund to be known as the "School District of Hillsborough County, Florida Sales Tax Revenue Bonds, Construction Fund," which shall be used only for payment of the Costs of Projects. Moneys in the Construction Fund, until applied in payment of any item of the Costs of a Project in the manner hereinafter provided, shall be held in trust by the Board and shall be subject to a lien and charge in favor of the Holders of the Bonds and for the further security of such Holders.

The Board shall establish within the Construction Fund a separate account for each Project (including the 2002 Project), the Costs of which are to be paid in whole or in part out of the Construction Fund.

The Board covenants that the acquisition, construction and equipping of each Project will be completed without delay and in accordance with sound engineering practices. The Board shall only make disbursements or payments from the applicable account of the Construction Fund to pay Costs of the Project for which such account was established, except as provided below with respect to any surplus proceeds in a particular account. The Board shall keep records of such disbursements and payments and shall retain all such records for six (6) years from the dates of such records.

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Notwithstanding any of the other provisions of this Section 4.03, to the extent that other moneys are not available therefor, amounts in an account of the Construction Fund shall be applied to the payment of principal and interest on the Series of Bonds for which such account was established or to reimburse a Credit Facility Provider for the payment of such principal and interest.

The date of completion of acquisition and construction of a Project shall be filed by the Superintendent with the Board. Promptly after the date of the completion of a Project, and after paying or making provisions for the payment of all unpaid items of the Costs of such Project, the Board shall deposit in the following order of priority any balance of moneys remaining in the Construction Fund in (A) any other account established in the Construction Fund for which the Superintendent certifies that there are insufficient moneys to pay the Costs of the Project for which such account was established and (B) such other fund or account established hereunder as shall be determined by the Board, provided the Board has received an opinion of Bond Counsel to the effect that such transfer shall not adversely affect the exclusion, if any, of interest on the Bonds from gross income for purposes of federal income taxation.

**SECTION 4.04. FUNDS AND ACCOUNTS.** The Board covenants and agrees to establish with a bank, trust company or such other entity in the State, which is eligible under the laws of the State to be a depository for District funds the following funds and accounts:

(A) The "School District of Hillsborough County, Florida Sales Tax Revenue Bonds, Revenue Fund." The Board shall maintain two separate accounts in the Revenue Fund, the "Restricted Revenue Account" and the "Unrestricted Revenue Account."

(B) The "School District of Hillsborough County, Florida Sales Tax Revenue Bonds, Debt Service Fund." The Board shall maintain four separate accounts in the Debt Service Fund, the "Interest Account," the "Principal Account," the "Bond Amortization Account" and the "Reserve Account."

(C) The "School District of Hillsborough County, Florida Sales Tax Revenue Bonds, Rebate Fund."

Moneys in the aforementioned funds and accounts, other than the Rebate Fund and the Unrestricted Revenue Account, until applied in accordance with the provisions hereof, shall be subject to a lien and charge in favor of the Holders of the Bonds and for the further security of such Holders.

**SECTION 4.05. DISPOSITION OF SALES TAX REVENUES.** (A) The Board shall promptly deposit upon receipt by the Board the Sales Tax Revenues into the Restricted Revenue Account. The moneys in the Restricted Revenue Account shall be deposited or credited on or before the third day prior to the end of each month, commencing in the month immediately following the

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adjust the amount of the deposit into the Bond Amortization Account not later than the month immediately preceding any date for payment of an Amortization Installment so as to provide sufficient moneys in the Bond Amortization Account to pay the Amortization Installments on the Bonds coming due on such date. No further deposit need be made to the Bond Amortization Account when the moneys therein are equal to the Amortization Installments coming due on the Outstanding Bonds on the next succeeding Amortization Installment due date. Payments to the Bond Amortization Account shall be on a parity with payments to the Principal Account.

Amounts accumulated in the Bond Amortization Account with respect to any Amortization Installment (together with amounts accumulated in the Interest Account with respect to interest, if any, on the Term Bonds for which such Amortization Installment was established) may be applied by the Board, on or prior to the sixtieth (60th) day preceding the due date of such Amortization Installment, (a) to the purchase of Term Bonds of the Series and maturity for which such Amortization Installment was established at a price not exceeding par plus accrued interest, or (b) to the redemption at the applicable Redemption Prices of such Term Bonds, if then redeemable by their terms at a price not exceeding par plus accrued interest. The applicable Redemption Price (or principal amount of maturing Term Bonds) of any Term Bonds so purchased or redeemed shall be deemed to constitute part of the Bond Amortization Account until such Amortization Installment date, for the purposes of calculating the amount of such Account. As soon as practicable after the sixtieth (60th) day preceding the due date of any such Amortization Installment, the Board shall proceed to call for redemption on such due date, by causing notice to be given as provided in Section 3.03 hereof, Term Bonds of the Series and maturity for which such Amortization Installment was established (except in the case of Term Bonds maturing on an Amortization Installment date) in such amount as shall be necessary to complete the retirement of the unsatisfied balance of such Amortization Installment. The Board shall pay out of the Bond Amortization Account and the Interest Account to the appropriate Paying Agents, on or before the day preceding such redemption date (or maturity date), the amount required for the redemption (or for the payment of such Term Bonds then maturing), and such amount shall be applied by such Paying Agents to such redemption (or payment). All expenses in connection with the purchase or redemption of Term Bonds shall be paid by the Board from the Restricted Revenue Fund.

(4) **Reserve Account.** There shall be deposited to the Reserve Account an amount which shall not be less than one twelfth (1/12) of the amount which would enable the Board to restore the funds on deposit in the Reserve Account to an amount equal to the Reserve Account Requirement applicable thereto in one (1) year from the date of any shortfall, whether such shortfall was caused by decreased market value or withdrawal. On or prior to each principal payment date and Interest Date for the Bonds, moneys in the Reserve Account shall be applied by the Board to the payment of the principal of or Redemption Price, if applicable, and interest on the Bonds to the extent moneys in the Interest Account, the Principal Account and the Bond Amortization Account shall be insufficient for such purpose. Whenever there shall be surplus moneys in the Reserve Account by reason of (i) investment income, shall be deposited into the Interest Account as provided in Section 4.07 hereof and (ii) a decrease in the Reserve Account Requirement, such surplus moneys shall be deposited by the Board into the Unrestricted Revenue Account, subject to receiving an opinion of Bond Counsel that such application will not have an adverse effect on the tax-exempt status on the

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receipt of Sales Tax Revenues from the County, in the following manner and in the following order of priority:

(1) **Interest Account.** The Board shall deposit or credit to the Interest Account the sum which, together with the balance in said Account, shall equal the interest on all of the Outstanding Bonds accrued and unpaid and to accrue to the end of the then current calendar month (assuming that a year consists of twelve (12) equal calendar months of thirty (30) days each). Moneys in the Interest Account shall be applied by the Board for deposit with the Paying Agent to pay the interest on the Bonds on or prior to the date the same shall become due. The Board shall adjust the amount of the deposit to the Interest Account not later than a month immediately preceding any Interest Date so as to provide sufficient moneys in the Interest Account to pay the interest on the Bonds coming due on such Interest Date. Except as provided in Section 4.05(A)(5) below, no further deposit need be made to the Interest Account when the moneys therein are equal to the interest coming due on the Outstanding Bonds on the next succeeding Interest Date.

(2) **Principal Account.** Commencing in the month which is one year prior to the first principal due date (or if the first principal due date is less than one year from the date of issuance of the Bonds, the month immediately following the issuance of the Bonds), the Board shall next deposit into the Principal Account the sum which, together with the balance in said Account, shall equal the principal amount on the Outstanding Bonds due and unpaid and that portion of the principal next due which would have accrued on such Bonds during the then current calendar month if such principal amounts were deemed to accrue monthly (assuming that a year consists of twelve (12) equal calendar months having thirty (30) days each) in equal amounts from the next preceding principal payment due date, or, if there is no such preceding payment due date from a date one year preceding the due date of such principal amount. Moneys in the Principal Account shall be applied by the Board for deposit with the Paying Agent to pay the principal of the Bonds on or prior to the date the same shall mature, and for no other purpose. The Board shall adjust the amount of the deposit to the Principal Account not later than the month immediately preceding any principal payment date so as to provide sufficient moneys in the Principal Account to pay the principal on the Bonds becoming due on such principal payment date. No further deposit need be made to the Principal Account when the moneys therein are equal to the principal coming due on the Outstanding Bonds on the next succeeding principal payment date.

(3) **Bond Amortization Account.** Commencing in the month which is one year prior to any Amortization Installment due date, there shall be deposited or credited to the Bond Amortization Account an amount which, together with the balance in said Account, shall equal the Amortization Installments of all Bonds Outstanding due and unpaid and that portion of the Amortization Installment next due which would have accrued on said Bonds during the then current calendar month if such Amortization Installment were deemed to accrue daily (assuming that a year consists of twelve (12) months of thirty (30) days each), in equal amounts from the next preceding Amortization Installment due date, or if there is no such preceding principal due date, from a date one year preceding the due date of such Amortization Installment. Moneys in the Bond Amortization Account shall be used to purchase or redeem Term Bonds in the manner herein provided or as provided by Supplemental Resolution, and for no other purpose. The Board shall

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Bonds (other than Taxable Bonds), and otherwise to the Debt Service Fund. The Board shall inform each Credit Facility Provider of any draw upon the Reserve Account for purposes of paying the principal of and interest on the Bonds.

Upon the issuance of any Series of Bonds under the terms, limitations and conditions as herein provided, the Board shall, on the date of delivery of such Series of Bonds, fund the Reserve Account in an amount at least equal to the Reserve Account Requirement, if so required. Such required amount may be paid in full or in part from the proceeds of such Series of Bonds.

Notwithstanding the foregoing provisions, in lieu or substitution of the required deposits into the Reserve Account, the Board may cause to be deposited into the Reserve Account a Reserve Account Insurance Policy and/or Reserve Account Letter of Credit for the benefit of the Bondholders in an amount equal to the difference between the Reserve Account Requirement applicable thereto and the sums then on deposit in the Reserve Account, if any. The Board may also substitute a Reserve Account Insurance Policy and/or Reserve Account Letter of Credit for cash on deposit in the Reserve Account upon compliance with the terms of this Section 4.05(A)(4). Such Reserve Account Insurance Policy and/or Reserve Account Letter of Credit shall be payable to the Paying Agent (upon the giving of notice as required hereunder) on any principal payment date or Interest Date on which a deficiency exists which cannot be cured by moneys in any other fund or account held pursuant to this Resolution and available for such purpose. The issuer providing such Reserve Account Insurance Policy and/or Reserve Account Letter of Credit shall either be (a) an insurer (i) whose municipal bond insurance policies insuring the payment, when due, of the principal of and interest on municipal bond issues results in such issues being rated in one of the two highest rating categories (without regard to gradations, such as "plus" or "minus" of such category) by either Standard & Poor's Corporation, Moody's or Fitch or (ii) who holds the highest policyholder rating accorded insurers by A.M. Best & Company, or any comparable service, or (b) a commercial bank, insurance company or other financial institution the obligations payable or guaranteed by which have been assigned a rating by Moody's, Standard & Poor's Corporation or Fitch in one of the two highest rating categories (without regard to gradations, such as "plus" or "minus" of such category); provided, that notwithstanding the foregoing, such insurer or commercial bank must be rated by any rating agency or agencies providing a rating on the Bonds secured by such Reserve Account Insurance Policy or Reserve Account Letter of Credit.

In the event the Reserve Account contains both a Reserve Account Insurance Policy or Reserve Account Letter of Credit and cash and separate subaccounts have not been established in the Reserve Account, the cash shall be drawn down completely prior to any draw on the Reserve Account Insurance Policy or Reserve Account Letter of Credit. In the event more than one Reserve Account Insurance Policy or Reserve Account Letter of Credit is on deposit in the Reserve Account, amounts required to be drawn thereon shall be done on a pro-rata basis. The Board agrees to pay all amounts owing in regard to any Reserve Account Insurance Policy or Reserve Account Letter of Credit from the Pledged Funds. Pledged Funds shall be applied in accordance with this Section 4.05(A)(4), first, to reimburse the issuer of the Reserve Account Insurance Policy or Reserve Account Letter of Credit for amounts advanced under such instruments, second, replenish any cash deficiencies in the Reserve Account, and third, to pay the issuer of the Reserve Account Insurance

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Policy or Reserve Account Letter of Credit interest on amounts advanced under such instruments. This Resolution shall not be discharged or defeased while any obligations are owing in regard to a Reserve Account Insurance Policy or Reserve Account Letter of Credit on deposit in the Reserve Account. The Board agrees not to optionally redeem or refund Bonds unless all amounts owing in regard to a Reserve Account Insurance Policy or Reserve Account Letter of Credit on deposit in the Reserve Account have been paid in full.

If two (2) business days prior to an interest payment or redemption date or such other period of time as shall be established pursuant to Supplemental Resolution, the Board shall determine that a deficiency exists in the amount of moneys available to pay in accordance with the terms hereof interest and/or principal due on the Bonds on such date, the Board shall immediately notify (a) the issuer of the applicable Reserve Account Insurance Policy and/or the issuer of the Reserve Account Letter of Credit and submit a demand for payment pursuant to the provisions of such Reserve Account Insurance Policy and/or Reserve Account Letter of Credit, (b) the Paying Agent, and (c) the Insurer, if any, of the amount of such deficiency and the date on which such payment is due, and shall take all action to cause such Board or Insurer to provide moneys sufficient to pay all amounts due on such Interest Date including, if necessary, directing the Paying Agent to draw on the Reserve Account Insurance Policy or Reserve Account Letter of Credit.

The Board may evidence its obligation to reimburse the issuer of any Reserve Account Letter of Credit or Reserve Account Insurance Policy by executing and delivering to such issuer a promissory note or agreement therefore (including the Series 2002 Guaranty Agreement), provided, however, any such note (a) shall not be a general obligation of the Board the payment of which is secured by the full faith and credit or taxing power of the Board, and (b) shall be payable solely from the Pledged Funds in the manner provided herein.

To the extent the Board causes to be deposited into the Reserve Account, a Reserve Account Insurance Policy and/or a Reserve Account Letter of Credit for a term of years shorter than the life of the Series of Bonds so insured or secured, then the Reserve Account Insurance Policy and/or the Reserve Account Letter of Credit shall provide, among other things, that the issuer thereof shall provide the Board with notice as of each anniversary of the date of the issuance of the Reserve Account Insurance Policy and/or the Reserve Account Letter of Credit of the intention of the issuer thereof to either (a) extend the term of the Reserve Account Insurance Policy and/or the Reserve Account Letter of Credit beyond the expiration dates thereof, or (b) terminate the Reserve Account Insurance Policy and/or the Reserve Account Letter of Credit on the initial expiration dates thereof or such other future date as the issuer thereof shall have established. If the issuer of the Reserve Account Insurance Policy and/or the Reserve Account Letter of Credit notifies the Board pursuant to clause (b) of the immediately preceding sentence or if the Board terminates the Reserve Account Letter of Credit and/or Reserve Account Insurance Policy, then the Board shall deposit into the Reserve Account, on or prior to the end of the first full calendar month following the date on which such notice is received by the Board, such sums as shall be sufficient to pay an amount equal to a fraction, the numerator of which is one (1) and the denominator of which is equal to the number of months remaining in the term of the Reserve Account Insurance Policy and/or the Reserve Account Letter of Credit of the Reserve Account Requirement on the date such notice was received (the

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if any, to the appropriate Account of the Debt Service Fund to provide for such payment. Any moneys remaining in the Unrestricted Revenue Account on each Interest Date may be used for any lawful purpose.

(B) The Board, in its discretion, may use moneys in the Principal Account and the Interest Account to purchase or redeem Outstanding Bonds coming due on the next principal payment date, provided such purchase does not adversely affect the Board's ability to pay the principal or interest coming due on such principal payment date on the Bonds not so purchased.

(C) At least two business days prior to the date established for payment of any principal or interest on the Bonds, the Board shall withdraw from the appropriate Account of the Debt Service Fund sufficient moneys to pay such principal or interest and deposit such moneys with the Paying Agent. Such deposits with the Paying Agent shall be made in moneys available to make payments of the principal of and interest on the Bonds as the same becomes due.

(D) In the event the Board shall issue a series of Bonds secured by a Credit Facility, the Board may establish such separate subaccounts in the Interest Account, the Principal Account and the Bond Amortization Account to provide for payment of the principal of and interest on such Series as may be required by the Credit Facility Provider; provided one Series of Bonds shall not have preference in payment from Pledged Funds over any other Series of Bonds. The Board may also deposit moneys in such subaccounts at such other times and in such other amounts from those provided in this Section 4.05 as shall be necessary to pay the principal of and interest on such Bonds as the same shall become due, all as provided by the Supplemental Resolution authorizing such Bonds. In the case of Bonds secured by a Credit Facility, amounts on deposit in any subaccounts established for such Bonds may be applied as provided in the applicable Supplemental Resolution to reimburse the Credit Facility Provider for amounts drawn under such Credit Facility to pay the principal of or redemption price, if applicable, and interest on such Bonds or to pay the purchase price of any such Bonds which are tendered by the Holders thereof for payment.

(E) The Board agrees that at the time of issuing any Variable Rate Bonds it shall establish the Maximum Interest Rate with respect thereto and a Maximum Interest Rate with respect to amounts owed to the Credit Facility Provider which provides liquidity for such Bonds. Any Credit Facility Provider which provides a Credit Facility for liquidity purposes must be rated in one of the two highest short-term rating categories assigned by Standard & Poor's Corporation or Moody's Investors Service. Any accelerated principal payments due to a Credit Facility Provider or any interest due in excess of the interest rate on the Variable Rate Bonds to a Credit Facility Provider must be subordinate to the payment of the scheduled debt service on the Bonds.

**SECTION 4.06. REBATE FUND.** Amounts on deposit in the Rebate Fund shall be held in trust by the Board and used solely to make required rebates to the United States (except to the extent the same may be transferred to the Board) and the Bondholders shall have no right to have the same applied for debt service on the Bonds. If the rebate requirements of Section 148(f) of the

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maximum amount available, assuming full reimbursement by the Board, under the Reserve Account Letter of Credit and/or the Reserve Account Insurance Policy to be reduced annually by an amount equal to the deposit to the Reserve Account during the previous twelve (12) month period) until amounts on deposit in the Reserve Account, as a result of the aforementioned deposits, and no later than upon the expiration of such Reserve Account Insurance Policy and/or such Reserve Account Letter of Credit, shall be equal to the Reserve Account Requirement applicable thereto.

If any Reserve Account Letter of Credit or Reserve Account Insurance Policy shall terminate prior to the stated expiration date thereof, the Board agrees that it shall fund the Reserve Account over a period not to exceed sixty (60) months during which it shall make consecutive equal monthly payments in order that the amount on deposit in the Reserve Account shall equal the Reserve Account Requirement; provided, the Board may obtain a new Reserve Account Letter of Credit or a new Reserve Account Insurance Policy in lieu of making the payments required by this paragraph.

Whenever the amount of cash or securities in the Reserve Account, together with the other amounts in the Debt Service Fund, are sufficient to fully pay all Outstanding Bonds in accordance with their terms (including principal or applicable Redemption Price and interest thereon), the funds on deposit in the Reserve Account may be transferred to the other Accounts of the Debt Service Fund for the payment of the Bonds.

The Board may also establish a separate subaccount in the Reserve Account for any Series of Bonds and provide a pledge of such subaccount to the payment of such Series of Bonds apart from the pledge provided herein. To the extent a Series of Bonds is secured separately by a subaccount of the Reserve Account, the Holders of such Bonds shall not be secured by any other moneys in the Reserve Account. Moneys in a separate subaccount of the Reserve Account shall be maintained at the Reserve Account Requirement applicable to such Series of Bonds secured by the subaccount unless otherwise provided by Supplemental Resolution. Moneys shall be deposited to separate subaccounts in the Reserve Account on a pro-rata basis. In the event the Board shall maintain a Reserve Account Insurance Policy or Reserve Account Letter of Credit and moneys in such subaccount, the moneys shall be used prior to making any disbursements under such Reserve Account Insurance policy or Reserve Account Letter of Credit.

(5) **Annual Funding.** There shall be next deposited to the Interest Account, the Principal Account and the Bond Amortization Account, in that order, sufficient moneys such that the amounts on deposit therein shall equal, respectively, the interest and principal (including any Amortization Installment) next coming due on all outstanding Bonds during the current Bond Year.

