

**FLORIDA DEPARTMENT OF EDUCATION  
REPORT OF FINANCIAL DATA TO THE  
COMMISSIONER OF EDUCATION (ESE 348)  
DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY  
For the Fiscal Year Ended June 30, 2015**

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Department of Education  
Office of Funding and  
Financial Reporting  
325 W. Gaines St., Suite 824  
Tallahassee, FL 32399-0400

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The Report of Financial Data to the Commissioner of Education (ESE 348) for the fiscal year ended June 30, 2015, was submitted in accordance with rule 6A-1.0071, F.A.C. (section 1001.51(12)(b), F.S.). This report was approved by the school board on September 8, 2015.

\_\_\_\_\_  
District Superintendent's Signature

November 17, 2015  
Date

DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY  
STATEMENT OF REVENUES, EXPENDITURES AND  
CHANGES IN FUND BALANCE - GENERAL FUND  
For the Fiscal Year Ending June 30, 2015

Exhibit K-1  
FDOE Page 1  
Fund 100

REVENUES	Account Number	
<i>Federal Direct:</i>		
Federal Impact, Current Operations	3121	485,816.30
Reserve Officers Training Corps (ROTC)	3191	2,072,839.06
Miscellaneous Federal Direct	3199	132,811.79
Total Federal Direct	3100	2,691,467.15
<i>Federal Through State and Local:</i>		
Medicaid	3202	9,735,969.14
National Forest Funds	3255	
Federal Through Local	3280	
Miscellaneous Federal Through State	3299	
Total Federal Through State and Local	3200	9,735,969.14
<i>State:</i>		
Florida Education Finance Program (FEFP)	3310	731,095,785.00
Workforce Development	3315	27,966,241.00
Workforce Development Capitalization Incentive Grant	3316	
Workforce Education Performance Incentive	3317	445,430.00
Adults with Disabilities	3318	286,884.00
CO&DS Withheld for Administrative Expenditure	3323	114,312.27
Diagnostic and Learning Resources Centers	3335	
Racing Commission Funds	3341	
State Forest Funds	3342	
State License Tax	3343	643,088.75
District Discretionary Lottery Funds	3344	750,476.00
<i>Categorical Programs:</i>		
Class Size Reduction Operating Funds	3355	230,848,538.00
Florida School Recognition Funds	3361	11,420,797.00
Excellent Teaching Program	3363	
Voluntary Prekindergarten Program	3371	26,687,909.05
Preschool Projects	3372	
<i>Other State:</i>		
Reading Programs	3373	
Full-Service Schools Program	3378	
State Through Local	3380	
Other Miscellaneous State Revenues	3399	1,857,177.96
Total State	3300	1,032,116,639.03
<i>Local:</i>		
District School Taxes	3411	422,316,780.42
Tax Redemptions	3421	
Payment in Lieu of Taxes	3422	
Excess Fees	3423	14,180.26
Tuition	3424	
Rent	3425	559,966.37
Interest on Investments	3431	537,165.67
Gain on Sale of Investments	3432	
Net Increase (Decrease) in Fair Value of Investments	3433	(1,387,985.09)
Gifts, Grants and Bequests	3440	22,197,861.89
<i>Student Fees:</i>		
Adult General Education Course Fees	3461	428,194.99
Postsec Career Cert-Appl Tech Diploma Course Fees	3462	2,740,856.66
Continuing Workforce Education Course Fees	3463	
Capital Improvement Fees	3464	
Postsecondary Lab Fees	3465	
Lifelong Learning Fees	3466	247,215.00
GED® Testing Fees	3467	
Financial Aid Fees	3468	
Other Student Fees	3469	
<i>Other Fees:</i>		
Preschool Program Fees	3471	3,350,794.33
Prekindergarten Early Intervention Fees	3472	
School-Age Child Care Fees	3473	17,593,960.97
Other Schools, Courses and Classes Fees	3479	1,238,535.79
<i>Miscellaneous Local:</i>		
Bus Fees	3491	
Transportation Services Rendered for School Activities	3492	2,965,256.80
Sale of Junk	3493	215,404.91
Receipt of Federal Indirect Cost Rate	3494	6,280,152.51
Other Miscellaneous Local Sources	3495	20,485,932.86
Impact Fees	3496	
Refunds of Prior Year's Expenditures	3497	
Collections for Lost, Damaged and Sold Textbooks	3498	74,171.03
Receipt of Food Service Indirect Costs	3499	2,272,340.14
Total Local	3400	502,130,785.51
<b>Total Revenues</b>	<b>3000</b>	<b>1,546,674,860.83</b>



DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - GENERAL FUND (Continued)  
 For the Fiscal Year Ended June 30, 2015

Exhibit K-1  
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 Fund 100

EXPENDITURES	Account Number	100	200	300	400	500	600	700	Totals
		Salaries	Employee Benefits	Purchased Services	Energy Services	Materials and Supplies	Capital Outlay	Other	
<i>Current:</i>									
Instruction	5000	726,896,493.89	184,656,662.92	134,214,398.80	39,253.83	36,084,407.23	8,708,115.86	1,851,766.78	1,092,451,104.10
Student Support Services	6100	50,711,739.00	12,675,153.76	407,590.02		410,462.07	20,481.50	6,129.83	64,251,556.18
Instructional Media Services	6200	14,450,325.76	3,484,366.59	1,547,448.17		334,212.72	1,471,442.33	3,027.50	21,290,823.07
Instruction and Curriculum Development Services	6300	21,395,941.92	4,438,028.13	1,249,595.98	5,473.51	398,823.09	135,494.75	2,843,798.18	30,467,155.56
Instructional Staff Training Services	6400	17,855,956.28	3,863,032.64	3,850,315.40		507,260.48	4,358.76	2,917,903.84	27,098,827.40
Instruction-Related Technology	6500	13,761,372.32	3,549,402.29	11,102,770.56	56,875.84	975,152.84	1,298,999.85	51,380.14	30,795,953.84
Board	7100	507,989.06	232,384.57	704,364.01		1,803.42		197,651.14	1,644,292.20
General Administration	7200	3,970,945.79	803,248.74	393,243.27	48.34	214,597.81	24,929.43	314,165.27	5,721,178.65
School Administration	7300	77,364,166.07	20,162,830.40	694,982.96		1,328,982.04	573,368.27	197,449.99	100,321,779.73
Facilities Acquisition and Construction	7410	855,918.24	153,292.62	30,255.16		10,084.41	472,269.92	2,350.00	1,334,070.35
Fiscal Services	7500	4,982,697.64	1,452,013.09	382,045.67		27,535.85	5,947.42	99,100.99	6,949,340.66
Food Services	7600	494,003.48	35,706.24			5,350.00		2,108.99	537,228.71
Central Services	7700	23,310,301.92	7,337,758.48	5,865,016.23	61,921.91	757,767.09	90,855.67	769,403.14	38,193,024.44
Student Transportation Services	7800	39,264,752.68	13,360,705.18	3,695,550.93	8,320,207.36	7,518,795.93	83,429.88	926,119.00	73,169,560.96
Operation of Plant	7900	37,757,228.81	14,522,456.12	19,530,773.89	34,567,497.10	2,664,078.91	113,605.51	1,886,093.99	111,041,734.33
Maintenance of Plant	8100	14,084,533.73	4,094,053.63	2,396,719.08	489,989.03	3,406,384.97	706,356.06	60,869.01	27,239,007.51
Administrative Technology Services	8200	255,349.95	54,152.30	43,269.26		44,110.63	6,000.00		402,882.14
Community Services	9100	11,658,243.24	796,678.05	27,713,591.56	8,018.36	1,566,202.98	267,044.13	2,142,098.71	46,133,879.03
<i>Capital Outlay:</i>									
Facilities Acquisition and Construction	7420						209,078.65		209,078.65
Other Capital Outlay	9300						2,791,141.59		2,791,141.59
<i>Debt Service: (Function 9200)</i>									
Redemption of Principal	710								0.00
Interest	720								0.00
<b>Total Expenditures</b>		1,059,397,963.58	275,671,925.75	212,823,930.95	43,549,290.28	58,256,112.46	16,982,919.58	13,371,476.50	1,680,953,619.10
<b>Excess (Deficiency) of Revenues Over Expenditures</b>									(133,378,758.27)

DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY  
 STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE - GENERAL FUND (Continued)  
 For the Fiscal Year Ended June 30, 2015

Exhibit K-1  
 FDOE Page 3  
 Fund 100

OTHER FINANCING SOURCES (USES) and CHANGES IN FUND BALANCES	Account Number	
Loans	3720	
Sale of Capital Assets	3730	
Loss Recoveries	3740	
<i>Transfers In:</i>		
From Debt Service Funds	3620	
From Capital Projects Funds	3630	11,856,173.00
From Special Revenue Funds	3640	
From Permanent Funds	3660	
From Internal Service Funds	3670	43,183,023.96
From Enterprise Funds	3690	
Total Transfers In	3600	55,039,196.96
<i>Transfers Out: (Function 9700)</i>		
To Debt Service Funds	920	
To Capital Projects Funds	930	
To Special Revenue Funds	940	(319,881.60)
To Permanent Funds	960	
To Internal Service Funds	970	(4,950,000.00)
To Enterprise Funds	990	
Total Transfers Out	9700	(5,269,881.60)
<b>Total Other Financing Sources (Uses)</b>		49,769,315.36
<b>Net Change In Fund Balance</b>		(83,609,442.91)
Fund Balance, July 1, 2014	2800	229,632,311.42
Adjustments to Fund Balance	2891	
<i>Ending Fund Balance:</i>		
Nonspendable Fund Balance	2710	5,064,021.61
Restricted Fund Balance	2720	22,308,417.01
Committed Fund Balance	2730	
Assigned Fund Balance	2740	20,609,368.11
Unassigned Fund Balance	2750	98,041,061.78
<b>Total Fund Balances, June 30, 2015</b>	2700	146,022,868.51



**DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - SPECIAL REVENUE**  
**FUNDS - FOOD SERVICES**  
For the Fiscal Year Ended June 30, 2015

Exhibit K-2  
FDOE Page 4  
Fund 410

REVENUES	Account Number	
<i>Federal Through State and Local:</i>		
School Lunch Reimbursement	3261	53,835,312.98
School Breakfast Reimbursement	3262	20,285,840.63
Afterschool Snack Reimbursement	3263	1,056,214.94
Child Care Food Program	3264	315,799.54
USDA-Donated Commodities	3265	6,047,135.22
Cash in Lieu of Donated Foods	3266	26,228.46
Summer Food Service Program	3267	1,625,781.26
Fresh Fruit and Vegetable Program	3268	1,339,400.00
Other Food Services	3269	
Federal Through Local	3280	
Miscellaneous Federal Through State	3299	
Total Federal Through State and Local	3200	84,531,713.03
<i>State:</i>		
School Breakfast Supplement	3337	722,462.00
School Lunch Supplement	3338	724,815.00
State Through Local	3380	
Other Miscellaneous State Revenues	3399	
Total State	3300	1,447,277.00
<i>Local:</i>		
Interest on Investments	3431	45,504.01
Gain on Sale of Investments	3432	
Net Increase (Decrease) in Fair Value of Investments	3433	
Gifts, Grants and Bequests	3440	
Student Lunches	3451	8,894,630.47
Student Breakfasts	3452	
Adult Breakfasts/Lunches	3453	1,108,659.75
Student and Adult à la Carte Fees	3454	9,451,583.92
Student Snacks	3455	
Other Food Sales	3456	2,020,240.14
Other Miscellaneous Local Sources	3495	58,243.17
Refunds of Prior Year's Expenditures	3497	
Total Local	3400	21,578,861.46
<b>Total Revenues</b>	<b>3000</b>	<b>107,557,851.49</b>