(6) **Unrestricted Revenue Account.** The balance of any moneys after the deposits required by Sections 4.05(A)(1) through (A)(5) hereof may be transferred, at the discretion of the Board, to the Unrestricted Revenue Account or any other appropriate fund and account of the Board and may be used for any lawful purpose including, without limitation, the early redemption of Bonds. In the event moneys on deposit in the Interest Account and the Principal Account on the third day prior to an Interest Date are not sufficient to pay the principal of and interest on the Bonds coming due on such Interest Date, the Board shall transfer moneys from the Unrestricted Revenue Account,

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Code are applicable, the Board agrees to undertake all actions required of it in its arbitrage certificate related to the Bonds, including, but not limited to:

(A) making a determination in accordance with the Code of the amount required to be deposited in the Rebate Fund;

(B) depositing the amount determined in clause (A) above into the Rebate Fund;

(C) paying on the dates and in the manner required by the Code to the United States Treasury from the Rebate Fund and any other legally available moneys of the Board such amounts as shall be required by the Code to be rebated to the United States Treasury; and

(D) keeping such records of the determinations made pursuant to this Section 4.06 as shall be required by the Code, as well as evidence of the fair market value of any investments purchased with proceeds of the Bonds.

The provisions of the above-described arbitrage certificate may be amended without the consent of any Holder or the Credit Facility Provider from time to time as shall be necessary, in the opinion of Bond Counsel, to comply with the provisions of the Code.

**SECTION 4.07. INVESTMENTS.** Moneys on deposit in the Construction Fund, the Restricted Revenue Account and the Debt Service Fund shall be continuously secured in the manner by which the deposit of public funds are authorized to be secured by the laws of the State. Moneys on deposit in the Construction Fund, the Restricted Revenue Account and the Debt Service Fund, other than the Reserve Account, may be invested and reinvested in Authorized Investments maturing not later than the date on which the moneys therein will be needed for the purposes of such Fund or Account. Moneys on deposit in the Reserve Account may be invested and reinvested in Authorized Investments which mature no later than ten (10) years from the date of investment. All investments shall be valued at market at least semi-annually.

Any and all income received by the Board from the investment of moneys in the Construction Fund, the Interest Account, the Principal Account, the Bond Amortization Account, the Restricted Revenue Account and the Reserve Account (to the extent such income and the other amounts in the Reserve Account does not exceed the Reserve Account Requirement) shall be retained in such respective Fund or Account. Any and all income received by the Board from the investment of moneys in the Reserve Account (only to the extent such income and other amounts in the Reserve Account exceeds the Reserve Account Requirement) shall be deposited in the Interest Account.

Nothing contained in this Resolution shall prevent any Authorized Investments acquired as investments of or security for funds held under this Resolution from being issued or held in book-entry form on the books of the Department of the Treasury of the United States.

**SECTION 4.08. SEPARATE ACCOUNTS.** The moneys required to be accounted for in each of the foregoing funds, accounts and subaccounts established herein may be deposited

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in a single, non-exclusive bank account, and funds allocated to the various funds, accounts and subaccounts established herein may be invested in a common investment pool, provided that adequate accounting records are maintained to reflect and control the restricted allocation of the moneys on deposit therein and such investments for the various purposes of such funds, accounts and subaccounts as herein provided.

The designation and establishment of the various funds, accounts and subaccounts in and by this Resolution shall not be construed to require the establishment of any completely independent, self-balancing funds as such term is commonly defined and used in governmental accounting, but rather is intended solely to constitute an earmarking of certain revenues for certain purposes and to establish certain priorities for application of such revenues as herein provided.

## ARTICLE V

### SUBORDINATED INDEBTEDNESS, ADDITIONAL BONDS AND COVENANTS OF BOARD

**SECTION 5.01. SUBORDINATED INDEBTEDNESS.** The Board will not issue any other obligations payable from the Pledged Funds or voluntarily create or cause to be created any debt, lien, pledge, assignment, encumbrance or other charge having priority to or being on a parity with the lien thereon in favor of the Bonds and the interest thereon. The Board may at any time or from time to time issue evidences of indebtedness payable in whole or in part out of the Pledged Funds and which may be secured by a pledge of the Pledged Funds; provided, however, that such pledge shall be, and shall be expressed to be, subordinated in all respects to the pledge of the Pledged Funds created by this Resolution and shall not be subject to acceleration prior to maturity. The Board shall have the right to covenant with the holders from time to time of any Subordinated Indebtedness to add to the conditions, limitations and restrictions under which any Additional Bonds may be issued pursuant to Section 5.02 hereof. The Board agrees to pay promptly any Subordinated Indebtedness as the same shall become due.

**SECTION 5.02. ISSUANCE OF ADDITIONAL BONDS.** No Additional Bonds, payable on a parity with the Bonds then Outstanding pursuant to this Resolution, shall be issued except upon the conditions and in the manner herein provided.

The Board may issue one or more Series of Additional Bonds for any one or more of the following purposes: financing the Costs of a Project, or the completion thereof, or refunding any or all Outstanding Bonds or of any Subordinated Indebtedness of the Board. No such Additional Bonds shall be issued unless (1) no Event of Default (as specified in Section 6.01 hereof) shall have occurred and be continuing hereunder and (2) the following conditions are complied with:

(A) Except as otherwise provided in Section 5.02(D) hereof, there shall have been obtained and filed with the Board a statement of the Superintendent or his/her designee: (1) stating that he or she has examined the books and records of the Board relating to the Sales Tax Revenues which have been received by the Board for deposit to the Restricted Revenue Account; (2) setting forth the amount of such Sales Tax Revenues during any twelve (12) consecutive months designated by the Board within the eighteen (18) months immediately preceding the date of delivery of such Additional Bonds with respect to which such statement is made; and (3) stating that the amount of such Sales Tax Revenues received during the aforementioned 12-month period equals at least 1.20 times the Maximum Annual Debt Service on all Bonds then Outstanding and such Additional Bonds with respect to which such statement is made. Such report by the Superintendent may be partially based upon a certification of certain matters related to the calculation of the Maximum Annual Debt Service by the Board's financial advisor.

(B) For the purpose of determining the Maximum Annual Debt Service under Section 5.02(A) hereof, the interest rate on any Variable Rate Additional Bonds then proposed to be issued

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and on any Outstanding Variable Rate Bonds shall be deemed to be the lesser of (1) the interest rate for 20-year revenue bonds published by The Bond Buyer no more than two weeks prior to the sale of the Variable Rate Additional Bonds, or (2) the Maximum Interest Rate.

(C) Additional Bonds shall be deemed to have been issued pursuant to this Resolution the same as the Outstanding Bonds, and all of the other covenants and other provisions of this Resolution (except as to details of such Additional Bonds inconsistent therewith) shall be for the equal benefit, protection and security of the Holders of all Bonds issued pursuant to this Resolution. Except as provided in Sections 4.02 hereof, and 4.05 all Bonds, regardless of the time or times of their issuance, shall rank equally with respect to their lien on the Pledged Funds and their sources and security for payment therefrom without preference of any Bonds over any other; provided, however, that the Board shall include a provision in any Supplemental Resolution authorizing the issuance of Variable Rate Additional Bonds pursuant to this Section 5.02 that in the event the principal thereof is accelerated due to such Bonds being held by the Credit Facility Provider, the lien of any accelerated debt due and owing such Credit Facility Provider on the Pledged Funds shall be subordinate in all respects to the pledge of the Pledged Funds created by this Resolution.

(D) In the event any Additional Bonds are issued for the purpose of refunding any Bonds then Outstanding, the conditions of Section 5.02 hereof shall not apply, provided that the issuance of such Additional Bonds shall result in a reduction of aggregate debt service. The conditions of Section 5.02(A) hereof shall apply to Additional Bonds issued to refund Subordinated Indebtedness and to Additional Bonds issued for refunding purposes which cannot meet the conditions of this paragraph.

**SECTION 5.03. BOND ANTICIPATION NOTES.** The Board may issue notes in anticipation of the issuance of Bonds which shall have such terms and details and be secured in such manner, not inconsistent with this Resolution, as shall be provided by resolution of the Board.

**SECTION 5.04. ACCESSION OF SUBORDINATED INDEBTEDNESS TO PARITY STATUS WITH BONDS.** The Board may provide for the accession of Subordinated Indebtedness to the status of complete parity with the Bonds, if (A) the Board shall meet all the requirements imposed upon the issuance of Additional Bonds by Section 5.02 hereof, assuming, for purposes of said requirements, that such Subordinated Indebtedness shall be Additional Bonds and (B) the Reserve Account, upon such accession, shall contain an amount equal to the Reserve Account Requirement in accordance with Section 4.05(A)(4) hereof. If the aforementioned conditions are satisfied, the Subordinated Indebtedness shall be deemed to have been issued pursuant to this Resolution the same as the Outstanding Bonds, and such Subordinated Indebtedness shall be considered Bonds for all purposes provided in this Resolution.

**SECTION 5.05. BOOKS AND RECORDS.** The Board will keep books and records of the receipt of the Sales Tax Revenues in accordance with generally accepted accounting principles, and any Credit Facility Provider, or Holder or Holders of at least \$1,000,000 aggregate principal amount of Bonds shall have the right at all reasonable times to inspect the records, accounts and data of the Board relating thereto.

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**SECTION 5.06. NO IMPAIRMENT; LIMITATION ON MATURITY OF BONDS.** The pledging of the Pledged Funds in the manner provided herein shall not be subject to repeal, modification or impairment by any subsequent ordinance, resolution, agreement or other proceedings of the Board. The Board shall not (1) permit the Interlocal Agreement to be terminated or expire while any Bonds remain Outstanding or (2) issue any Bonds maturing after the stated expiration date of the Interlocal Agreement.

**SECTION 5.07. FEDERAL INCOME TAX COVENANTS.** (A) The Board covenants with the Holders of the Bonds (other than Taxable Bonds) that it shall not use the proceeds of the Bonds in any manner which would cause the interest on the Bonds to be or become includable in gross income for purposes of federal income taxation.

(B) The Board covenants with the Holders of the Bonds (other than Taxable Bonds) that neither the Board nor any Person under its control or direction will make any use of the proceeds of the Bonds (or amounts deemed to be proceeds under the Code) in any manner which would cause the Bonds to be "arbitrage bonds" within the meaning of the Code and neither the Board nor any other Person shall do any act or fail to do any act which would cause the interest on the Bonds to become includable in gross income for purposes of federal income taxation.

(C) The Board hereby covenants with the Holders of the Bonds (other than Taxable Bonds) that it will comply with all provisions of the Code necessary to maintain the exclusion of interest on the Bonds from gross income for purposes of federal income taxation, including, in particular, the payment of any amount required to be rebated to the U.S. Treasury pursuant to the Code.

**SECTION 5.08. RECEIPT OF SALES TAX REVENUES.** The Board covenants to do all things necessary or required on its part by the Act, the Interlocal Agreement or otherwise to maintain the levy, collection and receipt of the Sales Tax Revenues, including, but not limited to, taking all actions necessary to cause the County to perform its obligations under the Interlocal Agreement with respect thereto. The Board shall exercise all legally available remedies to enforce such levy, collection and receipt now or hereafter available under law. The Board will not take any action, including amending or supplementing the Interlocal Agreement, or enter into any agreement that shall result in reducing the level of Sales Tax Revenues received by the Board from that level prevailing at the time the Board takes such action or enters into such agreement.

**SECTION 5.09. CONTINUING DISCLOSURE.** The Board hereby covenants and agrees that, in order to provide for compliance by the Board with the secondary market disclosure requirements of Rule 15c2-12 of the Security and Exchange Commission (the "Rule"), it will comply with and carry out all of the provisions of the Continuing Disclosure Certificate to be executed by the Board and dated the date of the Bonds, as it may be amended from time to time in accordance with the terms thereof. The Continuing Disclosure Certificate shall be substantially in the form attached hereto as Exhibit A with such changes, amendments, modifications, omissions and additions as shall be approved by the Chairman who is hereby authorized to execute and deliver such Certificate. Notwithstanding any other provision of this Resolution, failure of the Board to comply

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with such Continuing Disclosure Certificate shall not be considered an event of default under the Resolution; provided, however, any Bondholder may take such actions as may be necessary and appropriate, including seeking mandate or specific performance by court order, to cause the Board to comply with its obligations under this Section 5.09 and the Continuing Disclosure Certificate. For purposes of this Section 5.09, "Bondholder" shall mean any person who (A) has the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any of the Bonds (including persons holding Bonds through nominees, depositories or other intermediaries), or (B) is treated as the owner of any Bonds for federal income tax purposes.

## ARTICLE VI

### DEFAULTS AND REMEDIES

**SECTION 6.01. EVENTS OF DEFAULT.** The following events shall each constitute an "Event of Default":

(A) Default shall be made in the payment of the principal of or interest on any Bond when due. In determining whether a payment default has occurred, no effect shall be given to payment made under a Bond Insurance Policy.

(B) There shall occur the dissolution or liquidation of the Board, or the filing by the Board of a voluntary petition in bankruptcy, or the commission by the Board of any act of bankruptcy, or adjudication of the Board as a bankrupt, or assignment by the Board for the benefit of its creditors, or appointment of a receiver for the Board, or the entry by the Board into an agreement of composition with its creditors, or the approval by a court of competent jurisdiction of a petition applicable to the Board in any proceeding for its reorganization instituted under the provisions of the Federal Bankruptcy Act, as amended, or under any similar act in any jurisdiction which may now be in effect or hereafter enacted.

(C) The Board shall default in the due and punctual performance of any other of the covenants, conditions, agreements and provisions contained in the Bonds or in this Resolution on the part of the Board to be performed, and such default shall continue for a period of thirty (30) days after written notice of such default shall have been received from the Holders of not less than twenty-five percent (25%) of the aggregate principal amount of the Outstanding Bonds or the Insurer. Notwithstanding the foregoing, the Board shall not be deemed in default hereunder if such default can be cured within a reasonable period of time and if the Board in good faith institutes curative action and diligently pursues such action until the default has been corrected.

**SECTION 6.02. REMEDIES.** Any Holder of the Bonds or any trustee or receiver acting for such Bondholders may either at law or in equity, by suit, action, mandamus or other proceedings in any court of competent jurisdiction, protect and enforce any and all rights under the laws of the State of Florida, or granted and contained in this Resolution, and may enforce and compel the performance of all duties required by this Resolution or by any applicable statutes to be performed by the Board or by any officer thereof; provided, however, that no Holder, Credit Facility Provider, trustee or receiver shall have the right to declare the Bonds immediately due and payable.

The Holder or Holders of Bonds in an aggregate principal amount of not less than twenty-five percent (25%) of the Bonds then Outstanding may by a duly executed certificate in writing appoint a trustee for Holders of Bonds issued pursuant to this Resolution with authority to represent such Bondholders in any legal proceedings for the enforcement and protection of the rights of such Bondholders and such certificate shall be executed by such Bondholders or their duly authorized attorneys or representatives, and shall be filed in the office of the Superintendent. Notice of such

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appointment, together with evidence of the requisite signatures of the Holders of not less than twenty-five percent (25%) in aggregate principal amount of Bonds Outstanding and the trust instrument under which the trustee shall have agreed to serve shall be filed with the Board and the trustee and notice of appointment shall promptly be given to all Holders of Bonds by first class mail, postage prepaid. After the appointment of the first trustee hereunder, no further trustees may be appointed; however, the holders of a majority in aggregate principal amount of all the Bonds then Outstanding may remove the trustee initially appointed and appoint a successor and subsequent successors at any time.

**SECTION 6.03. DIRECTIONS TO RECEIVER AS TO REMEDIAL PROCEEDINGS.** The Holders of a majority in principal amount of the Bonds then Outstanding (or the Credit Facility Provider for any Series of Outstanding Bonds) have the right, by an instrument or concurrent instruments in writing executed and delivered to any receiver, to direct the method and place of conducting all remedial proceedings to be taken by any receiver hereunder, provided that such direction shall not be otherwise than in accordance with law or the provisions hereof, and that the trustee shall have the right to decline to follow any such direction which in the opinion of such receiver would be unjustly prejudicial to Holders of Bonds not parties to such direction.

**SECTION 6.04. REMEDIES CUMULATIVE.** No remedy herein conferred upon or reserved to the Bondholders is intended to be exclusive of any other remedy or remedies, and each and every such remedy shall be cumulative, and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute.

**SECTION 6.05. WAIVER OF DEFAULT.** No delay or omission of any Bondholder to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver of any such default, or an acquiescence therein; and every power and remedy given by this Section 6.05 to the Bondholders may be exercised from time to time, and as often as may be deemed expedient. No Event of Default may be waived without the consent of each Credit Facility Provider, which has honored all its obligations under its Credit Facility.

**SECTION 6.06. APPLICATION OF MONEYS AFTER DEFAULT.** If an Event of Default shall happen and shall not have been remedied, the Board or a trustee or receiver appointed for the purpose shall apply all Pledged Funds as follows and in the following order:

A. To the payment of the reasonable and proper charges, expenses and liabilities of the trustee or receiver, Registrar and Paying Agent hereunder; and

B. To the payment of the interest and principal then due on the Bonds (provided such payments are made in accordance with applicable law), as follows:

(1) Unless the principal of all the Bonds shall have become due and payable, all such moneys shall be applied:

**FIRST:** to the payment to the Persons entitled thereto of all installments of interest then due, in the order of the maturity of such installments, and, if the amount available shall not be sufficient to pay in full any particular installment, then to the payment ratably, according to the amounts due on such installment, to the Persons entitled thereto, without any discrimination or preference; and

**SECOND:** to the payment to the Persons entitled thereto of the unpaid principal of any of the Bonds which shall have become due at maturity in the order of their due dates, with interest upon such Bonds from the respective dates upon which they became due, and, if the amount available shall not be sufficient to pay in full Bonds due on any particular date, together with such interest, then to the payment first of such interest, ratably according to the amount of such interest due on such date, and then to the payment of such principal, ratably according to the amount of such principal due on such date, to the Persons entitled thereto without any discrimination or preference.

(2) If the principal of all the Bonds shall have become due and payable, all such moneys shall be applied first, to payment of any unfunded rebatable arbitrage, and second, to the payment of the principal and interest then due and unpaid upon the Bonds, with interest thereon as aforesaid, without preference or priority of principal over interest or of interest over principal, or of any installment of interest over any other installment of interest, or of any Bond over any other Bond, ratably, according to the amounts due respectively for principal and interest, to the Persons entitled thereto without any discrimination or preference.

**SECTION 6.07. CONTROL BY CREDIT FACILITY PROVIDER.** Upon the occurrence and continuance of an Event of Default, a Credit Facility Provider (if such Credit Facility Provider shall not have defaulted under its Credit Facility), shall be entitled to direct and control the enforcement of all right and remedies with respect to the Series of Bonds for which it shall have issued such Credit Facility, including any waiver of an Event of Default, and it shall be considered the sole Holder of such Series of Bonds for purposes of exercising remedies available hereunder. The Board shall provide each Credit Facility Provider immediate notice of any Event of Default described in Section 6.01(A) hereof and notice of any other Event of Default occurring hereunder within 30 days of the occurrence thereof.

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## ARTICLE VII

### SUPPLEMENTAL RESOLUTIONS

**SECTION 7.01. SUPPLEMENTAL RESOLUTION WITHOUT BONDHOLDERS' CONSENT.** The Board, from time to time and at any time, may adopt such Supplemental Resolutions without the consent of the Bondholders (which Supplemental Resolution shall thereafter form a part hereof) for any of the following purposes:

- (A) To cure any ambiguity or formal defect or omission or to correct any inconsistent provisions in this Resolution or to clarify any matters or questions arising hereunder.
- (B) To grant to or confer upon the Bondholders any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred upon the Bondholders.
- (C) To add to the conditions, limitations and restrictions on the issuance of Bonds under the provisions of this Resolution other conditions, limitations and restrictions thereafter to be observed.
- (D) To add to the covenants and agreements of the Board in this Resolution other covenants and agreements thereafter to be observed by the Board or to surrender any right or power herein reserved to or conferred upon the Board.
- (E) To specify and determine any matters and things relative to such Bonds which are not contrary to or inconsistent with this Resolution as theretofore in effect, or to amend, modify or rescind any such authorization, specification or determination at any time prior to the first delivery of such Bonds.
- (F) To specify and determine the matters and things referred to in Sections 2.01, 2.02, 2.11 or 4.07 hereof, and also any other matters and things relative to such Bonds which are not contrary to or inconsistent with this Resolution as theretofore in effect, or to amend, modify or rescind any such authorization, specification or determination at any time prior to the first delivery of such Bonds.
- (G) To authorize Additional Bonds or Projects.
- (H) To provide for the establishment of a separate subaccount or subaccounts in the Reserve Account which shall independently secure one or more Series of Bonds issued hereunder.
- (I) To make any other change that, in the opinion of the Board, would not materially adversely affect the security for the Bonds.

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If the Holders of not less than a majority in aggregate principal amount of the Bonds Outstanding at the time of the adoption of such Supplemental Resolution shall have consented to and approved the adoption thereof as herein provided, no Holder of any Bond shall have any right to object to the adoption of such Supplemental Resolution, or to object to any of the terms and provisions contained therein or the operation thereof, or in any manner to question the propriety of the adoption thereof, or to enjoin or restrain the Board from adopting the same or from taking any action pursuant to the provisions thereof.

Upon the adoption of any Supplemental Resolution pursuant to the provisions of this Section 7.02, this Resolution shall be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Resolution of the Board and all Holders of Bonds then Outstanding shall thereafter be determined, exercised and enforced in all respects under the provisions of this Resolution as so modified and amended.

**SECTION 7.03. AMENDMENT WITH CONSENT OF CREDIT FACILITY PROVIDER ONLY.** For purposes of amending the Resolution pursuant to Section 7.02 hereof, a Credit Facility Provider of a Series of Bonds shall be considered the Holder thereof, provided such Series of Bonds, at the time of the adoption of the amendment, shall be rated by the rating agencies which shall have rated the Bonds no lower than the initial ratings assigned thereto by such rating agencies. The consent of the Holders of Bonds shall not be required if the Credit Facility Provider shall consent to the amendment as provided by this Section 7.03. The foregoing right of amendment, however, does not apply to any amendment to Section 5.05 hereof with respect to the exclusion of interest on the Bonds from gross income for purposes of federal income taxation. Prior to adoption of any amendment made pursuant to this Section 7.03, notice of such amendment shall be delivered to the rating agencies rating the Bonds. Upon filing with the Superintendent of evidence of such consent of a Credit Facility Provider as aforesaid, the Board may adopt such Supplemental Resolution. After the adoption by the Board of such Supplemental Resolution, notice thereof shall be mailed in the same manner as notice of an amendment under Section 7.02 hereof.

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**SECTION 7.02. SUPPLEMENTAL RESOLUTION WITH BONDHOLDERS' AND CREDIT FACILITY PROVIDER'S CONSENT.** Subject to the terms and provisions contained in this Section 7.02 and Sections 7.01 and 7.03 hereof, the Holder or Holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding shall have the right, from time to time, anything contained in this Resolution to the contrary notwithstanding, to consent to and approve the adoption of such Supplemental Resolution or Resolutions hereto as shall be deemed necessary or desirable by the Board for the purpose of supplementing, modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Resolution; provided, however, that if such modification or amendment will, by its terms, not take effect so long as any Bonds of any maturity remain Outstanding, the consent of the Holders of such Bonds shall not be required and such Bonds shall not be deemed to be Outstanding for the purpose of any calculation of Outstanding Bonds under this Section 7.02. Any Supplemental Resolution which is adopted in accordance with the provisions of this Section 7.02 shall also require the written consent of the Insurer. No Supplemental Resolution may be approved or adopted which shall permit or require (A) an extension of the maturity of the principal of or the payment of the interest on any Bond issued hereunder, (B) reduction in the principal amount of any Bond or the rate of interest thereon, (C) the creation of a lien upon or a pledge of the Pledged Funds other than the lien and pledge created by this Resolution or as otherwise permitted hereby, (D) a preference or priority of any Bond or Bonds over any other Bond or Bonds (except as to the establishment of separate subaccounts in the Reserve Account as permitted hereby), or (E) a reduction in the aggregate principal amount of the Bonds required for consent to such Supplemental Resolution. Nothing herein contained, however, shall be construed as making necessary the approval by Bondholders or a Credit Facility Provider of the adoption of any Supplemental Resolution as authorized in Section 7.01 hereof.

If at any time the Board shall determine that it is necessary or desirable to adopt any Supplemental Resolution pursuant to this Section 7.02, the Superintendent shall cause the Registrar to give notice of the proposed adoption of such Supplemental Resolution and the form of consent to such adoption to be mailed, postage prepaid, to all Bondholders at their addresses as they appear on the registration books and to all Insurers of Bonds Outstanding. Such notice shall briefly set forth the nature of the proposed Supplemental Resolution and shall state that copies thereof are on file at the offices of the Superintendent and the Registrar for inspection by all Bondholders. The Board shall not, however, be subject to any liability to any Bondholder by reason of its failure to cause the notice required by this Section 7.02 to be mailed and any such failure shall not affect the validity of such Supplemental Resolution when consented to and approved as provided in this Section 7.02.

Whenever the Board shall deliver to the Superintendent an instrument or instruments in writing purporting to be executed by the Holders of not less than a majority in aggregate principal amount of the Bonds then Outstanding, which instrument or instruments shall refer to the proposed Supplemental Resolution described in such notice and shall specifically consent to and approve the adoption thereof in substantially the form of the copy thereof referred to in such notice, thereupon, but not otherwise, the Board may adopt such Supplemental Resolution in substantially such form, without liability or responsibility to any Holder of any Bond, whether or not such Holder shall have consented thereto.

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## ARTICLE VIII

### PROVISIONS RELATING TO THE SERIES 2002 BOND INSURANCE POLICY, THE INSURER AND THE SERIES 2002 SURETY BOND

**SECTION 8.01. AUTHORIZATION OF BOND INSURANCE POLICY AND THE SERIES 2002 SURETY BOND.** The Board hereby authorizes the payment of the principal of and interest on the Series 2002 Bonds to be insured pursuant to the Bond Insurance Policy and the Reserve Account to be funded with the Series 2002 Surety Bond issued by Ambac Assurance. The Chairman or the Superintendent are hereby authorized to execute such documents and instruments necessary to cause Ambac Assurance to insure the Series 2002 Bonds in accordance with the Bond Insurance Policy and to issue the Series 2002 Surety Bond in accordance with the terms of the Series 2002 Guaranty Agreement.

**SECTION 8.02. CERTAIN PROVISIONS REGARDING SERIES 2002 BOND INSURANCE POLICY AND THE SERIES 2002 SURETY BOND.** So long as the Bond Insurance Policy relating to the Series 2002 Bonds or the Series 2002 Surety Bond is in full force and effect and the Insurer has not defaulted in its payment obligations thereunder, the Board agrees to comply with the following provisions:

(A) At least one day prior to each interest payment date for the Series 2002 Bonds the Paying Agent will determine whether the Board has deposited with the Paying Agent sufficient moneys to pay the principal of and interest on the Series 2002 Bonds on such interest payment date. If one business day prior to an interest payment date the Paying Agent determines that the Board has not provided it with sufficient funds to pay the principal of or interest on the Series 2002 Bonds on such interest payment date, the Paying Agent shall so notify the Board and Ambac Assurance. Such notice shall specify the amount of the anticipated deficiency, the Series 2002 Bonds to which such deficiency is applicable and whether such Series 2002 Bonds will be deficient as to principal or interest, or both. If the Paying Agent has not so notified Ambac Assurance one business day prior to an interest payment date, Ambac Assurance will make payments of principal or interest due on the Series 2002 Bonds on or before the first business day next following the date on which Ambac Assurance shall have received notice of nonpayment from the Paying Agent, if any.

(B) The Paying Agent shall, after giving notice to Ambac Assurance as provided in Section 8.02(A) above, make available to Ambac Assurance and, at Ambac Assurance's direction, to The Bank of New York, in New York, New York, as insurance trustee for Ambac Assurance or any successor insurance trustee (the "Insurance Trustee"), the registration books of the Board maintained by the Paying Agent and all records relating to the funds and accounts maintained under this Resolution.

(C) The Paying Agent shall provide Ambac Assurance and the Insurance Trustee with a list of registered owners of Series 2002 Bonds entitled to receive principal or interest payments from

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Ambac Assurance under the terms of the Bond Insurance Policy, and, shall make arrangements with the Insurance Trustee (i) to mail checks or drafts to the registered owners of Series 2002 Bonds entitled to receive full or partial interest payments from Ambac Assurance and (ii) to pay principal upon Series 2002 Bonds surrendered to the Insurance Trustee by the registered owners of Series 2002 Bonds entitled to receive full or partial principal payments from Ambac Assurance.

(D) The Paying Agent shall, at the time it provides notice to Ambac Assurance pursuant to Section 8.02(A) above, notify registered owners of Series 2002 Bonds entitled to receive the payment of principal or interest thereon from Ambac Assurance (i) as to the fact of such entitlement, (ii) that Ambac Assurance will remit to them all or a part of the interest payments next coming due upon proof of Series 2002 Bondholder entitlement to interest payments and delivery to the Insurance Trustee, in form satisfactory to the Insurance Trustee, of an appropriate assignment of the registered owner's right to payment, (iii) that should they be entitled to receive full payment of principal from Ambac Assurance, they must surrender their Series 2002 Bonds (along with an appropriate instrument of assignment in form satisfactory to the Insurance Trustee to permit ownership of such Series 2002 Bonds to be registered in the name of Ambac Assurance) for payment to the Insurance Trustee, and not the Paying Agent, and (iv) that should they be entitled to receive partial payment of principal from Ambac Assurance, they must surrender their Series 2002 Bonds for payment thereon first to the Paying Agent who shall note on such Series 2002 Bonds the portion of the principal paid by the Paying Agent and then, along with an appropriate instrument of assignment in form satisfactory to the Insurance Trustee, to the Insurance Trustee, which will then pay the unpaid portion of principal.

(E) In the event that the Paying Agent has notice that any payment of principal or of interest on a Series 2002 Bond which has become due for payment and which is made to a Series 2002 Bondholder by or on behalf of the Board has been deemed a preferential transfer and therefore recovered from its registered owner pursuant to the United States Bankruptcy Code by a trustee in bankruptcy in accordance with the final, nonappealable order of a court having competent jurisdiction, the Paying Agent shall, at the time Ambac Assurance is notified pursuant to Section 8.02(A) above, notify all registered owners that in the event that any registered owner's payment is so recovered, such registered owner will be entitled to payment from Ambac Assurance to the extent of such recovery if sufficient funds are not otherwise available, and the Paying Agent shall furnish to Ambac Assurance its records evidencing the payments of principal of and interest on the Series 2002 Bonds which have been made by the Paying Agent and subsequently recovered from registered owners and the dates on which such payments were made.

(F) In addition to those rights granted Ambac Assurance under this Resolution, Ambac Assurance shall, to the extent it makes payment of principal of or interest on the Series 2002 Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Bond Insurance Policy, and to evidence such subrogation (i) in the case of subrogation as to claims for past due interest, the Paying Agent shall note Ambac Assurance's rights as subrogee on the registration books of the Board maintained by the Paying Agent upon receipt from Ambac Assurance of proof of the payment of interest thereon to the registered owners of the Series 2002 Bonds, and (ii) in the case of subrogation as to claims for past due principal, the Paying Agent shall

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(vi) notice of any failure of the Board to provide relevant notices, certificates, etc.

All notices required to be given to Ambac Assurance shall be given to the following address:

AMBAC Assurance Corporation  
One State Street Plaza  
New York, New York 10004  
Attention: Surveillance Department

The Board will permit Ambac Assurance to discuss the affairs, finances and accounts of the Board or any information Ambac Assurance may reasonably request regarding the security for the Series 2002 Bonds with appropriate officers of the Board. The Board will permit Ambac Assurance to have access to and to make copies of all books and records relating to the Series 2002 Bonds at any reasonable time and upon reasonable notice.

Ambac Assurance shall have the right upon the occurrence of an event of default under this Resolution to direct an accounting at the Board's expense, and the Board's failure to comply with such direction within thirty (30) days after receipt of written notice of the direction from Ambac Assurance shall be deemed an event of default under this Resolution; provided, however, that if compliance cannot occur within such period, then such period will be extended so long as compliance is begun within such period and diligently pursued, but only if such extension would not materially adversely affect the interests of any holder of the Series 2002 Bonds.

NOTWITHSTANDING ANY OTHER PROVISION OF THE RESOLUTION, THE BOARD SHALL IMMEDIATELY NOTIFY AMBAC ASSURANCE IF AT ANY TIME THERE ARE INSUFFICIENT MONIES TO MAKE ANY PAYMENTS OF PRINCIPAL AND/OR INTEREST AS REQUIRED AND IMMEDIATELY UPON THE OCCURRENCE OF ANY EVENT OF DEFAULT UNDER THIS RESOLUTION.

(I) Concerning the Paying Agent. Notwithstanding any other provision of this Resolution to the contrary, no removal, resignation or termination of the Paying Agent shall take effect until a successor is appointed. Any successor Paying Agent shall be a trust company or bank in good standing, authorized to do business in, the State of Florida, duly authorized to exercise trust powers and subject to examination by federal or state authority, having a reported capital and surplus of not less than \$50,000,000. Notwithstanding any other provision of this Resolution to the contrary, in determining whether the rights of the Series 2002 Bondholders will be adversely affected by any action taken pursuant to the terms and the provisions of this Resolution, the Paying Agent shall consider the effect on the Series 2002 Bondholders as if there were no Bond Insurance Policy.

(J) Parties Interested Herein. Nothing in this Resolution expressed or implied is intended or shall be construed to confer upon, or to give to, any person or entity, other than the Board, the Credit Facility Providers, the Paying Agent and the holders of the Series 2002 Bonds, any right, remedy or claim under or by reason of this Resolution or any covenant, condition or stipulation hereof, and all covenants, stipulations, promises and agreements in this Resolution contained by and

note Ambac Assurance's rights as subrogee on the registration books of the Board maintained by the Bond Registrar upon surrender of the Series 2002 Bonds by the registered owners thereof together with proof of the payment of principal thereof.

(G) Consent of Ambac Assurance.

(i) Any provision of the Resolution expressly recognizing or granting rights in or to a Credit Facility Provider may not be amended in any manner which affects the rights of Ambac Assurance thereunder without the prior written consent of Ambac Assurance.

(ii) Unless otherwise provided in this Section 8.02, Ambac Assurance's consent shall be required in addition to Series 2002 Bondholder consent, when and to the extent required, for the following purposes: (a) execution and delivery of any supplemental resolution, (b) removal of the Paying Agent and selection and appointment of any successor Paying Agent or (c) initiation or approval of any action not described in (a) or (b) above which requires Series 2002 Bondholder consent.

(iii) In the event of any reorganization or liquidation of the Board, Ambac Assurance shall be entitled to vote on behalf of the Series 2002 Bondholders. Any reorganization or liquidation plan with respect to the Board must be acceptable to Ambac Assurance.

(iv) Anything in this Resolution to the contrary notwithstanding, upon the occurrence and continuance of an event of default under this Resolution, Ambac Assurance shall, so long as Ambac Assurance has not defaulted on any of its payment obligations under the Bond Insurance Policy, be entitled to control and direct the enforcement of all rights and remedies granted to the Series 2002 Bondholders under this Resolution.

(H) Notices and Information to be Given to Ambac Assurance. The Board shall furnish to Ambac Assurance:

(i) as soon as practicable after the completion thereof, a copy of the annual report of the Board, which shall include the annual audited financial statements of the Board;

(ii) a copy of any notice to be given to the holders of the Series 2002 Bonds, including, without limitation, notice of any defeasance of the Series 2002 Bonds, and any certificate rendered pursuant to the Resolution relating to the security for the Series 2002 Bonds;

(iii) prior written notice of any removal or resignation of the Paying Agent;

(iv) such additional information it may reasonably request; and

(v) any required notice under the Continuing Disclosure Certificate; and

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on behalf of the Board shall be for the sole and exclusive benefit of the Board, Ambac Assurance, the Paying Agent, any other municipal Credit Facility Providers and the holders of the Series 2002 Bonds.

(K) Third Party Beneficiary. To the extent this Resolution confers upon or gives or grants to Ambac Assurance any right, remedy or claim under or by reason of this Resolution, Ambac Assurance is hereby explicitly recognized as being a third-party beneficiary under this Resolution and may enforce any such right, remedy or claim conferred, given or granted hereunder.

**SECTION 8.03 THE SERIES 2002 GUARANTY AGREEMENT.** The Chairman and the Superintendent are hereby authorized and directed to execute and deliver in the name and on behalf of the Board the Series 2002 Guaranty Agreement in order to provide for the issuance of the Series 2002 Surety Bond. The provisions of the Series 2002 Guaranty Agreement, when executed and delivered by the parties thereto, shall be incorporated by reference herein so long as the Series 2002 Guaranty Agreement remains in effect in accordance with its terms.

**SECTION 8.04 PAYMENT PROVISIONS RELATED TO SERIES 2002 SURETY BOND.**

As long as the Series 2002 Surety Bond shall be in full force and effect, the Board and Paying Agent, agree to comply with the following provisions:

(a) Upon the later of: (i) one (1) day after receipt by the General Counsel of Ambac Assurance of a demand for payment in the form attached to the Series 2002 Surety Bond as Attachment 1 (the "Demand for Payment"), duly executed by the Paying Agent certifying that payment due under this Resolution has not been made to the Paying Agent by the Board; or (ii) the payment date of the Series 2002 Bonds as specified in the Demand for Payment presented by the Paying Agent to the General Counsel of Ambac Assurance, Ambac Assurance will make a deposit of funds in an account with the Paying Agent or its successor, in New York, New York, sufficient for the payment to the Paying Agent, of amounts which are then due to the Paying Agent under this Resolution (as specified in the Demand for Payment) up to but not in excess of the Surety Bond Coverage, as defined in the Series 2002 Surety Bond; provided, however, that in the event that the amount on deposit in, or credited to, the Reserve Account, in addition to the amount available under the Series 2002 Surety Bond, includes amounts available under a letter of credit, insurance policy, surety bond or other such funding instrument (the "Additional Funding Instrument"), draws on the Series 2002 Surety Bond and the Additional Funding Instrument shall be made on a pro rata basis to fund the insufficiency. The Paying Agent shall provide the Board with a copy of any Demand for Payment.

(b) the Paying Agent and the Board, shall, after submitting to Ambac Assurance the Demand for Payment as provided in (a) above, make available to Ambac Assurance

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all of their records relating to the Funds and Accounts maintained under this Resolution.

- (c) the Board, shall, upon receipt of moneys by the Paying Agent from the draw on the Surety Bond, as specified in the Demand for Payment, credit the Reserve Account to the extent of moneys received pursuant to such Demand for Payment.
- (d) the Reserve Account shall be replenished by the Board from first available Pledged Funds as set forth in Section 4.05(A)(4) hereof, in the following priority: (i) principal and on the Series 2002 Surety Bond and on any Additional Funding Instrument shall be paid on a pro rata basis; (ii) cash withdrawals from the Reserve Account shall be paid next and (iii) after all such amounts are paid in full, amounts necessary to pay interest on the Series 2002 Surety Bond and on any Additional Funding Instrument shall be paid.

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## ARTICLE IX

### DEFEASANCE; MISCELLANEOUS

**SECTION 9.01. DEFEASANCE.** If (A) the Board shall pay or cause to be paid or there shall otherwise be paid to the Holders of any Series of Bonds the principal and interest or redemption price due or to become due thereon, at the times and in the manner stipulated therein and in this Resolution, and (ii) the Board shall pay all amounts owing to any Credit Facility Provider issuing a Credit Facility with respect to such Series of Bonds, and all covenants, agreements and other obligations of the Board to the holders of such Series of Bonds, shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Paying Agents shall pay over or deliver to the Board all money or securities held by them pursuant to the Resolution which are not required for payment or redemption of any Series of Bonds not theretofore surrendered for such payment or redemption.

Any Bonds or interest installments appertaining thereto shall be deemed to have been paid within the meaning of this Section 9.01 if there shall have been deposited in irrevocable trust with a banking institution or trust company by or on behalf of the Board either moneys in an amount which shall be sufficient, or Refunding Securities verified by an independent certified public accountant to be in such amount that the principal of and the interest on or redemption price which when due will provide moneys which, together with the moneys, if any, deposited with such banking institution or trust company at the same time shall be sufficient, to pay the principal of and interest due and to become due on said Bonds on and prior to the maturity date thereof. Except as hereafter provided, neither the Refunding Securities nor any moneys so deposited with such banking institution or trust company nor any moneys received by such bank or trust company on account of principal of or redemption price, if applicable, or interest on said Refunding Securities shall be withdrawn or used for any purpose other than, and all such moneys shall be held in trust for and be applied to, the payment, when due, of the principal of or redemption price of the Bonds for the payment of which they were deposited and the interest accruing thereon to the date of maturity; provided, however, the Board may substitute new Refunding Securities and moneys for the deposited Refunding Securities and moneys if the new Refunding Securities and moneys are sufficient to pay the principal of and interest on or redemption price of the refunded Bonds.

For purposes of determining whether variable rate Bonds shall be deemed to have been paid prior to the maturity or the redemption date thereof, as the case may be, by the deposit of moneys, or specified Refunding Securities and moneys, if any, in accordance with this Section 9.01, the interest to come due on such variable rate Bonds on or prior to the maturity or redemption date thereof, as the case may be, shall be calculated at the Maximum Interest Rate; provided, however, that if on any date, as a result of such variable rate Bonds having borne interest at less than the Maximum Interest Rate for any period, the total amount of moneys and specified Refunding Securities on deposit for the payment of interest on such variable rate Bonds is in excess of the total amount which would have been required to be deposited on such date in respect of such variable rate

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Bonds in order to satisfy this Section 9.01, such excess shall be paid to the Board free and clear of any trust, lien, pledge or assignment securing the Bonds or otherwise existing under this Resolution.

The Board shall cause the Registrar to mail a notice to the Holders of such Bonds that the deposit required by this Section 9.01 of moneys or Refunding Securities has been made and said Bonds are deemed to be paid in accordance with the provisions of this Section 9.01 and stating such maturity date upon which moneys are to be available for the payment of the principal of and interest on or redemption price of said Bonds. Failure to provide said notice shall not affect the Bonds being deemed to have been paid in accordance with the provisions of this Section 9.01.