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**DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - SPECIAL REVENUE**  
**FUNDS - FOOD SERVICES (Continued)**  
For the Fiscal Year Ended June 30, 2015

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

<b>EXPENDITURES (Function 7600/9300)</b>	<b>Account Number</b>	
Salaries	100	30,871,682.83
Employee Benefits	200	14,285,213.60
Purchased Services	300	3,643,042.97
Energy Services	400	2,382,202.02
Materials and Supplies	500	52,015,852.02
Capital Outlay	600	10,224,844.02
Other	700	3,812,707.85
Other Capital Outlay (Function 9300)	600	
<b>Total Expenditures</b>		<b>117,235,545.31</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>		<b>(9,677,693.82)</b>
<b>OTHER FINANCING SOURCES (USES)</b> <b>and CHANGES IN FUND BALANCES</b>		
Loans	3720	
Sale of Capital Assets	3730	
Loss Recoveries	3740	
<i>Transfers In:</i>		
From General Fund	3610	294,448.00
From Debt Service Funds	3620	
From Capital Projects Funds	3630	
Interfund	3650	
From Permanent Funds	3660	
From Internal Service Funds	3670	4,562,334.92
From Enterprise Funds	3690	
<b>Total Transfers In</b>	<b>3600</b>	<b>4,856,782.92</b>
<i>Transfers Out: (Function 9700)</i>		
To General Fund	910	
To Debt Service Funds	920	
To Capital Projects Funds	930	
Interfund	950	
To Permanent Funds	960	
To Internal Service Funds	970	
To Enterprise Funds	990	
<b>Total Transfers Out</b>	<b>9700</b>	<b>0.00</b>
<b>Total Other Financing Sources (Uses)</b>		<b>4,856,782.92</b>
<b>Net Change in Fund Balance</b>		<b>(4,820,910.90)</b>
Fund Balance, July 1, 2014	2800	35,519,097.64
Adjustments to Fund Balance	2891	
<i>Ending Fund Balance:</i>		
Nonspendable Fund Balance	2710	1,025,115.15
Restricted Fund Balance	2720	29,673,071.59
Committed Fund Balance	2730	
Assigned Fund Balance	2740	
Unassigned Fund Balance	2750	
<b>Total Fund Balances, June 30, 2015</b>	<b>2700</b>	<b>30,698,186.74</b>



**DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY**  
**STATEMENT OF REVENUES, EXPENDITURES AND**  
**CHANGES IN FUND BALANCE - SPECIAL REVENUE**  
**FUNDS - OTHER FEDERAL PROGRAMS**  
For the Fiscal Year Ended June 30, 2015

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

REVENUES	Account Number	
<i>Federal Direct:</i>		
Head Start	3130	
Workforce Innovation and Opportunity Act	3170	
Community Action Programs	3180	
Reserve Officers Training Corps (ROTC)	3191	
Pell Grants	3192	2,674,549.40
Miscellaneous Federal Direct	3199	18,916,164.84
Total Federal Direct	3100	21,590,714.24
<i>Federal Through State and Local:</i>		
Career and Technical Education	3201	3,153,947.29
Medicaid	3202	
Individuals with Disabilities Education Act (IDEA)	3230	47,769,253.98
<i>Workforce Innovation and Opportunity Act:</i>		
Adult General Education	3221	1,666,817.25
English Literacy and Civics Education	3222	358,719.57
Adult Migrant Education	3223	346,978.22
Other WIOA Programs	3224	
<i>NCLB - Elementary and Secondary Education Act:</i>		
Elementary and Secondary Education Act - Title I	3240	60,745,740.77
Teacher and Principal Training and Recruiting - Title II, Part A	3225	9,116,631.92
Math and Science Partnerships - Title II, Part B	3226	
Language Instruction - Title III	3241	3,516,888.02
Twenty-First Century Schools - Title IV	3242	
Federal Through Local	3280	56,541,415.72
Emergency Immigrant Education Program	3293	1,529,805.31
Miscellaneous Federal Through State	3299	1,919,009.36
Total Federal Through State and Local	3200	186,665,207.41
<i>State:</i>		
State Through Local	3380	
Other Miscellaneous State Revenues	3399	849,378.09
Total State	3300	849,378.09
<i>Local:</i>		
Interest on Investments	3431	
Gain on Sale of Investments	3432	
Net Increase (Decrease) in Fair Value of Investments	3433	
Gifts, Grants and Bequests	3440	73,946.15
Adult General Education Course Fees	3461	72,426.81
Sale of Junk	3493	
Other Miscellaneous Local Sources	3495	455,154.83
Refunds of Prior Year's Expenditures	3497	
Total Local	3400	601,527.79
<b>Total Revenues</b>	<b>3000</b>	<b>209,706,827.53</b>

DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - SPECIAL REVENUE FUNDS - OTHER FEDERAL PROGRAMS (Continued)  
For the Fiscal Year Ended June 30, 2015

Exhibit K-3  
FD0E Page 7  
Fund 420

EXPENDITURES	Account Number	100 Salaries	200 Employee Benefits	300 Purchased Services	400 Energy Services	500 Materials and Supplies	600 Capital Outlay	700 Other	Totals
<i>Current:</i>									
Instruction	5000	56,287,560.74	14,318,326.62	7,629,697.51	64,584.41	4,038,271.04	4,362,218.14	445,952.20	87,146,610.66
Student Support Services	6100	15,713,588.83	3,926,123.25	377,228.50		466,200.97	28,884.10		20,511,025.64
Instructional Media Services	6200	744,999.37	184,817.27	438,942.43		127,676.92	1,324,379.05		2,820,815.04
Instruction and Curriculum Development Services	6300	19,425,427.97	5,073,150.90	582,703.51	504.57	174,694.03	177,397.01	26,488.88	25,460,366.87
Instructional Staff Training Services	6400	8,459,615.78	1,661,646.29	2,414,507.47		944,419.82	18,545.40	746,151.61	14,245,106.39
Instruction-Related Technology	6500	122,747.51	87,005.65	2,535,381.16			33,700.86		2,978,835.18
Board	7100								0.00
General Administration	7200			3,694.29				6,061,516.37	6,065,210.66
School Administration	7300	1,996,648.21	378,635.24	6,518.53		24,746.43		1,305.92	2,357,854.33
Facilities Acquisition and Construction	7410						110.98		110.98
Fiscal Services	7500	393,169.07	122,280.64	588.89		826.93	3,642.83		520,508.16
Food Services	7600								0.00
Central Services	7700	326,550.41	88,409.27	532,867.48		145.08	28,001.50		975,973.74
Student Transportation Services	7800	183,754.30	57,152.38	918,175.08	5,904.40				1,166,986.16
Operation of Plant	7900	142,962.59	40,007.61	3,326.13		21,575.78			208,472.11
Maintenance of Plant	8100								0.00
Administrative Technology Services	8200								0.00
Community Services	9100	466,995.04	123,177.79	38,955,000.86		46,833.28	12,203.66	3,177,978.26	42,803,088.89
<i>Capital Outlay:</i>									
Facilities Acquisition and Construction	7420						478,939.38		478,939.38
Other Capital Outlay	9300						1,992,356.54		1,992,356.54
<b>Total Expenditures</b>		104,415,039.81	26,061,332.91	54,399,531.84	70,993.38	5,845,390.38	8,480,379.65	10,459,593.26	209,732,261.13
<b>Excess (Deficiency) of Revenues over Expenditures</b>									(25,433.60)



DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - SPECIAL REVENUE FUNDS - OTHER FEDERAL PROGRAMS (Continued)  
For the Fiscal Year Ended June 30, 2015