Notwithstanding anything herein to the contrary, in the event that the principal of or interest due on the Bonds shall be paid by a Credit Facility Provider, such Bonds shall remain Outstanding, shall not be defeased or otherwise satisfied and shall not be considered paid by the Board, and the pledge of the Pledged Funds and all covenants, agreements and other obligations of the Board to the Bondholders shall continue to exist and Credit Facility Provider shall be subrogated to the rights of such Bondholders.

**SECTION 9.02. PRELIMINARY OFFICIAL STATEMENT AND FINAL OFFICIAL STATEMENT.** The use and distribution of the Preliminary Official Statement, to be dated January 9, 2002, the form of which is attached hereto as Exhibit C, by the Underwriters for the purpose of offering the Series 2002 Bonds for sale is hereby authorized. The form, terms and provisions of the final Official Statement, dated the date of the Purchase Agreement, shall be substantially as set forth in the Preliminary Official Statement but reflecting the final terms of the Series 2002 Bonds as set forth in the Purchase Agreement. The Chairman and the Superintendent are hereby authorized and directed to execute and deliver said Official Statement in the name and on behalf of the Board, and thereupon to cause such Official Statement to be delivered to the Underwriters with such changes, amendments, modifications, omissions, and additions as approved by the Chairman and the Superintendent, and the information contained therein are hereby authorized to be used in connection with the sale of the Series 2002 Bonds to the public. Execution by the Chairman and the Superintendent of the final Official Statement shall be deemed to be conclusive evidence of approval of such changes.

**SECTION 9.03. APPOINTMENT OF PAYING AGENT AND REGISTRAR.** The Bank of New York, New York, New York, is hereby designated Registrar and Paying Agent for the Bonds. The Chairman and the Superintendent are hereby authorized to enter into any agreement which may be necessary to effect the transactions contemplated by this Section 9.03 and by this Resolution.

**SECTION 9.04. CAPITAL APPRECIATION BONDS.** For the purposes of (A) receiving payment of the Redemption Price if a Capital Appreciation Bond is redeemed prior to maturity, or (B) receiving payment of a Capital Appreciation Bond if the principal of all Bonds becomes due and payable under the provisions of this Resolution, or (C) computing the amount of Bonds held by the Holder of a Capital Appreciation Bond in giving to the Board or any trustee or receiver appointed to represent the Bondholders any notice, consent, request or demand pursuant to

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this Resolution for any purpose whatsoever, the principal amount of a Capital Appreciation Bond shall be deemed to be its Accreted Value.

**SECTION 9.05. SALE OF BONDS.** The Bonds shall be issued and sold at public or private sale at one time or in installments from time to time and at such price or prices as shall be consistent with the provisions of the Act, the requirements of this Resolution and other applicable provisions of law.

**SECTION 9.06. GENERAL AUTHORITY.** The members of the Board and the officers, attorneys and other agents or employees of the Board are hereby authorized to do all acts and things required of them by this Resolution, the Purchase Agreement or the Bond Insurance Policy or which are desirable or consistent with the requirements of the Resolution, the Purchase Agreement, the Series 2002 Guaranty Agreement or the Bond Insurance Policy for the full punctual and complete performance of all the terms, covenants and agreements contained herein or in the Bonds, the Resolution, the Series 2002 Guaranty Agreement and the Purchase Agreement, including the execution of any documents or instruments relating to insuring payment of the Bonds, and each member, employee, attorney and officer of the Board or the Board are hereby authorized and directed to execute and deliver any and all papers and instruments and to be and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated hereunder. The Vice Chairman of the Board is hereby authorized to do all acts or things required of the Chairman by the terms hereof in this Resolution in the event of the Chairman's absence or unavailability.

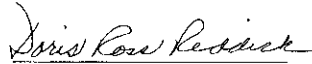
**SECTION 9.07. SEVERABILITY OF INVALID PROVISIONS.** If any one or more of the covenants, agreements or provisions of this Resolution shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements and provisions of this Resolution and shall in no way affect the validity of any of the other covenants, agreements or provisions hereof or of the Bonds issued hereunder.

**SECTION 9.08. REPEAL OF INCONSISTENT RESOLUTIONS.** All ordinances, resolutions or parts thereof in conflict herewith are hereby superseded and repealed to the extent of such conflict.

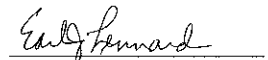
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**SECTION 9.09. EFFECTIVE DATE.** This Resolution shall take effect immediately upon its adoption.

**PASSED AND ADOPTED** by the School Board of Hillsborough County, Florida, as the governing body of the School District of Hillsborough County, Florida, this 8th day of January, 2002.

  
Chairman of the School Board of  
Hillsborough County, Florida

ATTEST:

  
Superintendent and Ex-officio Secretary of  
the School Board of Hillsborough County,  
Florida

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**SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA  
SALES TAX REVENUE BOND RESOLUTION**

RESOLUTION OF THE SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA, SUPPLEMENTING A SALES TAX REVENUE BOND RESOLUTION ADOPTED BY THE SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA, AS THE GOVERNING BODY OF THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA, ON JANUARY 8, 2002, AS PREVIOUSLY AMENDED AND SUPPLEMENTED; AUTHORIZING THE ISSUANCE OF NOT EXCEEDING \$80,000,000 AGGREGATE PRINCIPAL AMOUNT OF SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA SALES TAX REVENUE REFUNDING BONDS, SERIES 2015B IN ORDER TO ADVANCE REFUND A PORTION OF THE DISTRICT'S OUTSTANDING SALES TAX REVENUE REFUNDING BONDS, SERIES 2005 AND SALES TAX REVENUE BONDS, SERIES 2006, FUND ANY REQUIRED RESERVES AND PAY COSTS ASSOCIATED WITH THE ISSUANCE OF SAID BONDS; PROVIDING CERTAIN TERMS AND DETAILS OF SUCH SERIES 2015B BONDS; AUTHORIZING THE SALE OF SAID SERIES 2015B BONDS PURSUANT TO A DELEGATED NEGOTIATED SALE AND THE EXECUTION OF A BOND PURCHASE CONTRACT WITH RESPECT THERETO; APPOINTING THE PAYING AGENT AND REGISTRAR FOR SAID BONDS; AUTHORIZING THE DISTRIBUTION OF A PRELIMINARY OFFICIAL STATEMENT AND THE EXECUTION AND DELIVERY OF A FINAL OFFICIAL STATEMENT WITH RESPECT THERETO; ESTABLISHING A BOOK-ENTRY SYSTEM OF REGISTRATION FOR THE SERIES 2015B BONDS; AUTHORIZING MUNICIPAL BOND INSURANCE FOR ALL OR A PORTION OF THE BONDS; AUTHORIZING A RESERVE ACCOUNT INSURANCE POLICY WITH RESPECT TO THE BONDS; AUTHORIZING THE EXECUTION AND DELIVERY OF AN ESCROW DEPOSIT AGREEMENT FOR EACH SERIES OF THE REFUNDING BONDS AND A DISCLOSURE

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by an Authorized Board Officer (defined below) upon the advice of the District's financial advisor, Ford and Associates, Inc. (the "Financial Advisor").

(I) Due to the current volatility of the market for tax-exempt obligations such as the Series 2015B Bonds and the complexity of the transactions relating to the refunding of the Refunded Bonds, it is in the best interest of the Board and the District to sell the Series 2015B Bonds pursuant to a delegated negotiated sale, allowing the Board to enter the market at the most advantageous time, rather than at a specified advertised date, thereby permitting the Board and the District to obtain the best possible prices and interest rates for the Series 2015B Bonds.

(F) The Board anticipates receiving a favorable offer to purchase the Bonds from J.P. Morgan Securities LLC and the other underwriters named in the Bond Purchase Contract referred to below (collectively, the "Underwriter"), all within the parameters set forth in Section 6 hereof.

(G) The covenants, pledges and conditions in the Master Resolution shall be applicable to the Series 2015B Bonds herein authorized as "Bonds" within the meaning of the Master Resolution and the Series 2015B Bonds shall be on a parity with and shall rank equally as to the lien on and source and security for payment from the Pledged Funds (as defined in the Master Resolution) with the Series 2005 Bonds not constituting part of the Refunded Series 2005 Bonds (herein referred to as the "Outstanding Series 2005 Bonds"), the Series 2006 Bonds not constituting part of the Refunded Series 2006 Bonds (herein referred to as the "Outstanding Series 2006 Bonds") and the Series 2007 Bonds, and in all other respects with the Outstanding Series 2005 Bonds, the Outstanding Series 2006 Bonds and the Series 2007 Bonds and any Additional Bonds (as defined in the Master Resolution) hereafter issued pursuant to the Master Resolution.

(H) The Board is not in default in performing any of the covenants, agreements or obligations under the Master Resolution and all payments required by the Master Resolution to be made to the funds and accounts established by the Master Resolution have been made to the full extent required to date with respect to the Outstanding Bonds.

(I) The principal of and interest on the Series 2015B Bonds and all required sinking fund, and other payments shall be limited obligations of the Board and the District, payable solely from the Pledged Funds in the manner provided in the Master Resolution. The Series 2015B Bonds shall not constitute a general obligation, or a pledge of the faith, credit or taxing power of the Board or the District, the State of Florida, or any political subdivision or agency thereof, within the meaning of any constitutional or statutory provisions. Neither the State of Florida, nor any political subdivision or agency thereof, including the Board and the District, shall be obligated (1) to exercise its ad valorem taxing power in any form on any real or personal property of or in the Board or the District to pay the principal of the Series 2015B Bonds, the interest thereon, or other

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**BE IT RESOLVED BY THE SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA, AS THE GOVERNING BODY OF THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA:**

**SECTION 1. FINDINGS.** It is hereby found and determined that:

(A) On January 8, 2002, the School Board of Hillsborough County, Florida (the "Board"), as the governing body of the School District of Hillsborough County, Florida (the "District") duly adopted a Sales Tax Revenue Bond Resolution (as heretofore amended and supplemented, the "Master Resolution") for the purposes described therein, including authorizing, among other things, the District's Sales Tax Revenue Bonds, Series 2002 (the "Series 2002 Bonds") in order to finance and refinance a portion of the costs of certain capital improvements constituting educational facilities within the District.

(B) Pursuant to the Master Resolution, the District has also heretofore issued its (i) Sales Tax Revenue Refunding Bonds, Series 2005 (the "Series 2005 Bonds") for the principal purpose of advance refunding a portion of the then outstanding Series 2002 Bonds, (ii) Sales Tax Revenue Bonds, Series 2006 (the "Series 2006 Bonds") for the principal purpose of financing the cost of certain educational facilities within the District, and (iii) Sales Tax Revenue Refunding Bonds, Series 2007 (the "Series 2007 Bonds") for the principal purpose of advance refunding the remaining portion of the then outstanding Series 2002 Bonds.

(C) The Master Resolution provides for the issuance of Additional Bonds on a parity with the Outstanding Series 2005 Bonds, the Outstanding Series 2006 Bonds (as such terms are hereinafter defined) and the Series 2007 Bonds, upon meeting the requirements set forth therein.

(D) Subject to the conditions set forth in this Supplemental Resolution, the Board deems it to be in its best interests to issue the School District of Hillsborough County, Florida Sales Tax Revenue Refunding Bonds, Series 2015B (the "Series 2015B Bonds") for the principal purposes of (i) currently refunding all or a portion of the Series 2005 Bonds maturing on and after October 1, 2020 (the portion so refunded being herein referred to as the "Refunded Series 2005 Bonds"), (ii) advance refunding all or a portion of the Series 2006 Bonds maturing on and after October 1, 2020 (the portion so refunded being herein referred to as the "Refunded Series 2006 Bonds," and together with the Refunded Series 2005 Bonds, the "Refunded Bonds"), (iii) funding any necessary reserves and (iv) paying costs associated with the issuance of the Series 2015B Bonds. The particular Series 2005 Bonds and Series 2006 Bonds to be refunded shall be selected

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costs incidental thereto, or (2) to pay the same from any other funds of the Board except from the Pledged Funds in the manner provided herein and in the Master Resolution.

(J) Inasmuch as the Board desires to sell the Series 2015B Bonds at the most advantageous time and not wait for a scheduled meeting of the Board, so long as the herein described parameters are met, the Board hereby determines to delegate the award and sale of the Series 2015B Bonds to the (i) Chairman of the Board within such parameters, and, in his or her absence or unavailability, to the Vice-Chairman of the Board and (ii) the Superintendent and the Chief Business Officer or their designee(s) (each an "Authorized Board Officer").

(K) The Master Resolution provides that the Series 2015B Bonds shall mature on such dates and in such amounts, shall bear such rate of interest, shall be payable in such places and shall be subject to such redemption provisions as shall be determined by Supplemental Resolution adopted by the Board; and it is now appropriate that the Board set forth the parameters and mechanism to determine such terms and details.

**SECTION 2. DEFINITIONS.** When used in this Supplemental Resolution, the terms defined in the Master Resolution shall have the meanings therein stated, except as such definitions may be hereinafter amended or defined.

**SECTION 3. AUTHORITY FOR THIS SUPPLEMENTAL RESOLUTION.** This Supplemental Resolution is adopted pursuant to the provisions of the Act and the Master Resolution.

**SECTION 4. AUTHORIZATION OF THE REFUNDING OF THE REFUNDING BONDS.** The Board hereby authorizes the advance refunding of the Refunded Bonds in accordance with the provisions of the Refunded Bonds, the Master Resolution and the Escrow Deposit Agreements (hereinafter defined).

**SECTION 5. DESCRIPTION OF THE SERIES 2015B BONDS.** Pursuant to the provisions of Sections 2.01 and 5.02(1) of the Master Resolution, the Board hereby authorizes the issuance of a Series of Bonds in the aggregate principal amount of not exceeding \$80,000,000 to be known as the "School District of Hillsborough County, Florida Sales Tax Revenue Refunding Bonds, Series 2015B," for the principal purposes of refunding the Refunded Bonds, funding any necessary reserves and paying costs related to the issuance of the Series 2015B Bonds. The aggregate principal amount of the Series 2015B Bonds to be issued shall be determined by an Authorized Board Officer in accordance with the terms hereof and of the Bond Purchase Contract (hereinafter defined) provided such aggregate principal amount does not exceed \$80,000,000. The Series 2015B Bonds shall be dated as of their date of delivery or such other date as shall be determined by an Authorized Board Officer in accordance with the terms hereof and of the Bond Purchase Contract, shall be issued in the form of fully registered Bonds in the denomination of \$5,000 or any integral multiple thereof, shall be numbered consecutively

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from one upward in order of maturity preceded by the letter "R", shall bear interest from the dated date determined therefor, payable semi-annually, on April 1 and October 1 of each year (the "Interest Dates"), commencing on October 1, 2015 or such other date or dates as may be determined by an Authorized Board Officer in accordance with the terms hereof and of the Bond Purchase Contract upon the advice of the Financial Advisor. The Series 2015B Bonds shall be substantially in the form set forth in Section 2.11 of the Master Resolution with such changes as shall be necessary or desirable to reflect the final terms and provisions of the Series 2015B Bonds.

In the event that the Series 2015B Bonds are not issued in calendar year 2015, the Series designation may be changed upon the approval of an Authorized Board Officer to "Series 2016 Bonds." In such event, all references herein to the Series 2015B Bonds shall be deemed to be references to Series 2016 Bonds.

The principal of, or Redemption Price, if applicable, on the Series 2015B Bonds are payable upon presentation and surrender of the Series 2015B Bonds at the office of the Paying Agent and Registrar for the Series 2015B Bonds. Interest payable on any Series 2015B Bond on any Interest Date will be paid by check or draft of the Paying Agent to the Holder in whose name such Bond shall be registered at the close of business on the date which shall be the fifteenth day (whether or not a business day) of the calendar month next preceding such Interest Date, or at the prior written request and expense of such Holder, by bank wire transfer for the account of such Holder. All payments of principal of or Redemption Price, if applicable, and interest on the Series 2015B Bonds shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

The Series 2015B Bonds shall bear interest at such rates, shall mature on October 1 of each of the years and in the principal amounts corresponding to such years, and shall have such redemption provisions as determined by an Authorized Board Officer and set forth in the Bond Purchase Contract, subject to the conditions set forth in Section 6 hereof. All of the terms of the Series 2015B Bonds will be included in a Bond Purchase Contract, which shall be in substantially the form attached hereto and made a part hereof as Exhibit A (the "Bond Purchase Contract"). Each Authorized Board Officer is hereby authorized to execute the Bond Purchase Contract in substantially the form attached hereto as Exhibit A with such modifications as he deems appropriate upon satisfaction of the conditions described in Section 6 hereof.

**SECTION 6. CONDITIONS TO ACCEPTANCE OF BOND PURCHASE CONTRACT.** No Authorized Board Officer shall execute and deliver the Bond Purchase Contract until such time as all of the following conditions have been satisfied:

(A) Receipt by one or more Authorized Board Officers of a final, written offer to purchase the Series 2015B Bonds by the Underwriter substantially in the form of the Bond Purchase Contract attached hereto as Exhibit A, said offer to provide for, among

other things, (i) not exceeding \$80,000,000 initial aggregate principal amount of Series 2015B Bonds, (ii) an underwriting discount (including management fee and all expenses) not in excess of 0.50% of the par amount of the Series 2015B Bonds, (iii) a present value savings of not less than 3.0% of the par amount of the Refunded Bonds, (iv) the maturities of the Series 2015B Bonds, with the final maturity being not later than October 1, 2026, (v) whether the Series 2015B Bonds are being sold with or without a Bond Insurance Policy and whether such insurance applies to all or a portion of the Series 2015B Bonds, and (vi) whether the Series 2015B Reserve Account Subaccount is being funded with the proceeds of the Series 2015B Bonds or with a Reserve Account Insurance Policy or at all. The determination of whether the Series 2015B Bonds are sold with or without a Bond Insurance Policy and the Series 2015B Reserve Account Subaccount is funded with proceeds of the Series 2015B Bonds or with a Reserve Account Insurance Policy or at all shall be made based upon the advice of the Financial Advisor, which advice shall be based upon a determination of whether or not the payment of the premiums for such financial guaranty product(s) and the funding of the Reserve Account is cost effective to the Board and the District given then current market conditions for obligations such as the Series 2015B Bonds.

(B) With respect to any redemption terms for the Series 2015B Bonds, the first call date may be no later than October 1, 2025 and no call premium may exceed 1% of the par amount of that portion of the Series 2015B Bonds to be redeemed; provided, however, that the Board may issue noncallable Series 2015B Bonds in the event the Financial Advisor advises the Board that it is in its best interest to issue noncallable Series 2015B Bonds. Term Bonds may be established with such Amortization Installments as an Authorized Board Officer deems appropriate and as set forth in the Bond Purchase Contract.

(C) Receipt by an Authorized Board Officer of a disclosure statement and a truth-in-bonding statement of the Underwriter complying with Section 218.385, Florida Statutes.

Upon satisfaction of all of the requirements set forth in this Section 6, each Authorized Board Officer is authorized to execute and deliver the Bond Purchase Contract containing terms complying with the provisions of this Section 6 and the Series 2015B Bonds shall be sold to the Underwriter pursuant to the provisions of such Bond Purchase Contract, such execution and delivery to constitute conclusive evidence of the satisfaction of the requirements set forth in this Section 6.

**SECTION 7. FULL BOOK-ENTRY.** Notwithstanding the provisions set forth in Section 2.09 of the Master Resolution, the Series 2015B Bonds shall be initially issued in the form of a separate single certificated fully registered Series 2015B Bond for each of the maturities of the Series 2015B Bonds. Upon initial issuance, the ownership of each such Bond shall be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"). As long

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as the Series 2015B Bonds are registered in the name of Cede & Co., all of the Outstanding Series 2015B Bonds shall be registered in the registration books kept by the Registrar in the name of Cede & Co., all payments of principal on the Series 2015B Bonds shall be made by the Paying Agent by check or draft or by bank wire transfer to Cede & Co., as Holder of the Series 2015B Bonds, upon presentation of the Series 2015B Bonds to be paid, to the Paying Agent.

With respect to Series 2015B Bonds registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC, the Board, the District, the Registrar and the Paying Agent shall have no responsibility or obligation to any direct or indirect participant in the DTC book-entry program (the "Participants"). Without limiting the immediately preceding sentence, the Board, the District, the Registrar and the Paying Agent shall have no responsibility or obligation with respect to (A) the accuracy of the records of DTC, Cede & Co. or any Participant with respect to any ownership interest on the Series 2015B Bonds, (B) the delivery to any Participant or any other Person other than a Bondholder, as shown in the registration books kept by the Registrar, of any notice with respect to the Series 2015B Bonds, including any notice of redemption, or (C) the payment to any Participant or any other Person, other than a Bondholder, as shown in the registration books kept by the Registrar, of any amount with respect to principal of, Redemption Price, if any, or interest on the Series 2015B Bonds. The Board, the District, the Registrar and the Paying Agent may treat and consider the Person in whose name each Series 2015B Bond is registered in the registration books kept by the Registrar as the Holder and absolute owner of such Series 2015B Bond for the purpose of payment of principal, Redemption Price, if any, and interest with respect to such Series 2015B Bond, for the purpose of giving notices of redemption and other matters with respect to such Series 2015B Bond, for the purpose of registering transfers with respect to such Series 2015B Bond, and for all other purposes whatsoever. The Paying Agent shall pay all principal of, Redemption Price, if any, and interest on the Series 2015B Bonds only to or upon the order of the respective Holders, as shown in the registration books kept by the Registrar, or their respective attorneys duly authorized in writing, as provided herein and all such payments shall be valid and effective to fully satisfy and discharge the District's obligations with respect to payment of principal of, Redemption Price, if any, and interest on the Series 2015B Bonds to the extent of the sum or sums so paid. No Person other than a Holder, as shown in the registration books kept by the Registrar, shall receive a certificated Bond evidencing the obligation of the District to make payments of principal, Redemption Price, if any, and interest pursuant to the provisions of the Resolution. Upon delivery by DTC to the District of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions in the Resolution with respect to transfers during the 15 days next preceding an Interest Date or first mailing of notice of redemption, the words "Cede & Co." in this Supplemental Resolution shall refer to such new nominee of DTC; and upon receipt of such notice, the District shall promptly deliver a copy of the same to the Registrar and the Paying Agent.

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Upon (A) receipt by the District of written notice from DTC (i) to the effect that a continuation of the requirement that all of the outstanding Series 2015B Bonds be registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC, is not in the best interest of the beneficial owners of the Series 2015B Bonds or (ii) to the effect that DTC is unable or unwilling to discharge its responsibilities and no substitute depository willing to undertake the functions of DTC hereunder can be found which is willing and able to undertake such functions upon reasonable and customary terms, or (B) determination by the District that such book-entry only system is burdensome or undesirable to the District, the Series 2015B Bonds shall no longer be restricted to being registered in the registration books kept by the Registrar in the name of Cede & Co., as nominee of DTC, but may be registered in whatever name or names Holders shall designate, in accordance with the provisions of the Resolution. In such event, the District shall issue and the Registrar shall authenticate, transfer and exchange the Series 2015B Bonds of like principal amount and maturity, in denominations of \$5,000 or any integral multiple thereof to the Holders thereof. The foregoing notwithstanding, until such time as participation in the book-entry only system is discontinued, the provisions set forth in the Blanket Issuer Letter of Representations previously executed by the District and delivered to DTC shall apply to the payment of principal of, premium, if any, and interest on the Series 2015B Bonds.

**SECTION 8. SECURITY FOR SERIES 2015B BONDS.** Neither the Series 2015B Bonds nor the interest thereon shall be or constitute a general indebtedness of the Board or the District within the meaning of any constitutional or statutory provision or limitation, but shall be payable solely from and secured by a lien upon and a pledge of the Pledged Funds in the manner provided herein and in the Master Resolution.

The Holder of any Series 2015B Bond shall never have the right to require or compel the exercise of the ad valorem taxing power of the Board or the District or taxation in any form of any property therein for payment thereof, or be entitled to payment of such principal and interest from any other funds of the Board or the District, except from the Pledged Funds in the manner provided in the Master Resolution, as supplemented by this Supplemental Resolution (collectively, the "Resolution"). Until payment has been provided for as permitted in the Resolution, the payment of the principal of and interest on the Series 2015B Bonds shall be secured forthwith equally and ratably with the Outstanding Series 2005 Bonds, the Outstanding Series 2006 Bonds and the Series 2007 Bonds and any Additional Bonds issued under the Master Resolution by an irrevocable lien on the Pledged Funds in the manner and to the extent set forth herein and in the Master Resolution.

**SECTION 9. APPLICATION OF SERIES 2015B BOND PROCEEDS.** The proceeds derived from the sale of the Series 2015B Bonds shall be applied by the Board as follows:

(A) If required, an amount of the Series 2015B Bonds proceeds equal to the Reserve Requirement for the Series 2015B Bonds shall be deposited in the Series 2015B Reserve Account Subaccount established pursuant to Section 13(A) hereof.

(B) A sufficient amount of the Series 2015B Bond proceeds shall be applied to the payment of the payment of costs and expenses relating to the issuance of the Series 2015B Bonds including, without limitation, the premium for any Bond Insurance Policy and/or Reserve Account Insurance Policy.

(C) The remainder of the proceeds of the Series 2015B Bonds shall be deposited with the Escrow Agent (defined herein) and applied in accordance with the terms of the Escrow Deposit Agreements (defined herein).

**SECTION 10. PRELIMINARY OFFICIAL STATEMENT.** The Board hereby authorizes the distribution and use of the Preliminary Official Statement in substantially the form attached hereto as Exhibit B in connection with the offering of the Series 2015B Bonds for sale. If between the date hereof and the mailing of the Preliminary Official Statement, it is necessary to make insertions, modifications or changes in the Preliminary Official Statement, each Authorized Board Officer is hereby authorized to approve such insertions, changes and modifications. Each Authorized Board Officer is hereby authorized to deem the Preliminary Official Statement "final" within the meaning of Rule 15c2-12(b)(1) under the Securities Exchange Act of 1934 in the form as mailed. Execution of a certificate by an Authorized Board Officer deeming the Preliminary Official Statement "final" as described above shall be conclusive evidence of the approval of any insertions, changes or modifications.

**SECTION 11. OFFICIAL STATEMENT.** (A) The form, terms and provisions of the Official Statement relating to the Series 2015B Bonds shall be substantially as set forth in the Preliminary Official Statement and shall include all of the specific terms of the Series 2015B Bonds. The Chairman and the Superintendent are hereby authorized and directed to execute and deliver said Official Statement in the name and on behalf of the District, and thereupon to cause such Official Statement to be delivered to the Underwriter with such changes, amendments, modifications, omissions and additions as may be approved by the Chairman and the Superintendent. Said Official Statement, including any such changes, amendments, modifications, omissions and additions as approved by the Chairman and the Superintendent and the information contained therein are hereby authorized to be used in connection with the sale of the Series 2015B Bonds to the public. Execution by the Chairman and the Superintendent of the Official Statement shall be deemed to be conclusive evidence of approval of such changes.

(B) In order to enable the Underwriter to comply with the provisions of SEC Rule 15c2-12 relating to secondary market disclosure, each Authorized Board Officer is hereby authorized and directed to execute and deliver the Disclosure Dissemination Agent Agreement (the "Disclosure Agreement") in the name and on behalf of the District

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**SECTION 13. CREATION OF SERIES 2015B RESERVE ACCOUNT SUBACCOUNT; MUNICIPAL BOND INSURANCE; RESERVE ACCOUNT INSURANCE POLICY.**

(A) There is hereby established within the Reserve Account a separate subaccount entitled "School District of Hillsborough County, Florida Sales Tax Revenue Refunding Bonds, Series 2015B Reserve Account Subaccount" (the "Series 2015B Reserve Account Subaccount"). The District shall hold the Series 2015B Reserve Account Subaccount as a separate trust account solely for the benefit and securing only the payment of debt service on the Series 2015B Bonds in accordance with Section 4.05(A)(4) of the Master Resolution. Notwithstanding the foregoing, in the event that the District, upon the advice of the Financial Advisor, determines in accordance with Section 4.05(A)(4) of the Master Resolution that a funded Series 2015B Reserve Account Subaccount is not required for the Series 2015B Bonds, then no Series 2015B Reserve Account Subaccount shall be established and funded.

(B) Except as otherwise provided in the last sentence of Section 13(A) above, the Series 2015B Bond proceeds which shall be on deposit in the Series 2015B Reserve Account Subaccount upon delivery of the Series 2015B Bonds shall be in an amount equal to the Reserve Account Requirement for the Series 2015B Bonds. For purposes of such calculation, (i) the calculation shall be based solely on the proceeds of and debt service on the Series 2015B Bonds and (ii) the average annual debt service on the Series 2015B Bonds shall be calculated by the Financial Advisor in accordance with prevailing industry standards. As permitted by Section 4.05(A)(4) of the Resolution, in lieu of depositing proceeds of the Series 2015B Bonds in the Series 2015B Reserve Account Subaccount, the District may deposit therein a Reserve Account Insurance Policy equal to the Reserve Account Requirement applicable thereto. Each Authorized Board Officer is hereby authorized to execute a financial guaranty agreement (the "Insurance Agreement") with the issuer of any such Reserve Account Insurance Policy upon the advice of the Financial Advisor, Bond Counsel and Board Attorney. The payment of any obligations of the District under such an agreement shall be limited to the Pledged Funds in the manner and to the extent set forth in the Resolution.

(C) Subject in all respects to the satisfaction of the conditions set forth in Section 6 hereof, if an Authorized Board Officer determines, upon the advice of the Financial Advisor, that any portion of the debt service on the Series 2015B Bonds will be insured by a Bond Insurance Policy, the Board hereby authorizes the payment of the principal of and interest on all or any portion of the Series 2015B Bonds to be insured pursuant to a Bond Insurance Policy (herein referred to as the "Bond Insurance Policy") to be issued by Assured Guaranty Municipal Corp. ("Assured Guaranty"). For purposes of the Resolution, Assured Guaranty shall constitute the "Insurer" of any insured Series 2015B Bonds (herein referred to as the "Insured Series 2015B Bonds"). Each Authorized Board Officer is hereby authorized to execute such documents and instruments necessary

substantially in the form attached hereto as Exhibit C with such changes, amendments, omissions and additions as shall be approved by an Authorized Board Officer, his or her execution and delivery thereof being conclusive evidence of such approval.

**SECTION 12. APPOINTMENT OF PAYING AGENT AND REGISTRAR AND ESCROW AGENT; REGISTRAR AND PAYING AGENT AGREEMENT; ESCROW DEPOSIT AGREEMENT.** (A) Subject in all respects to the award of the Series 2015B Bonds in accordance with this Supplemental Resolution and the Bond Purchase Contract, The Bank of New York Mellon Trust Company, N.A., is hereby designated Registrar and Paying Agent for the Series 2015B Bonds and escrow agent (the "Escrow Agent") under each of the Escrow Deposit Agreements being executed and delivered by the Board in connection with the refunding of the Refunded Bonds (collectively, the "Escrow Deposit Agreement"). A separate Escrow Deposit Agreement shall be executed for each of the Refunded Series 2005 Bonds and the Refunded Series 2006 Bonds.

(B) The Chairman and the Superintendent are hereby authorized to execute and deliver to the Registrar and Paying Agent a Paying Agent Agreement containing such terms as which may be necessary to effect the transactions contemplated by this Section 12 and the Master Resolution with respect to the duties of the Registrar and Paying Agent.

(C) The Board hereby authorizes and directs the Chairman and Superintendent to execute each of the Escrow Deposit Agreements and to deliver the Escrow Deposit Agreements to The Bank of New York Mellon Trust Company, N.A., as Escrow Agent thereunder. All of the provisions of the Escrow Deposit Agreements when executed and delivered by the Board as authorized herein and when duly authorized, executed and delivered by the Escrow Agent, shall be deemed to be a part of this Supplemental Resolution as fully and to the same extent as if incorporated verbatim herein, and the Escrow Deposit Agreements shall be in substantially the form of the Escrow Deposit Agreement attached hereto as Exhibit D and E, respectively, with such changes, amendments, modifications, omissions and additions, including the date of such Escrow Deposit Agreements, as may be approved by the Chairman and the Superintendent. Execution by the Chairman and the Superintendent of the Escrow Deposit Agreement shall be deemed to be conclusive evidence of approval of such changes. Each Authorized Board Officer is also hereby authorized and directed to execute and file all documents necessary to purchase or subscribe to Refunding Securities (as defined in the Master Resolution) on behalf of the Board and the District.

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to cause Assured Guaranty to insure the Insured Series 2015B Bonds. The right to consent to amendments to the Resolution affecting any of the Insured Series 2015B Bonds shall be vested in Assured Guaranty rather than the Holders of the Insured Series 2015B Bonds, so long as Assured Guaranty shall not be in default in the due and punctual performance of its payment obligations under the Bond Insurance Policy or is not subject to bankruptcy proceedings.

(D) If an Authorized Board Officer determines that any portion of the Series 2015B Bonds will be insured by the Bond Insurance Policy, payment for the premium for such insurance is hereby authorized from proceeds of the Insured Series 2015B Bonds and the provisions of this Section 13 and Exhibit F hereto shall apply with respect to the Insured Series 2015B Bonds. If an Authorized Board Officer determines that none of the Series 2015B Bonds are to be insured and the Bond Insurance Policy is not issued in connection with the Series 2015B Bonds, the provisions of this Section 13 and Exhibit F hereto related to the Bond Insurance Policy will be deemed null and void and will be of no force or effect. Subject in all respects to the satisfaction of the conditions set forth in Section 6 hereof, so long as the Bond Insurance Policy issued by Assured Guaranty is in full force and effect and Assured Guaranty has not defaulted in its payment obligations under the Bond Insurance Policy, the Board and the District agree to comply with the provisions contained in Exhibit F hereto with respect to the Insured Series 2015B Bonds, notwithstanding anything in the Resolution to the contrary.

(E) The prior execution by any Authorized Board Officer of the commitments previously issued by Assured Guaranty with respect to the Bond Insurance Policy and Reserve Account Insurance Policy is hereby ratified and approved.

**SECTION 14. GENERAL AUTHORITY.** The members of the Board, the Superintendent and the officers, attorneys and other agents or employees of the Board are hereby authorized to do all acts and things required of them by this Supplemental Resolution, the Master Resolution, the Official Statement, the Disclosure Agreement, the Insurance Agreement or the Bond Purchase Contract, or desirable or consistent with the requirements hereof or the Master Resolution, the Official Statement, the Disclosure Agreement, the Insurance Agreement or the Bond Purchase Contract for the full punctual and complete performance of all the terms, covenants and agreements contained herein or in the Series 2015B Bonds, the Master Resolution, the Official Statement, the Disclosure Agreement, the Insurance Agreement and the Bond Purchase Contract and each member, employee, attorney and officer of the Board and the Superintendent is hereby authorized and directed to execute and deliver any and all papers and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated hereunder. If the Chairman is unavailable or unable at any time to perform any duties or functions hereunder, including but not limited to those described in Section 6 hereof, the Vice-Chairman is hereby authorized to act on his or her behalf.

**EXHIBIT A**

**FORM OF BOND PURCHASE CONTRACT**

**SECTION 15. SEVERABILITY AND INVALID PROVISIONS.** If any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements or provisions and shall in no way affect the validity of any of the other provisions hereof or of the Series 2015B Bonds.

**SECTION 16. RESOLUTION TO CONTINUE IN FORCE.** Except as herein expressly provided, the Resolution and all the terms and provisions thereof are and shall remain in full force and effect.

**SECTION 17. EFFECTIVE DATE.** This Supplemental Resolution shall become effective immediately upon its adoption.

**DULY ADOPTED**, in Regular Session this 23rd day of June, 2015.

**SCHOOL BOARD OF HILLSBOROUGH  
COUNTY, FLORIDA**

(SEAL)

By: 

Chairman

ATTEST:

By: 

Superintendent and Ex-Officio Secretary  
to the Board

**EXHIBIT B**

**FORM OF PRELIMINARY OFFICIAL STATEMENT**

**EXHIBIT C**

**FORM OF DISCLOSURE AGREEMENT**

**EXHIBIT D**

**FORM OF 2005 ESCROW DEPOSIT AGREEMENT**

**EXHIBIT E**

**FORM OF 2006 ESCROW DEPOSIT AGREEMENT**

**EXHIBIT F**

**BOND INSURANCE PROVISIONS**

**BOND INSURANCE POLICY PROVISIONS**

(A) If, on the third business day prior to the related scheduled interest payment date or principal payment date ("Payment Date") there is not on deposit with the District, after making all transfers and deposits required under the Master Resolution and the supplemental resolution pursuant to which the Insured Series 2015B Bonds are authorized (collectively referred to herein as the "Resolution"), moneys sufficient to pay the principal of and interest on the Insured Series 2015B Bonds due on such Payment Date, the District shall give notice to Assured Guaranty and to its designated agent (if any) (the "Insurer's Fiscal Agent") by telephone or telecopy of the amount of such deficiency by 12:00 noon, New York City time, on such business day. If, on the second business day prior to the related Payment Date, there continues to be a deficiency in the amount available to pay the principal of and interest on the Insured Series 2015B Bonds due on such Payment Date, the District shall notify the Registrar and cause the Registrar to make a claim under the Bond Insurance Policy and give notice to Assured Guaranty and the Insurer's Fiscal Agent (if any) by telephone of the amount of such deficiency, and the allocation of such deficiency between the amount required to pay interest on the Insured Series 2015B Bonds and the amount required to pay principal of the Insured Series 2015B Bonds, confirmed in writing to Assured Guaranty and the Insurer's Fiscal Agent by 12:00 noon, New York City time, on such second business day by filling in the form of Notice of Claim and Certificate delivered with the Bond Insurance Policy.

(B) The Paying Agent shall designate any portion of payment of principal on Insured Series 2015B Bonds paid by Assured Guaranty, whether by virtue of mandatory sinking fund redemption, maturity or other advancement of maturity, on its books as a reduction in the principal amount of Insured Series 2015B Bonds registered to the then current Insured Series 2015B Bondholder, whether DTC or its nominee or otherwise, and shall issue a replacement Insured Series 2015B Bond to Assured Guaranty, registered in the name of Assured Guaranty Municipal Corp., in a principal amount equal to the amount of principal so paid (without regard to authorized denominations); provided that the Paying Agent's failure to so designate any payment or issue any replacement Insured Series 2015B Bond shall have no effect on the amount of principal or interest payable by the District on any Insured Series 2015B Bond or the subrogation rights of Assured Guaranty.

(C) The Registrar and the Paying Agent shall keep a complete and accurate record of all funds deposited by Assured Guaranty into the hereinafter defined Policy Payments Account and the allocation of such funds to payment of interest on and principal of any Insured Series 2015B Bond. Assured Guaranty shall have the right to inspect such records at reasonable times upon reasonable notice to the Registrar and the Paying Agent.



(D) Upon payment of a claim under the Bond Insurance Policy, the Paying Agent shall establish a separate special purpose trust account for the benefit of the Insured Series 2015B Bondholders referred to herein as the "Policy Payments Account" and over which the Paying Agent shall have exclusive control and sole right of withdrawal. The Paying Agent shall receive any amount paid under the Bond Insurance Policy in trust on behalf of the Insured Series 2015B Bondholders and shall deposit any such amount in the Policy Payments Account and distribute such amount only for purposes of making the payments for which a claim was made. Such amounts shall be disbursed by the Paying Agent to Insured Series 2015B Bondholders in the same manner as principal and interest payments are to be made with respect to the Insured Series 2015B Bonds under the provisions of the Resolution regarding payment of Insured Series 2015B Bonds. It shall not be necessary for such payments to be made by checks or wire transfers separate from the check or wire transfer used to pay debt service with other funds available to make such payments. Notwithstanding anything to the contrary otherwise set forth herein, in the event amounts paid under the Bond Insurance Policy are applied to claims for payment of principal of or interest on the Insured Series 2015B Bonds, the District agrees to pay Assured Guaranty (i) a sum equal to the total of all amounts paid by Assured Guaranty under the Bond Insurance Policy (the "Insurer Advances"); and (ii) to the extent permitted by law, interest on such Insurer Advances from the date paid by Assured Guaranty until payment thereof in full, payable to Assured Guaranty at the Late Payment Rate per annum (collectively, the "Insurer Reimbursement Amounts"). "Late Payment Rate" means the lesser of (a) the greater of (i) the per annum rate of interest, publicly announced from time to time by JPMorgan Chase Bank at its principal office in The City of New York, as its prime or base lending rate (any change in such rate of interest to be effective on the date such change is announced by JPMorgan Chase Bank) plus 3%, and (ii) the then applicable highest rate of interest on the Insured Series 2015B Bonds and (b) the maximum rate permissible under applicable usury or similar laws limiting interest rates. The Late Payment Rate shall be computed on the basis of the actual number of days elapsed over a year of 360 days. The District hereby covenants and agrees that the Insurer Reimbursement Amounts are payable from the Sales Tax Revenues and the amounts on deposit in certain funds and accounts established under the Resolution to the same extent and on the same basis as the Insured Series 2015B Bonds.

(E) Funds held in the Policy Payments Account shall not be invested by the Registrar and may not be applied to satisfy any costs, expenses or liabilities of the Registrar. Any funds remaining in the Policy Payments Account following an Insured Series 2015B Bond Payment Date shall promptly be remitted to Assured Guaranty.

(F) No modification, amendment or supplement to the Resolution pursuant to the Resolution which requires the consent of any Insured Series 2015B Bondholders or would otherwise impair the interests of Assured Guaranty may become effective except upon obtaining the prior written consent of Assured Guaranty.

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(ii) Notice of any draw upon the Reserve Account within two (2) business days after knowledge thereof other than (1) withdrawals of amounts in excess of the Reserve Account Requirement and (2) withdrawals in connection with a refunding of the Insured Series 2015B Bonds.

(iii) Notice of any default known to the Paying Agent or the District within five business days after knowledge thereof;

(iv) Notice of the advance refunding or redemption of any of the Insured Series 2015B Bonds, including the principal amount, maturities and CUSIP numbers thereof;

(v) Notice of the resignation or removal of the Registrar or Paying Agent and the appointment of, and acceptance of duties by, any successor thereto;

(vi) Notice of the commencement of any proceeding by or against the District commenced under the United States Bankruptcy Code or any other applicable bankruptcy, insolvency, receivership, rehabilitation or similar law (an "Insolvency Proceeding");

(vii) Notice of the making of any claim in connection with any Insolvency Proceeding seeking the avoidance as a preferential transfer of any payment of principal of, or interest on, the Insured Series 2015B Bonds;

(viii) A full original transcript of all proceedings relating to any amendment, supplement, or waiver to the Resolution or any related documents;

(ix) All reports, notices and correspondence to be delivered under the terms of the Resolution or any related documents; and

(x) Such additional information as Assured Guaranty may reasonably require.

(L) Assured Guaranty is considered a third party beneficiary under the Resolution.

(M) The rights granted to Assured Guaranty under the Resolution or any related document to request, consent to or direct any action are rights granted to Assured Guaranty in consideration of its issuance of the Bond Insurance Policy. Any exercise by Assured Guaranty of such rights is merely an exercise of Assured Guaranty's contractual rights and shall not be construed or deemed to be taken for the benefit or on behalf of the Insured Series 2015B Bondholders nor does such action evidence any position of Assured Guaranty, positive or negative, as to whether the Insured Series 2015B Bondholder consent is required in addition to consent of Assured Guaranty.

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(G) Assured Guaranty shall, to the extent it makes any payment of principal of or interest on the Insured Series 2015B Bonds, become subrogated to the rights of the recipients of such payments in accordance with the terms of the Bond Insurance Policy. The obligations to Assured Guaranty shall survive discharge or termination of the Resolution.

(H) The District shall pay or reimburse Assured Guaranty any and all charges, fees, costs and expenses which Assured Guaranty may reasonably pay or incur in connection with (i) the administration, enforcement, defense or preservation of any rights or security in the Resolution; (ii) the pursuit of any remedies under the Resolution or any other related document or otherwise afforded by law or equity, (iii) any amendment, waiver or other action with respect to, or related to, the Resolution or any other related document whether or not executed or completed, or (iv) any litigation or other dispute in connection with the Resolution or any other related document or the transactions contemplated thereby, other than amounts resulting from the failure of Assured Guaranty to honor its obligations under the Bond Insurance Policy. Assured Guaranty reserves the right to charge a reasonable fee as a condition to executing any amendment, waiver or consent proposed in respect of the Resolution or any other related document.

(I) Assured Guaranty shall be entitled to pay principal or interest on the Insured Series 2015B Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the District (as such terms are defined in the Bond Insurance Policy), whether or not Assured Guaranty has received a Notice of Nonpayment (as such terms are defined in the Bond Insurance Policy) or a claim upon the Bond Insurance Policy.

(J) The notice address of Assured Guaranty is: Assured Guaranty Municipal Corp., 31 West 52<sup>nd</sup> Street, New York, New York 10019, Attention: Managing Director -- Public Finance - Surveillance; Re: Policy No. \_\_\_\_\_ Telephone: (212) 826-0100, Telecopier: (212) 339-3556, e-mail: munidiseclosure@assuredguaranty.com. In each case in which notice or other communication refers to an Event of Default, then a copy of such notice or other communication shall also be sent to the attention of General Counsel at the same address or at the following Facsimile Number (212) 445-8705 and shall be marked to indicate "URGENT MATERIAL ENCLOSED."

(K) Assured Guaranty shall be provided with the following information at no charge:

(i) Annual audited financial statements within 30 days after the completion of the District's annual audit (and in any event within 270 days of the end of the District's Fiscal Year) and the District's annual budget and revised budget within 30 days after the approval thereof together with such other information, data or reports as Assured Guaranty shall reasonably request from time to time;

(N) Amounts paid by Assured Guaranty under the Bond Insurance Policy shall not be deemed paid for purposes of the Resolution and shall remain outstanding and continue to be due and owing until paid by the District in accordance with the Resolution. The Resolution shall not be discharged unless all amounts due or to become due to Assured Guaranty have been paid in full or duly provided for.

(O) Assured Guaranty shall be deemed to be the sole holder of the Insured Series 2015B Bonds insured by it for the purpose of exercising any voting right or privilege or giving any consent or direction or taking of any other action that the holders of the Insured Series 2015B Bonds insured by it are entitled to take pursuant to the Resolution subject to the provisions thereof and the provisions of the Resolution pertaining to (i) defaults and remedies and (ii) the duties and obligations of the Registrar or trustee, if any. In furtherance thereof and as a term of the Resolution and the Insured Series 2015B Bonds, the Paying Agent and each Holder of the Insured Series 2015B Bonds appoint Assured Guaranty as their agent and attorney-in-fact with respect to the Insured Series 2015B Bonds and agree that Assured Guaranty may at any time during the continuation of any proceeding by or against the District under the United States Bankruptcy Code or any other applicable Insolvency Proceeding direct all matters relating to such Insolvency Proceeding, including without limitation, (A) all matters relating to any claim or enforcement proceeding in connection with an Insolvency Proceeding (a "Claim"), (B) the direction of any appeal of any order relating to any Claim, (C) the posting of any surety, supersedeas or performance bond pending any such appeal, and (D) the right to vote to accept or reject any plan of adjustment. In addition, the Registrar and each Holder of the Insured Series 2015B Bonds delegate and assign to Assured Guaranty, to the fullest extent permitted by law, the rights of the Registrar and each Holder of the Insured Series 2015B Bonds with respect to the Insured Series 2015B Bonds in the conduct of any Insolvency Proceeding, including, without limitation, all rights of any party to an adversary proceeding or action with respect to any court order issued in connection with any such Insolvency Proceeding.

(P) No contract shall be entered into by the District nor any action taken by the District by which the rights of Assured Guaranty or security for or sources of payment of the Insured Series 2015B Bonds may be impaired or prejudiced in any material respect except upon obtaining the prior written consent of Assured Guaranty.

(Q) Notwithstanding the provisions of the Resolution, to accomplish the defeasance of the Insured Series 2015B Bonds, the District shall cause to be delivered (i) a report of an independent firm of nationally recognized certified public accountants or such other accountant as shall be acceptable to Assured Guaranty ("Accountant") verifying the sufficiency of the escrow established to pay the Insured Series 2015B Bonds in full on the maturity or redemption date ("Verification"), (ii) an escrow deposit agreement (which shall be acceptable in form and substance to Assured Guaranty), and (iii) an opinion of nationally recognized bond counsel to the effect that the Insured Series

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2015B Bonds are no longer "outstanding" under the Resolution, each Verification and defeasance opinion shall be acceptable in form and substance, and addressed, to the District and Assured Guaranty. Assured Guaranty shall be provided with final drafts of the above-referenced documentation not less than five business days prior to the funding of the escrow. Insured Series 2015B Bonds shall be deemed "outstanding" under the Resolution unless and until they are in fact paid and retired or the above criteria and the other criteria set forth in the Resolution are met.

(R) Notwithstanding satisfaction of other conditions to the issuance of Additional Bonds contained in the Resolution, no such issuance may occur if (i) any Event of Default (or any event which, once all notice or grace periods have passed, would constitute an Event of Default) has occurred and be continuing unless such default shall be cured upon such issuance, and (ii) unless the Reserve Account is fully funded at the Reserve Account Requirement (including the proposed issue) upon the issuance of such Additional Bonds, in either case, unless otherwise permitted by Assured Guaranty.

(S) In determining whether any amendment, consent or other action to be taken, or any failure to act, under the Resolution would adversely affect the security for the Insured Series 2015B Bonds or the rights of the Insured Series 2015B Bondholders, the Registrar and the District shall consider the effect of any such amendment, consent, action or inaction as if there were no Bond Insurance Policy.

(T) Notwithstanding any provisions of the Resolution to the contrary, no interest rate exchange agreement relating to the Insured Series 2015B Bonds shall be entered into by the District without the prior written consent of Assured Guaranty.

(U) Notwithstanding any other provision herein, if Insured Series 2015B Bonds are purchased in lieu of redemption the prior written approval of Assured Guaranty shall be required if any Insured Series 2015B Bond so purchased is not to be cancelled upon purchase.

(V) The District will permit Assured Guaranty to discuss the affairs, finances and accounts of the District or any information Assured Guaranty may reasonably request regarding the security for the Insured Series 2015B Bonds with appropriate officers of the District and will use commercially reasonable efforts to enable Assured Guaranty to have access to the facilities, books and records of the District on any business day upon reasonable prior notice.

(W) The District shall notify Assured Guaranty of any failure of the District to provide notices, certificates and other information under the transaction documents.

(X) To the extent that the District has entered into a continuing disclosure agreement, covenant or undertaking with respect to the Insured Series 2015B Bonds, all

information furnished pursuant to such agreements shall also be provided to Assured Guaranty, simultaneously with the furnishing of such information.

(Y) No grace period for a covenant default shall exceed thirty (30) days or be extended for more than sixty (60) days, without the prior written consent of Assured Guaranty. No grace period shall be permitted for payment defaults.

(Z) The prior written consent of Assured Guaranty shall be a condition precedent to the deposit of any credit instrument provided in lieu of a cash deposit into the Reserve Account. Notwithstanding anything to the contrary set forth in the Resolution, amounts on deposit in the Reserve Account shall be applied solely to the payment of debt service due on the Bonds.

## **APPENDIX D**

### **SPECIMEN MUNICIPAL BOND INSURANCE POLICY**

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## MUNICIPAL BOND INSURANCE POLICY

ISSUER:

BONDS: \$ in aggregate principal amount of

Policy No: -N

Effective Date:

Premium: \$

ASSURED GUARANTY MUNICIPAL CORP. ("AGM"), for consideration received, hereby UNCONDITIONALLY AND IRREVOCABLY agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") (as set forth in the documentation providing for the issuance of and securing the Bonds) for the Bonds, for the benefit of the Owners or, at the election of AGM, directly to each Owner, subject only to the terms of this Policy (which includes each endorsement hereto), that portion of the principal of and interest on the Bonds that shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer.

On the later of the day on which such principal and interest becomes Due for Payment or the Business Day next following the Business Day on which AGM shall have received Notice of Nonpayment, AGM will disburse to or for the benefit of each Owner of a Bond the face amount of principal of and interest on the Bond that is then Due for Payment but is then unpaid by reason of Nonpayment by the Issuer, but only upon receipt by AGM, in a form reasonably satisfactory to it, of (a) evidence of the Owner's right to receive payment of the principal or interest then Due for Payment and (b) evidence, including any appropriate instruments of assignment, that all of the Owner's rights with respect to payment of such principal or interest that is Due for Payment shall thereupon vest in AGM. A Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. (New York time) on such Business Day; otherwise, it will be deemed received on the next Business Day. If any Notice of Nonpayment received by AGM is incomplete, it shall be deemed not to have been received by AGM for purposes of the preceding sentence and AGM shall promptly so advise the Trustee, Paying Agent or Owner, as appropriate, who may submit an amended Notice of Nonpayment. Upon disbursement in respect of a Bond, AGM shall become the owner of the Bond, any appurtenant coupon to the Bond or right to receipt of payment of principal of or interest on the Bond and shall be fully subrogated to the rights of the Owner, including the Owner's right to receive payments under the Bond, to the extent of any payment by AGM hereunder. Payment by AGM to the Trustee or Paying Agent for the benefit of the Owners shall, to the extent thereof, discharge the obligation of AGM under this Policy.

Except to the extent expressly modified by an endorsement hereto, the following terms shall have the meanings specified for all purposes of this Policy. "Business Day" means any day other than (a) a Saturday or Sunday or (b) a day on which banking institutions in the State of New York or the Insurer's Fiscal Agent are authorized or required by law or executive order to remain closed. "Due for Payment" means (a) when referring to the principal of a Bond, payable on the stated maturity date thereof or the date on which the same shall have been duly called for mandatory sinking fund redemption and does not refer to any earlier date on which payment is due by reason of call for redemption (other than by mandatory sinking fund redemption), acceleration or other advancement of maturity unless AGM shall elect, in its sole discretion, to pay such principal due upon such acceleration together with any accrued interest to the date of acceleration and (b) when referring to interest on a Bond, payable on the stated date for payment of interest. "Nonpayment" means, in respect of a Bond, the failure of the Issuer to have provided sufficient funds to the Trustee or, if there is no Trustee, to the Paying Agent for payment in full of all principal and interest that is Due for Payment on such Bond. "Nonpayment" shall also include, in respect of a Bond, any payment of principal or interest that is Due for Payment made to an Owner by or on behalf of the Issuer which has been recovered from such Owner pursuant to the

United States Bankruptcy Code by a trustee in bankruptcy in accordance with a final, nonappealable order of a court having competent jurisdiction. "Notice" means telephonic or telecopied notice, subsequently confirmed in a signed writing, or written notice by registered or certified mail, from an Owner, the Trustee or the Paying Agent to AGM which notice shall specify (a) the person or entity making the claim, (b) the Policy Number, (c) the claimed amount and (d) the date such claimed amount became Due for Payment. "Owner" means, in respect of a Bond, the person or entity who, at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof, except that "Owner" shall not include the Issuer or any person or entity whose direct or indirect obligation constitutes the underlying security for the Bonds.

AGM may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Policy by giving written notice to the Trustee and the Paying Agent specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee and the Paying Agent, (a) copies of all notices required to be delivered to AGM pursuant to this Policy shall be simultaneously delivered to the Insurer's Fiscal Agent and to AGM and shall not be deemed received until received by both and (b) all payments required to be made by AGM under this Policy may be made directly by AGM or by the Insurer's Fiscal Agent on behalf of AGM. The Insurer's Fiscal Agent is the agent of AGM only and the Insurer's Fiscal Agent shall in no event be liable to any Owner for any act of the Insurer's Fiscal Agent or any failure of AGM to deposit or cause to be deposited sufficient funds to make payments due under this Policy.

To the fullest extent permitted by applicable law, AGM agrees not to assert, and hereby waives, only for the benefit of each Owner, all rights (whether by counterclaim, setoff or otherwise) and defenses (including, without limitation, the defense of fraud), whether acquired by subrogation, assignment or otherwise, to the extent that such rights and defenses may be available to AGM to avoid payment of its obligations under this Policy in accordance with the express provisions of this Policy.

This Policy sets forth in full the undertaking of AGM, and shall not be modified, altered or affected by any other agreement or instrument, including any modification or amendment thereto. Except to the extent expressly modified by an endorsement hereto, (a) any premium paid in respect of this Policy is nonrefundable for any reason whatsoever, including payment, or provision being made for payment, of the Bonds prior to maturity and (b) this Policy may not be canceled or revoked. THIS POLICY IS NOT COVERED BY THE PROPERTY/CASUALTY INSURANCE SECURITY FUND SPECIFIED IN ARTICLE 76 OF THE NEW YORK INSURANCE LAW.

In witness whereof, ASSURED GUARANTY MUNICIPAL CORP. has caused this Policy to be executed on its behalf by its Authorized Officer.

ASSURED GUARANTY MUNICIPAL CORP.

By \_\_\_\_\_  
Authorized Officer

A subsidiary of Assured Guaranty Municipal Holdings Inc.  
31 West 52nd Street, New York, N.Y. 10019  
(212) 974-0100

Form 500NY (5/90)

**APPENDIX E**

**FORM OF OPINION OF BOND COUNSEL**

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## **APPENDIX E**

### **FORM OF OPINION OF NABORS, GIBLIN & NICKERSON, P.A., WITH RESPECT TO THE SERIES 2015B BONDS**

**Upon delivery of the Series 2015B Bonds in definitive form, Nabors, Giblin & Nickerson, P.A., Tampa, Florida, Bond Counsel, proposes to render its opinion with respect to such Series 2015B Bonds in substantially the following form:**

**(Date of Delivery)**

School Board of Hillsborough  
County, Florida  
Tampa, Florida

Board Members:

We have examined a record of proceedings relating to the issuance of \$65,195,000 aggregate principal amount of Sales Tax Revenue Refunding Bonds, Series 2015B (the "Series 2015B Bonds") by the School District of Hillsborough County, Florida (the "District").

The Series 2015B Bonds are issued under and pursuant to the (i) Laws of the State of Florida, including, particularly, Chapter 1001, et. seq., Florida Statutes, Chapter 212, Part I, Florida Statutes, (ii) an interlocal agreement dated as of July 17, 1996, among the District, Hillsborough County, Florida and the Cities of Tampa, Temple Terrace and Plant City, Florida (the "Interlocal Agreement"), and (iii) a Sales Tax Revenue Bond Resolution adopted on January 8, 2002 by the School Board of Hillsborough County, Florida (the "Board") as the governing body of the District, as amended and supplemented, and particularly as supplemented by a Supplemental Resolution adopted by the Board on June 23, 2015 (as amended and supplemented, the "Resolution"). Capitalized terms used, but not otherwise defined herein, shall have the respective meanings assigned such terms in the Resolution or the hereinafter defined Purchase Contract.

The Series 2015B Bonds are dated and shall bear interest from their date of issuance, except as otherwise provided in the Resolution. The Series 2015B Bonds will

mature on the dates and in the principal amounts, and will bear interest at the respective rates per annum, as set forth in the Series 2015B Bonds. Interest on the Series 2015B Bonds shall be payable on April 1 and October 1 of each year, commencing on October 1, 2015. The Series 2015B Bonds are subject to redemption prior to maturity in accordance with the terms of the Resolution and as set forth in the Series 2015B Bonds.

The Series 2015B Bonds are issued for the principal purposes of refunding a portion of the District's outstanding School District of Hillsborough County, Florida Sales Tax Revenue Refunding Bonds, Series 2005 (the "Series 2005 Bonds") and Sales Tax Revenue Bonds, Series 2006 (the "Series 2006 Bonds"). Certain proceeds of the Series 2015B Bonds, together with other available funds, shall be deposited into an escrow fund established pursuant to an Escrow Deposit Agreement between the District and The Bank of New York Mellon Trust Company, N.A., as Escrow Agent (the "Escrow Agent"), dated August 20, 2015 (the "Escrow Deposit Agreement"), and applied by the Escrow Agent to pay the principal of, and interest on the (i) Series 2005 Bonds maturing on October 1, 2020 through and including October 1, 2023 (collectively the "Refunded Series 2005 Bonds") on October 1, 2015 and (ii) Series 2006 Bonds maturing on October 1, 2020 through and including October 1, 2026 on October 1, 2015 and on April 1, 2016 (collectively the "Refunded Series 2006 Bonds," and collectively with the Refunded Series 2005 Bonds, the "Refunded Bonds"), as the same become due or are redeemed prior to maturity. The Series 2005 Bonds not constituting Refunded Bonds are herein referred to as the "Outstanding Series 2005 Bonds." The Series 2006 Bonds not constituting Refunded Bonds are herein referred to as the "Outstanding Series 2006 Bonds."

As to questions of fact material to our opinion, we have relied upon the representations of the Board contained in the Resolution and in the certified proceedings relating thereto and to the issuance of the Series 2015B Bonds and other certifications of public officials furnished to us in connection therewith without undertaking to verify the same by independent investigation. Furthermore, we have assumed continuing compliance with the covenants and agreements contained in the Resolution. We have not undertaken an independent audit, examination, investigation or inspection of the matters described or contained in any agreements, documents, certificates, representations and opinions relating to the Series 2015B Bonds, and have relied solely on the facts, estimates and circumstances described and set forth therein. In our examination of the foregoing, we have assumed the genuineness of signatures on all documents and instruments, the

authenticity of documents submitted as originals and the conformity to originals of documents submitted as copies.

Based on the foregoing, under existing law, we are of the opinion that:

1. The District is a duly created and validly existing school district and a governmental authority created by Article IX, Section 4 of the Constitution of the State of Florida and the Board is the duly constituted governing body of the District.

2. The District has the right and power under the Constitution and Laws of the State of Florida to adopt the Resolution, and the Resolution has been duly and lawfully adopted by the Board, is in full force and effect in accordance with its terms and is valid and binding upon the Board and enforceable in accordance with its terms, and no other authorization for the Resolution is required. The Resolution creates the valid pledge which it purports to create of the Pledged Funds (as such term is defined in the Resolution) on a parity with the Outstanding Series 2005 Bonds, the Outstanding Series 2006 Bonds, the District's Outstanding Sales Tax Revenue Refunding Bonds, Series 2007 and the District's Outstanding Sales Tax Revenue Refunding Bond, Series 2015A (provided that the Series 2015A Bond is not secured by amounts on deposit in the Reserve Account and provided, further that the Series 2015B Bonds are only secured by amounts deposited in or available from the Series 2015B Subaccount of the Reserve Account), subject to the provisions of the Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the Resolution.

3. The District is duly authorized and entitled to issue the Series 2015B Bonds, and the Series 2015B Bonds have been duly and validly authorized and issued by the District in accordance with the Constitution and Laws of the State of Florida, the Act and the Resolution. The Series 2015B Bonds constitute valid and binding obligations of the District as provided in the Resolution, are enforceable in accordance with their terms and the terms of the Resolution and are entitled to the benefits of the Resolution and the laws pursuant to which they are issued. The Series 2015B Bonds do not constitute a general indebtedness of the District or the State of Florida or any agency, department or political subdivision thereof, or a pledge of the faith and credit of such entities, but are payable solely from the Pledged Funds in the manner and to the extent provided in the Resolution. No holder of the Series 2015B Bonds shall ever have the right to compel the exercise of any ad valorem taxing power of the District or the State of Florida or any political subdivision, agency or department thereof to pay the Series 2015B Bonds.

4. Under existing statutes, regulations, rulings and court decisions, the interest on the Series 2015B Bonds (a) is excluded from gross income for federal income tax purposes and (b) is not an item of tax preference for purposes of the federal alternative minimum tax imposed on individuals and corporations; however, it should be noted that with respect to certain corporations, such interest is taken into account in determining adjusted current earnings for the purpose of computing the alternative minimum tax. The opinion set forth in clause (a) above is subject to the condition that the Board comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Series 2015B Bonds in order that interest thereon be (or continues to be) excluded from gross income for federal income tax purposes. Failure to comply with certain of such requirements could cause the interest on the Series 2015B Bonds to be so included in gross income retroactive to the date of issuance of the Series 2015B Bonds. The Board has covenanted in the Resolution to comply with all such requirements. Ownership of the Series 2015B Bonds may result in collateral federal tax consequences to certain taxpayers. We express no opinion regarding such federal tax consequences arising with respect to the Series 2015B Bonds.

In rendering the opinions set forth above, we are relying upon (a) the arithmetical accuracy of certain computations included in schedules provided by J.P. Morgan Securities LLC relating to the computations of the funds deposited in the escrow fund established pursuant to the Escrow Deposit Agreement, of the adequacy of such funds to pay the principal of, and interest on the Refunded Bonds as the same become due or are redeemed prior to maturity and (b) the verification of arithmetical accuracy of such computations by Causey Demgen & Moore P.C., a firm of independent certified public accountants.

It should be noted that (1) except as may expressly be set forth in an opinion delivered by us to the underwriters (on which opinion only they may rely) for the Series 2015B Bonds on the date hereof, we have not been engaged or undertaken to review the accuracy, completeness or sufficiency of the Official Statement (as defined in the Supplemental Resolution) or other offering material relating to the Series 2015B Bonds and we express no opinion relating thereto, and (2) we have not been engaged or undertaken to review the compliance with any federal or state law with regard to the sale or distribution of the Series 2015B Bonds and we express no opinion relating thereto.

The opinions expressed in paragraphs 2 and 3 hereof are qualified to the extent that the enforceability of the Resolution and the Series 2015B Bonds may be limited by any applicable bankruptcy, insolvency, moratorium, reorganization or other similar laws

affecting creditors' rights generally, or by the exercise of judicial discretion in accordance with general principles of equity.

The opinions set forth herein are expressly limited to, and we opine only with respect to, the laws of the State of Florida and the United States of America. The only opinions rendered hereby shall be those expressly stated as such herein, and no opinion shall be implied or inferred as a result of anything contained herein or omitted herefrom.

We have examined the form of the Series 2015B Bonds and, in our opinion, the form of the Series 2015B Bonds is regular and proper.

Respectfully submitted,

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## **APPENDIX F**

### **FORM OF DISCLOSURE DISSEMINATION AGENT AGREEMENT**

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**FORM OF DISCLOSURE DISSEMINATION AGENT AGREEMENT**

This Disclosure Dissemination Agent Agreement (the "Disclosure Agreement"), dated as of August 20, 2015, is executed and delivered by The School Board of Hillsborough County, Florida (the "Issuer") and Digital Assurance Certification, L.L.C., as exclusive Disclosure Dissemination Agent (the "Disclosure Dissemination Agent" or "DAC") for the benefit of the Holders (hereinafter defined) of the Series 2015B Bonds (hereinafter defined) and in order to provide certain continuing disclosure with respect to the Series 2015B Bonds in accordance with Rule 15c2-12 of the United States Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time (the "Rule").

The services provided under this Disclosure Agreement solely relate to the execution of instructions received from the Issuer through use of the DAC system and do not constitute "advice" within the meaning of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Act"). DAC will not provide any advice or recommendation to the Issuer or anyone on the Issuer's behalf regarding the "issuance of municipal securities" or any "municipal financial product" as defined in the Act and nothing in this Disclosure Agreement shall be interpreted to the contrary.

SECTION 1. Definitions. Capitalized terms not otherwise defined in this Disclosure Agreement shall have the meaning assigned in the Rule or, to the extent not in conflict with the Rule, in the Official Statement (hereinafter defined). The capitalized terms shall have the following meanings:

"Annual Report" means an Annual Report described in and consistent with Section 3 of this Disclosure Agreement.

"Annual Filing Date" means the date, set in Sections 2(a) and 2(f), by which the Annual Report is to be filed with the MSRB.

"Annual Financial Information" means annual financial information as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(a) of this Disclosure Agreement.

"Audited Financial Statements" means the financial statements (if any) of the Issuer for the prior fiscal year, certified by an independent auditor as prepared in accordance with generally accepted accounting principles or otherwise, as such term is used in paragraph (b)(5)(i) of the Rule and specified in Section 3(b) of this Disclosure Agreement.

"Certification" means a written certification of compliance signed by the Disclosure Representative stating that the Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure delivered to the Disclosure Dissemination Agent is the Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event

Disclosure or Voluntary Financial Disclosure required to be submitted to the MSRB under this Disclosure Agreement. A Certification shall accompany each such document submitted to the Disclosure Dissemination Agent by the Issuer and include the full name of the Series 2015B Bonds and the 9-digit CUSIP numbers for all Series 2015B Bonds to which the document applies.

"Disclosure Representative" means the Superintendent or the Chief Finance Officer of the Issuer or his or her designee, or such other person as the Issuer shall designate in writing to the Disclosure Dissemination Agent from time to time as the person responsible for providing Information to the Disclosure Dissemination Agent.

"Disclosure Dissemination Agent" means Digital Assurance Certification, L.L.C, acting in its capacity as Disclosure Dissemination Agent hereunder, or any successor Disclosure Dissemination Agent designated in writing by the Issuer pursuant to Section 9 hereof.

"Failure to File Event" means the Issuer's failure to file an Annual Report on or before the Annual Filing Date.

"Force Majeure Event" means: (i) acts of God, war, or terrorist action; (ii) failure or shutdown of the Electronic Municipal Market Access system maintained by the MSRB; or (iii) to the extent beyond the Disclosure Dissemination Agent's reasonable control, interruptions in telecommunications or utilities services, failure, malfunction or error of any telecommunications, computer or other electrical, mechanical or technological application, service or system, computer virus, interruptions in Internet service or telephone service (including due to a virus, electrical delivery problem or similar occurrence) that affect Internet users generally, or in the local area in which the Disclosure Dissemination Agent or the MSRB is located, or acts of any government, regulatory or any other competent authority the effect of which is to prohibit the Disclosure Dissemination Agent from performance of its obligations under this Disclosure Agreement.

"Holder" means any person (a) having the power, directly or indirectly, to vote or consent with respect to, or to dispose of ownership of, any Series 2015B Bonds (including persons holding Series 2015B Bonds through nominees, depositories or other intermediaries) or (b) treated as the owner of any Series 2015B Bonds for federal income tax purposes.

"Information" means, collectively, the Annual Reports, the Audited Financial Statements (if any), the Notice Event notices, the Failure to File Event notices, the Voluntary Event Disclosures and the Voluntary Financial Disclosures.

"MSRB" means the Municipal Securities Rulemaking Board established pursuant to Section 15B(b)(1) of the Securities Exchange Act of 1934.

"Notice Event" means any of the events enumerated in paragraph (b)(5)(i)(C) of the Rule and listed in Section 4(a) of this Disclosure Agreement.

"Obligated Person" means any person, including the Issuer, who is either generally or through an enterprise, fund, or account of such person committed by contract or other arrangement to support payment of all, or part of the obligations on the Series 2015B Bonds (other than providers of municipal bond insurance, letters of credit, or other liquidity facilities), as shown on Exhibit A.

"Official Statement" means that Official Statement prepared by the Issuer in connection with the Series 2015B Bonds, as listed on Exhibit A.

"Paying Agent" means the Bank of New York Trust Mellon Company, N.A.

"Resolution" adopted by the Issuer on June 23, 2015 authorizing the issuance of the Series 2015B Bonds.

"Series 2015B Bonds" means the bonds as listed on the attached Exhibit A, with the 9-digit CUSIP numbers relating thereto.

"Voluntary Event Disclosure" means information of the category specified in any of subsections (e)(vi)(1) through (e)(vi)(11) of Section 2 of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by Section 7(a) of this Disclosure Agreement.

"Voluntary Financial Disclosure" means information of the category specified in any of subsections (e)(vii)(1) through (e)(vii)(9) of Section 2 of this Disclosure Agreement that is accompanied by a Certification of the Disclosure Representative containing the information prescribed by Section 7(b) of this Disclosure Agreement.

**SECTION 2. Provision of Annual Reports.** (a) The Issuer shall provide, annually, an electronic copy of the Annual Report and Certification to the Disclosure Dissemination Agent not later than the Annual Filing Date. Promptly upon receipt of an electronic copy of the Annual Report and the Certification, the Disclosure Dissemination Agent shall provide an Annual Report to the MSRB not later than March 31 after the end of each fiscal year of the Issuer, commencing with the fiscal year ending June 30, 2015. Such date and each anniversary thereof is the Annual Filing Date. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as provided in Section 3 of this Disclosure Agreement.

(b) If on the fifteenth (15th) day prior to the Annual Filing Date, the Disclosure Dissemination Agent has not received a copy of the Annual Report and Certification, the Disclosure Dissemination Agent shall contact the Disclosure Representative by telephone and in writing (which may be by e-mail) to remind the Issuer of its undertaking to provide the Annual Report pursuant to Section 2(a). Upon such reminder, the Disclosure Representative shall either (i) provide the Disclosure Dissemination Agent with an electronic copy of the Annual Report and the Certification no later than two (2) business days prior to the Annual Filing Date, or (ii) instruct the Disclosure Dissemination Agent in writing that the Issuer will not be able to file the Annual Report within the time required under this Disclosure Agreement, state the date by which the Annual Report for such year will be

provided and instruct the Disclosure Dissemination Agent that a Failure to File Event has occurred and to immediately send a notice to the MSRB in substantially the form attached as Exhibit B, accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

(c) If the Disclosure Dissemination Agent has not received an Annual Report and Certification by 6:00 p.m. Eastern time on the Annual Filing Date (or, if such Annual Filing Date falls on a Saturday, Sunday or holiday, then the first business day thereafter) for the Annual Report, a Failure to File Event shall have occurred and the Issuer irrevocably directs the Disclosure Dissemination Agent to immediately send a notice to the MSRB in substantially the form attached as Exhibit B without reference to the anticipated filing date for the Annual Report, accompanied by a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

(d) If Audited Financial Statements of the Issuer are prepared but not available prior to the Annual Filing Date, the Issuer shall, when the Audited Financial Statements are available, provide in a timely manner an electronic copy to the Disclosure Dissemination Agent, accompanied by a Certification for filing by the Disclosure Dissemination Agent with the MSRB.

(e) The Disclosure Dissemination Agent shall:

(i) verify the filing specifications of the MSRB each year prior to the Annual Filing Date;

(ii) upon receipt, promptly file each Annual Report received under Sections 2(a) and 2(b) with the MSRB;

(iii) upon receipt, promptly file each Audited Financial Statement received under Section 2(d) with the MSRB;

(iv) upon receipt, promptly file the text of each Notice Event received under Sections 4(a) and 4(b)(ii) with the MSRB, identifying the Notice Event as instructed by the Issuer pursuant to Section 4(a) or 4(b)(ii) (being any of the categories set forth below) when filing pursuant to Section 4(c) of this Disclosure Agreement:

1. "Principal and interest payment delinquencies;"
2. "Non-Payment related defaults, if material;"
3. "Unscheduled draws on debt service reserves reflecting financial difficulties;"
4. "Unscheduled draws on credit enhancements reflecting financial difficulties;"

5. "Substitution of credit or liquidity providers, or their failure to perform;"
6. "Adverse tax opinions, IRS notices or events affecting the tax status of the security;"
7. "Modifications to rights of securities holders, if material;"
8. "Bond calls, if material;"
9. "Defeasances;"
10. "Release, substitution, or sale of property securing repayment of the securities, if material;"
11. "Rating changes;"
12. "Tender offers;"
13. "Bankruptcy, insolvency, receivership or similar event of the obligated person;"
14. "Merger, consolidation, or acquisition of the obligated person, if material;" and
15. "Appointment of a successor or additional Paying Agent, or the change of name of a Paying Agent, if material;"

(v) upon receipt (or irrevocable direction pursuant to Section 2(c) of this Disclosure Agreement, as applicable), promptly file a completed copy of Exhibit B to this Disclosure Agreement with the MSRB, identifying the filing as "Failure to provide annual financial information as required" when filing pursuant to Section 2(b)(ii) or Section 2(c) of this Disclosure Agreement;

(iv) upon receipt, promptly file the text of each Voluntary Event Disclosure received under Section 7(a) with the MSRB, identifying the Voluntary Event Disclosure as instructed by the Issuer pursuant to Section 7(a) (being any of the categories set forth below) when filing pursuant to Section 7(a) of this Disclosure Agreement:

1. "amendment to continuing disclosure undertaking;"
2. "change in obligated person;"
3. "notice to investors pursuant to bond documents;"
4. "certain communications from the Internal Revenue Service;"

5. "secondary market purchases;"
6. "bid for auction rate or other securities;"
7. "capital or other financing plan;"
8. "litigation/enforcement action;"
9. "change of tender agent, remarketing agent, or other on-going party;"
10. "derivative or other similar transaction;" and
11. "other event-based disclosures."

(vii) upon receipt, promptly file the text of each Voluntary Financial Disclosure received under Section 7(b) with the MSRB, identifying the Voluntary Financial Disclosure as instructed by the Issuer pursuant to Section 7(b) (being any of the categories set forth below) when filing pursuant to Section 7(b) of this Disclosure Agreement:

1. "quarterly/monthly financial information;"
2. "change in fiscal year/timing of annual disclosure;"
3. "change in accounting standard;"
4. "interim/additional financial information/operating data;"
5. "budget;"
6. "investment/debt/financial policy;"
7. "information provided to rating agency, credit/liquidity provider or other third party;"
8. "consultant reports;" and
9. "other financial/operating data."

(viii) provide the Issuer evidence of the filings of each of the above when made, which shall be by means of the DAC system, for so long as DAC is the Disclosure Dissemination Agent under this Disclosure Agreement.

(f) The Issuer may adjust the Annual Filing Date upon change of its fiscal year by providing written notice of such change and the new Annual Filing Date to the Disclosure Dissemination Agent, the Paying Agent and the MSRB, provided that the period

between the existing Annual Filing Date and new Annual Filing Date shall not exceed one year.

(g) Any Information received by the Disclosure Dissemination Agent before 6:00 p.m. Eastern time on any business day that it is required to file with the MSRB pursuant to the terms of this Disclosure Agreement and that is accompanied by a Certification and all other information required by the terms of this Disclosure Agreement will be filed by the Disclosure Dissemination Agent with the MSRB no later than 11:59 p.m. Eastern time on the same business day; provided, however, the Disclosure Dissemination Agent shall have no liability for any delay in filing with the MSRB if such delay is caused by a Force Majeure Event provided that the Disclosure Dissemination Agent uses reasonable efforts to make any such filing as soon as possible.

### SECTION 3. Content of Annual Reports.

(a) Each Annual Report shall contain Annual Financial Information with respect to the Issuer, including the financial information and operating data of the type included with respect to the Issuer in the Offering Statement, including but not limited to:

1. Updates to the information contained in the tables entitled: "Historical Community Investment Tax Distributions (Sales Tax Revenues) to School Board of Hillsborough County, Florida"; "Summary of Statistical Data"; "Summary of Revenues and Expenses – General Fund"; "Summary of Revenues and Expenses – Capital Projects Fund"; and "Debt Statement";

2. A description of any additional series of Bonds issued under the Resolution; and

3. A description of any material litigation which would have been disclosed in the Official Statement if such litigation had occurred and been ongoing at the time the Official Statement was dated.

(b) Audited Financial Statements prepared in accordance with generally accepted accounting principles ("GAAP"), as modified by applicable State of Florida requirements and the governmental accounting standards promulgated by the Governmental Accounting Standards Board will be included in the Annual Report. If audited financial statements are not available, then, unaudited financial statements, prepared in accordance with GAAP, as modified by applicable State of Florida requirements and the governmental accounting standards promulgated by the Governmental Accounting Standards Board will be included in the Annual Report. Audited Financial Statements (if any) will be provided pursuant to Section 2(d).

Any or all of the items listed above may be included by specific reference from other documents, including official statements of debt issues with respect to which the Issuer is an "obligated person" (as defined by the Rule), which have been previously filed with the Securities and Exchange Commission or available on the MSRB website. If the document

incorporated by reference is a final official statement, it must be available from the MSRB. The Issuer will clearly identify each such document so incorporated by reference.

Any Annual Financial Information containing modified operating data or financial information is required to explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

SECTION 4. Reporting of Notice Events. (a) The occurrence of any of the following events with respect to the Series 2015B Bonds constitutes a Notice Event:

1. Principal and interest payment delinquencies;
2. Non-payment related defaults, if material;
3. Unscheduled draws on debt service reserves reflecting financial difficulties;
4. Unscheduled draws on credit enhancements reflecting financial difficulties;
5. Substitution of credit or liquidity providers, or their failure to perform;
6. Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Series 2015B Bonds, or other material events affecting the tax status of the Series 2015B Bonds;
7. Modifications to rights of Bond holders, if material;
8. Bond calls, if material, and tender offers;
9. Defeasances;
10. Release, substitution, or sale of property securing repayment of the Series 2015B Bonds, if material;
11. Rating changes;
12. Bankruptcy, insolvency, receivership or similar event of the Obligated Person;

**Note to subsection (a)(12) of this Section 4:** For the purposes of the event described in subsection (a)(12) of this Section 4, the event is considered to occur when any of the following occur: the appointment



of a receiver, fiscal agent or similar officer for an Obligated Person in a proceeding under the U.S. Bankruptcy Code or in any other proceeding under state or federal law in which a court or governmental authority has assumed jurisdiction over substantially all of the assets or business of the Obligated Person, or if such jurisdiction has been assumed by leaving the existing governing body and officials or officers in possession but subject to the supervision and orders of a court or governmental authority, or the entry of an order confirming a plan of reorganization, arrangement or liquidation by a court or governmental authority having supervision or jurisdiction over substantially all of the assets or business of the Obligated Person.

13. The consummation of a merger, consolidation, or acquisition involving an Obligated Person or the sale of all or substantially all of the assets of the Obligated Person, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; and
14. Appointment of a successor or additional Paying Agent or the change of name of a Paying Agent, if material.

The Issuer shall, in a timely manner not in excess of ten (10) business days after its occurrence, notify the Disclosure Dissemination Agent in writing of the occurrence of a Notice Event. Such notice shall instruct the Disclosure Dissemination Agent to report the occurrence pursuant to subsection (c) and shall be accompanied by a Certification. Such notice or Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(b) The Disclosure Dissemination Agent is under no obligation to notify the Issuer or the Disclosure Representative of an event that may constitute a Notice Event. In the event the Disclosure Dissemination Agent so notifies the Disclosure Representative, the Disclosure Representative will within two business days of receipt of such notice (but in any event not later than the tenth (10th) business day after the occurrence of the Notice Event, if the Issuer determines that a Notice Event has occurred), instruct the Disclosure Dissemination Agent that (i) a Notice Event has not occurred and no filing is to be made or (ii) a Notice Event has occurred and the Disclosure Dissemination Agent is to report the occurrence pursuant to subsection (c) of this Section 4, together with a Certification. Such Certification shall identify the Notice Event that has occurred (which shall be any of the categories set forth in Section 2(e)(iv) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for

the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information (provided that such date is not later than the tenth business day after the occurrence of the Notice Event).

(c) If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in subsection (a) or (b)(ii) of this Section 4 to report the occurrence of a Notice Event, the Disclosure Dissemination Agent shall promptly file a notice of such occurrence with MSRB in accordance with Section 2 (e)(iv) hereof. This notice will be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-1.

SECTION 5. CUSIP Numbers. Whenever providing information to the Disclosure Dissemination Agent, including but not limited to Annual Reports, documents incorporated by reference to the Annual Reports, Audited Financial Statements, Notice Event notices, Failure to File Event notices, Voluntary Event Disclosures and Voluntary Financial Disclosures, the Issuer shall indicate the full name of the Series 2015B Bonds and the 9-digit CUSIP numbers for the Series 2015B Bonds as to which the provided information relates.

SECTION 6. Additional Disclosure Obligations. The Issuer acknowledges and understands that other state and federal laws, including but not limited to the Securities Act of 1933 and Rule 10b-5 promulgated under the Securities Exchange Act of 1934, may apply to the Issuer, and that the duties and responsibilities of the Disclosure Dissemination Agent under this Disclosure Agreement do not extend to providing legal advice regarding such laws. The Issuer acknowledges and understands that the duties of the Disclosure Dissemination Agent relate exclusively to execution of the mechanical tasks of disseminating information as described in this Disclosure Agreement.

SECTION 7. Voluntary Filing. (a) The Issuer may instruct the Disclosure Dissemination Agent to file a Voluntary Event Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Event Disclosure (which shall be any of the categories set forth in Section 2(e)(vi) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in this Section 7(a) to file a Voluntary Event Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Event Disclosure with the MSRB in accordance with Section 2(e)(vi) hereof. This notice will be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-2.

(b) The Issuer may instruct the Disclosure Dissemination Agent to file a Voluntary Financial Disclosure with the MSRB from time to time pursuant to a Certification of the Disclosure Representative. Such Certification shall identify the Voluntary Financial Disclosure (which shall be any of the categories set forth in Section 2(e)(vii) of this Disclosure Agreement), include the text of the disclosure that the Issuer desires to make, contain the written authorization of the Issuer for the Disclosure Dissemination Agent to

disseminate such information, and identify the date the Issuer desires for the Disclosure Dissemination Agent to disseminate the information. If the Disclosure Dissemination Agent has been instructed by the Issuer as prescribed in this Section 7(b) to file a Voluntary Financial Disclosure, the Disclosure Dissemination Agent shall promptly file such Voluntary Financial Disclosure with the MSRB in accordance with Section 2(e)(vii) hereof. This notice will be filed with a cover sheet completed by the Disclosure Dissemination Agent in the form set forth in Exhibit C-3.

(c) The parties hereto acknowledge that the Issuer is not obligated pursuant to the terms of this Disclosure Agreement to file any Voluntary Event Disclosure pursuant to Section 7(a) hereof or any Voluntary Financial Disclosure pursuant to Section 7(b) hereof.

(d) Nothing in this Disclosure Agreement shall be deemed to prevent the Issuer from disseminating any other information through the Disclosure Dissemination Agent using the means of dissemination set forth in this Disclosure Agreement or including any other information in any Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure, in addition to that required by this Disclosure Agreement. If the Issuer chooses to include any information in any Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure in addition to that which is specifically required by this Disclosure Agreement, the Issuer shall have no obligation under this Disclosure Agreement to update such information or include it in any future Annual Report, Audited Financial Statements, Notice Event notice, Failure to File Event notice, Voluntary Event Disclosure or Voluntary Financial Disclosure.

SECTION 8. Termination of Reporting Obligation. The obligations of the Issuer and the Disclosure Dissemination Agent under this Disclosure Agreement shall terminate with respect to the Series 2015B Bonds upon the legal defeasance, prior redemption or payment in full of all of the Series 2015B Bonds, when the Issuer is no longer an obligated person with respect to the Series 2015B Bonds, or upon delivery by the Disclosure Representative to the Disclosure Dissemination Agent of an opinion of counsel expert in federal securities laws to the effect that continuing disclosure is no longer required.

SECTION 9. Disclosure Dissemination Agent. The Issuer has appointed Digital Assurance Certification, L.L.C. as exclusive Disclosure Dissemination Agent under this Disclosure Agreement. The Issuer may, upon thirty (30) days written notice to the Disclosure Dissemination Agent and the Paying Agent, replace or appoint a successor Disclosure Dissemination Agent. Upon termination of DAC's services as Disclosure Dissemination Agent, whether by notice of the Issuer or DAC, the Issuer agrees to appoint a successor Disclosure Dissemination Agent or, alternately, agrees to assume all responsibilities of Disclosure Dissemination Agent under this Disclosure Agreement for the benefit of the Holders of the Series 2015B Bonds. Notwithstanding any replacement or appointment of a successor, the Issuer shall remain liable until payment in full for any and all sums owed and payable to the Disclosure Dissemination Agent. The Disclosure Dissemination Agent may resign at any time by providing thirty days' prior written notice to the Issuer.

SECTION 10. Remedies in Event of Default. In the event of a failure of the Issuer or the Disclosure Dissemination Agent to comply with any provision of this Disclosure Agreement, the Holders' rights to enforce the provisions of this Agreement shall be limited solely to a right, by action in mandamus or for specific performance, to compel performance of the parties' obligation under this Disclosure Agreement. Any failure by a party to perform in accordance with this Disclosure Agreement shall not constitute a default on the Series 2015B Bonds or under any other document relating to the Series 2015B Bonds, and all rights and remedies shall be limited to those expressly stated herein.

SECTION 11. Duties, Immunities and Liabilities of Disclosure Dissemination Agent.  
(a) The Disclosure Dissemination Agent shall have only such duties as are specifically set forth in this Disclosure Agreement. The Disclosure Dissemination Agent's obligation to deliver the information at the times and with the contents described herein shall be limited to the extent the Issuer has provided such information to the Disclosure Dissemination Agent as required by this Disclosure Agreement. The Disclosure Dissemination Agent shall have no duty with respect to the content of any disclosures or notice made pursuant to the terms hereof. The Disclosure Dissemination Agent shall have no duty or obligation to review or verify any Information or any other information, disclosures or notices provided to it by the Issuer and shall not be deemed to be acting in any fiduciary capacity for the Issuer, the Holders of the Series 2015B Bonds or any other party. The Disclosure Dissemination Agent shall have no responsibility for the Issuer's failure to report to the Disclosure Dissemination Agent a Notice Event or a duty to determine the materiality thereof. The Disclosure Dissemination Agent shall have no duty to determine, or liability for failing to determine, whether the Issuer has complied with this Disclosure Agreement. The Disclosure Dissemination Agent may conclusively rely upon Certifications of the Issuer at all times.

The obligations of the Issuer under this Section shall survive resignation or removal of the Disclosure Dissemination Agent and defeasance, redemption or payment of the Series 2015B Bonds.

(b) The Disclosure Dissemination Agent may, from time to time, consult with legal counsel (either in-house or external) of its own choosing in the event of any disagreement or controversy, or question or doubt as to the construction of any of the provisions hereof or its respective duties hereunder, and shall not incur any liability and shall be fully protected in acting in good faith upon the advice of such legal counsel. The reasonable fees and expenses of such counsel shall be payable by the Issuer.

(c) All documents, reports, notices, statements, information and other materials provided to the MSRB under this Agreement shall be provided in an electronic format and accompanied by identifying information as prescribed by the MSRB.

SECTION 12. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Agreement, the Issuer and the Disclosure Dissemination Agent may amend this Disclosure Agreement and any provision of this Disclosure Agreement may be waived, if (i) such amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identify, nature, or

status of the obligated person, or type of business conducted and (ii) such amendment or waiver is supported by an opinion of counsel expert in federal securities laws acceptable to both the Issuer and the Disclosure Dissemination Agent to the effect that such amendment or waiver does not materially impair the interests of Holders of the Series 2015B Bonds and would not, in and of itself, cause the undertakings herein to violate the Rule if such amendment or waiver had been effective on the date hereof but taking into account any subsequent change in or official interpretation of the Rule; provided neither the Issuer nor the Disclosure Dissemination Agent shall be obligated to agree to any amendment modifying their respective duties or obligations without their consent thereto.

If an amendment is made to this Disclosure Agreement specifying the accounting principles to be followed in preparing financial statements, the Annual Report for the year in which the change is made should present a comparison between the financial statements or information prepared on the basis of the new accounting principles and those prepared on the basis of the former accounting principles.

SECTION 13. Beneficiaries. This Disclosure Agreement shall inure solely to the benefit of the Issuer, the Paying Agent, the Disclosure Dissemination Agent, the underwriters, and the Holders from time to time of the Series 2015B Bonds, and shall create no rights in any other person or entity.

SECTION 14. Governing Law. This Disclosure Agreement shall be governed by the laws of the State of Florida.

SECTION 15. Counterparts. This Disclosure Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

[Remainder of page intentionally left blank.]

The Disclosure Dissemination Agent and the Issuer have caused this Continuing Disclosure Agreement to be executed, on the date first written above, by their respective officers duly authorized.

DIGITAL ASSURANCE CERTIFICATION,  
L.L.C., as Disclosure Dissemination Agent

By: \_\_\_\_\_

Name: Diana O'Brien

Title: Vice President

SCHOOL BOARD OF HILLSBOROUGH  
COUNTY, FLORIDA, as Issuer

By: \_\_\_\_\_

Name: Susan L. Valdes

Title: Chair

**EXHIBIT A**  
**NAME AND CUSIP NUMBERS OF BONDS**

Name of Issuer: The School Board of Hillsborough County, Florida

Obligated Person(s): The School Board of Hillsborough County, Florida

Name of Bond Issue: Sales Tax Revenue Refunding Bonds, Series 2015B

Date of Issuance: August 20, 2015

Date of Official Statement: July 30, 2015

| <u>Maturity</u><br><u>(October 1)</u> | <u>Principal</u><br><u>Amount</u> | <u>Interest</u><br><u>Rate</u> | <u>Initial CUSIP</u><br><u>Number*</u> |
|---------------------------------------|-----------------------------------|--------------------------------|----------------------------------------|
| 2020                                  | \$13,585,000                      | 5.000%                         | 432337EQ2                              |
| 2021                                  | 14,270,000                        | 5.000                          | 432337ER0                              |
| 2022                                  | 14,985,000                        | 5.000                          | 432337ES8                              |
| 2023                                  | 15,730,000                        | 5.000                          | 432337ET6                              |
| 2024                                  | 2,105,000                         | 5.000                          | 432337EU3                              |
| 2025                                  | 575,000                           | 3.000                          | 432337EV1                              |
| 2025                                  | 1,635,000                         | 5.000                          | 432337EX7                              |
| 2026                                  | 2,310,000                         | 3.000                          | 432337EW9                              |

**EXHIBIT B**  
**NOTICE TO MSRB OF FAILURE TO FILE ANNUAL REPORT**

Name of Issuer: The School Board of Hillsborough County, Florida

Obligated Person: The School Board of Hillsborough County, Florida

Name(s) of Bond Issue(s): Sales Tax Revenue Refunding Bonds, Series 2015B

Date(s) of Issuance: August 20, 2015

Date(s) of Disclosure Agreement: August 20, 2015

CUSIP Number:

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual report with respect to the above-named Series 2015B Bonds as required by the Disclosure Agreement between the Issuer and Digital Assurance Certificate, L.L.C., as Disclosure Dissemination Agent. [The Issuer has notified the Disclosure Dissemination Agent that it anticipates that the Annual Report will be filed by \_\_\_\_\_.]

Dated: \_\_\_\_\_

DIGITAL ASSURANCE CERTIFICATION,  
L.L.C., as Disclosure Dissemination Agent, on  
behalf of the Issuer

\_\_\_\_\_

cc:



**EXHIBIT C-1**  
**EVENT NOTICE COVER SHEET**

This cover sheet and accompanying "event notice" will be sent to the MSRB, pursuant to Securities and Exchange Commission Rule 15c2-12(b)(5)(i)(C) and (D).

Issuer's and/or Other Obligated Person's Name: The School Board of Hillsborough County, Florida

Issuer's Six-Digit CUSIP Number:

\_\_\_\_\_

Or Nine-Digit CUSIP Number(s) of the bonds to which this notice relates:

\_\_\_\_\_

Number of pages attached: \_\_\_\_\_

\_\_\_\_\_ Description of Notice Events (Check One):

1. \_\_\_\_\_ Principal and interest payment delinquencies;
2. \_\_\_\_\_ Non-payment related defaults, if material;
3. \_\_\_\_\_ Unscheduled draws on debt service reserves reflecting financial difficulties;
4. \_\_\_\_\_ Unscheduled draws on credit enhancements reflecting financial difficulties;
5. \_\_\_\_\_ Substitution of credit or liquidity providers, or their failure to perform;
6. \_\_\_\_\_ Adverse tax opinions, IRS notices or events affecting the tax status of the security;
7. \_\_\_\_\_ Modifications to rights of Bond holders, if material;
8. \_\_\_\_\_ Bond calls, if material;
9. \_\_\_\_\_ Defeasances;
10. \_\_\_\_\_ Release, substitution, or sale of property securing repayment, if material;
11. \_\_\_\_\_ Rating changes;
12. \_\_\_\_\_ Tender offers;
13. \_\_\_\_\_ Bankruptcy, insolvency, receivership or similar event of the Obligated Person;
14. \_\_\_\_\_ Merger, consolidation, or acquisition involving an Obligated Person, if material;  
and
15. \_\_\_\_\_ Appointment of a successor or additional trustee or the change of name of a trustee, if material.

\_\_\_\_\_ Failure to provide annual financial information as required.

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature:

\_\_\_\_\_  
Name: \_\_\_\_\_ Title: \_\_\_\_\_

Digital Assurance Certificate, L.L.C.  
390 N. Orange Avenue  
Suite 1750  
Orlando, FL 32801  
407-515-1100

Date: \_\_\_\_\_

**EXHIBIT C-2**  
**VOLUNTARY EVENT DISCLOSURE COVER SHEET**

This cover sheet and accompanying "voluntary event disclosure" will be sent to the MSRB, pursuant to the Disclosure Dissemination Agent Agreement dated as of August 20, 2015, between the Issuer and DAC.

Issuer's and/or Other Obligated Person's Name: The School Board of Hillsborough County, Florida

Issuer's Six-Digit CUSIP Number:

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Or Nine-Digit CUSIP Number(s) of the bonds to which this notice relates:

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Number of pages attached: \_\_\_\_\_

\_\_\_\_\_ Description of Voluntary Event Disclosure (Check One):

1. \_\_\_\_\_ Amendment to continuing disclosure undertaking;
2. \_\_\_\_\_ Change in obligated person;
3. \_\_\_\_\_ Notice to investors pursuant to bond documents;
4. \_\_\_\_\_ Certain communications from the Internal Revenue Service;
5. \_\_\_\_\_ Secondary market purchases;
6. \_\_\_\_\_ Bid for auction rate or other securities;
7. \_\_\_\_\_ Capital or other financing plan;
8. \_\_\_\_\_ Litigation/enforcement action;
9. \_\_\_\_\_ Change of tender agent, remarketing agent, or other on-going party;
10. \_\_\_\_\_ Derivative or other similar transaction; and
11. \_\_\_\_\_ Other Event-based disclosures.

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature:

---

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Digital Assurance Certificate, L.L.C.  
390 N. Orange Avenue  
Suite 1750  
Orlando, FL 32801  
407-515-1100

Date: \_\_\_\_\_

**EXHIBIT C-3**  
**VOLUNTARY FINANCIAL DISCLOSURE COVER SHEET**

This cover sheet and accompanying "voluntary financial disclosure" will be sent to the MSRB, pursuant to the Disclosure Dissemination Agent Agreement dated as of August 20, 2015, between the Issuer and DAC.

Issuer's and/or Other Obligated Person's Name: The School Board of Hillsborough County, Florida

Issuer's Six-Digit CUSIP Number:

\_\_\_\_\_

Or Nine-Digit CUSIP Number(s) of the bonds to which this notice relates:

\_\_\_\_\_

Number of pages attached: \_\_\_\_\_

\_\_\_\_\_ Description of Voluntary Financial Disclosure (Check One):

1. \_\_\_\_\_ Quarterly/monthly financial information;
2. \_\_\_\_\_ Change in fiscal year/timing of annual disclosure;
3. \_\_\_\_\_ Change in accounting standard;
4. \_\_\_\_\_ Interim/additional financial information/operating data;
5. \_\_\_\_\_ Budget;
6. \_\_\_\_\_ Investment/debt/financial policy;
7. \_\_\_\_\_ Information provided to rating agency, credit/liquidity provider or other third party;
8. \_\_\_\_\_ Consultant reports; and
9. \_\_\_\_\_ Other financial/operating data.

I hereby represent that I am authorized by the issuer or its agent to distribute this information publicly:

Signature:

\_\_\_\_\_

Name: \_\_\_\_\_ Title: \_\_\_\_\_

Digital Assurance Certificate, L.L.C.  
390 N. Orange Avenue  
Suite 1750  
Orlando, FL 32801  
407-515-1100

Date: \_\_\_\_\_

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**APPENDIX G**  
**DTC INFORMATION**

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**DTC INFORMATION****Book-Entry Only System of Registration**

THE FOLLOWING INFORMATION CONCERNING THE DEPOSITORY TRUST COMPANY ("DTC") AND DTC'S BOOK-ENTRY ONLY SYSTEM HAS BEEN OBTAINED FROM SOURCES THAT THE BOARD BELIEVES TO BE RELIABLE, BUT THE BOARD TAKES NO RESPONSIBILITY FOR THE ACCURACY THEREOF.

DTC will act as securities depository for the Series 2015B Bonds. The Series 2015B Bonds will be registered in the name of Cede & Co. (DTC's partnership nominee). Purchases of beneficial ownership interests in the Series 2015B Bonds will be made in book-entry only form, in the denominations hereinbefore described. Purchasers of beneficial ownership interests in the Series 2015B Bonds ("Beneficial Owners") will not receive bond certificates representing their ownership interests in the Series 2015B Bonds, except in the event that use of the book-entry only system for the Series 2015B Bonds is discontinued. One fully registered certificate will be issued for each maturity of the Series 2015B Bonds, and deposited with DTC.

SO LONG AS CEDE & CO. IS THE REGISTERED OWNER OF THE SERIES 2015B BONDS, AS NOMINEE OF DTC, REFERENCES IN THIS OFFICIAL STATEMENT TO THE SERIES 2015B BONDHOLDERS OR REGISTERED OWNERS OF THE SERIES 2015B BONDS SHALL MEAN CEDE & CO. AND SHALL NOT MEAN THE BENEFICIAL OWNERS OF THE SERIES 2015B BONDS. THE DESCRIPTION WHICH FOLLOWS OF THE PROCEDURES AND RECORD KEEPING WITH RESPECT TO BENEFICIAL OWNERSHIP INTERESTS IN THE SERIES 2015B BONDS, PAYMENT OF INTEREST AND PRINCIPAL ON THE SERIES 2015B BONDS TO DIRECT PARTICIPANTS (AS HEREINAFTER DEFINED) OR BENEFICIAL OWNERS OF THE SERIES 2015B BONDS, CONFIRMATION AND TRANSFER OF BENEFICIAL OWNERSHIP INTERESTS IN THE SERIES 2015B BONDS, AND OTHER RELATED TRANSACTIONS BY AND BETWEEN DTC, THE DIRECT PARTICIPANTS AND BENEFICIAL OWNERS OF THE SERIES 2015B BONDS ARE BASED SOLELY ON INFORMATION FURNISHED BY DTC. ACCORDINGLY, THE BOARD NEITHER MAKES NOR CAN MAKE ANY REPRESENTATIONS CONCERNING THESE MATTERS.

DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions, in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's

rating of AA+. The DTC rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at [www.dtcc.com](http://www.dtcc.com).

Purchases of Series 2015B Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for such Series 2015B Bonds on DTC's records. The ownership interest of each actual purchaser of each Series 2015B Bond (the "Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Series 2015B Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their beneficial ownership interests in the Series 2015B Bonds, except in the event that use of the book-entry system for the Series 2015B Bonds is discontinued.

To facilitate subsequent transfers, all Series 2015B Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co. or such other name as may be requested by an authorized representative of DTC. The deposit of Series 2015B Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Series 2015B Bonds. DTC's records reflect only the identity of the Direct Participants to whose accounts such Series 2015B Bonds are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Redemption notices shall be sent to DTC. If less than all of the Series 2015B Bonds are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such Series 2015B Bonds, as the case may be, to be redeemed.

Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to the Series 2015B Bonds unless authorized by a Direct Participant in accordance with DTC's procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Board as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts the Series 2015B Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

Redemption proceeds, distributions, and interest payments on the Series 2015B Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's MMI practice is to credit Direct Participants' accounts, upon DTC's receipt of funds and corresponding detail information from the Board or the Registrar on the payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participants and not of DTC, the Registrar or the Board, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and interest payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Board and/or the Paying Agent for the Series 2015B Bonds. Disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

DTC may discontinue providing its services as securities depository with respect to the Series 2015B Bonds at any time by giving reasonable notice to the Board. Under such circumstances, in the



event that a successor securities depository is not obtained, certificates are required to be printed and delivered.

The Board may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, certificates will be printed delivered to DTC.

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