OTHER FINANCING SOURCES (USES) and CHANGES IN FUND BALANCES	Account Number	
Loans	3720	
Sale of Capital Assets	3730	
Less Recoveries	3740	
Transfers In:		
From General Fund	3610	25,433.60
From Debt Service Funds	3620	
From Capital Projects Funds	3630	
Interfund	3650	
From Permanent Funds	3660	
From Internal Service Funds	3670	
From Enterprise Funds	3690	
Total Transfers In	3600	25,433.60
Transfers Out: (Function 9700)		
To the General Fund	910	
To Debt Service Funds	920	
To Capital Projects Funds	930	
Interfund	950	
To Permanent Funds	960	
To Internal Service Funds	970	
To Enterprise Funds	990	
Total Transfers Out	9700	0.00
Total Other Financing Sources (Uses)		25,433.60
Net Change in Fund Balance		0.00
Fund Balance, July 1, 2014	2800	
Adjustments to Fund Balance	2891	
Ending Fund Balance:		
Nonspendable Fund Balance	2710	
Restricted Fund Balance	2720	
Committed Fund Balance	2730	
Assigned Fund Balance	2740	
Unassigned Fund Balance	2750	
Total Fund Balance, June 30, 2015	2700	0.00

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Exhibit K-3  
FDOE Page 7  
Fund 420

DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND  
 CHANGES IN FUND BALANCE - SPECIAL REVENUE FUNDS  
 FEDERAL ECONOMIC STIMULUS PROGRAMS  
 For the Fiscal Year Ended June 30, 2015

Exhibit K-4  
 FDOE Page 8  
 Funds 430

REVENUES	Account Number	Targeted ARRA Stimulus Funds 432	Other ARRA Stimulus Grants 433	ARRA Race to the Top 434	Totals
<i>Federal Direct:</i>					
Workforce Innovation and Opportunity Act (WIOA)	3170				0.00
Community Action Programs	3180				0.00
Reserve Officers Training Corps (ROTC)	3191				0.00
Miscellaneous Federal Direct	3199				0.00
Total Federal Direct:	3100	0.00	0.00	0.00	0.00
<i>Federal Through State and Local:</i>					
Career and Technical Education	3201				0.00
Race to the Top	3214			2,819,354.67	2,819,354.67
Individuals with Disabilities Education Act (IDEA)	3230				0.00
Elementary and Secondary Education Act - Title I	3240				0.00
Other Food Services	3269				0.00
Federal Through Local	3280				0.00
Miscellaneous Federal Through State	3299				0.00
Total Federal Through State and Local	3200	0.00	0.00	2,819,354.67	2,819,354.67
<i>State:</i>					
State Through Local	3380				0.00
Other Miscellaneous State Revenues	3399				0.00
Total State	3300	0.00	0.00	0.00	0.00
<i>Local:</i>					
Interest on Investments	3431				0.00
Gain on Sale of Investments	3432				0.00
Net Increase (Decrease) in Fair Value of Investments	3433				0.00
Gifts, Grants and Bequests	3440				0.00
Other Miscellaneous Local Sources	3495				0.00
Refunds of Prior Year's Expenditures	3497				0.00
Total Local	3400	0.00	0.00	0.00	0.00
<b>Total Revenues</b>	<b>3000</b>	<b>0.00</b>	<b>0.00</b>	<b>2,819,354.67</b>	<b>2,819,354.67</b>

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DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - SPECIAL REVENUE FUNDS - TARGETED ARRA STIMULUS FUNDS (Continued)  
 For the Fiscal Year Ended June 30, 2015

Exhibit K-4  
 FDOE Page 9  
 Fund 432

EXPENDITURES	Account Number	100 Salaries	200 Employee Benefits	300 Purchased Services	400 Energy Services	500 Materials and Supplies	600 Capital Outlay	700 Other	Totals
<i>Current:</i>									
Instruction	5000								0.00
Student Support Services	6100								0.00
Instructional Media Services	6200								0.00
Instruction and Curriculum Development Services	6300								0.00
Instructional Staff Training Services	6400								0.00
Instruction-Related Technology	6500								0.00
Board	7100								0.00
General Administration	7200								0.00
School Administration	7300								0.00
Facilities Acquisition and Construction	7410								0.00
Fiscal Services	7500								0.00
Food Services	7600								0.00
Central Services	7700								0.00
Student Transportation Services	7800								0.00
Operation of Plant	7900								0.00
Maintenance of Plant	8100								0.00
Administrative Technology Services	8200								0.00
Community Services	9100								0.00
<i>Capital Outlay:</i>									
Facilities Acquisition and Construction	7420								0.00
Other Capital Outlay	9300								0.00
Total Expenditures		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Excess (Deficiency) of Revenues over Expenditures									0.00

DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - SPECIAL REVENUE FUNDS - TARGETED ARRA STIMULUS FUNDS (Continued)  
 For the Fiscal Year Ended June 30, 2015

OTHER FINANCING SOURCES (USES) and CHANGES IN FUND BALANCES	Account Number	
Loans	3720	
Sale of Capital Assets	3730	
Loss Recoveries	3740	
Transfers In:		
From General Fund	3610	
From Debt Service Funds	3620	
From Capital Projects Funds	3630	
Interfund	3650	
From Permanent Funds	3660	
From Internal Service Funds	3670	
From Enterprise Funds	3690	
Total Transfers In	3600	0.00
Transfers Out: (Function 9700)		
To the General Fund	910	
To Debt Service Funds	920	
To Capital Projects Funds	930	
Interfund	950	
To Permanent Funds	960	
To Internal Service Funds	970	
To Enterprise Funds	990	
Total Transfers Out	9700	0.00
Total Other Financing Sources (Uses)		0.00
Net Change in Fund Balance		0.00
Fund Balance, July 1, 2014	2800	
Adjustments to Fund Balance	2891	
Ending Fund Balance:		
Nonspendable Fund Balance	2710	
Restricted Fund Balance	2720	
Committed Fund Balance	2730	
Assigned Fund Balance	2740	
Unassigned Fund Balance	2750	
Total Fund Balances, June 30, 2015	2700	0.00

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Exhibit K-4  
 FDOE Page 9  
 Fund 432



DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - SPECIAL REVENUE FUNDS - OTHER ARRA STIMULUS GRANTS (Continued)  
 For the Fiscal Year Ended June 30, 2015

Exhibit K-4  
 FDOE Page 10  
 Fund 433

EXPENDITURES	Account Number	100	200	300	400	500	600	700	Totals
		Salaries	Employee Benefits	Purchased Services	Energy Services	Materials and Supplies	Capital Outlay	Other	
<i>Current:</i>									
Instruction	5000								0.00
Student Support Services	6100								0.00
Instructional Media Services	6200								0.00
Instruction and Curriculum Development Services	6300								0.00
Instructional Staff Training Services	6400								0.00
Instruction-Related Technology	6500								0.00
Board	7100								0.00
General Administration	7200								0.00
School Administration	7300								0.00
Facilities Acquisition and Construction	7410								0.00
Fiscal Services	7500								0.00
Food Services	7600								0.00
Central Services	7700								0.00
Student Transportation Services	7800								0.00
Operation of Plant	7900								0.00
Maintenance of Plant	8100								0.00
Administrative Technology Services	8200								0.00
Community Services	9100								0.00
<i>Capital Outlay:</i>									
Facilities Acquisition and Construction	7420								0.00
Other Capital Outlay	9300								0.00
<b>Total Expenditures</b>		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Excess (Deficiency) of Revenues over Expenditures</b>									0.00

DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - SPECIAL REVENUE FUNDS - OTHER ARRA STIMULUS GRANTS (Continued)  
 For the Fiscal Year Ended June 30, 2015

OTHER FINANCING SOURCES (USES) and CHANGES IN FUND BALANCES	Account Number	
Loans	3720	
Sale of Capital Assets	3730	
Loan Recoveries	3740	
Transfers In:		
From General Fund	3610	
From Debt Service Funds	3620	
From Capital Projects Funds	3630	
Interfund	3650	
From Permanent Funds	3660	
From Internal Service Funds	3670	
From Enterprise Funds	3690	
Total Transfers In	3600	0.00
Transfers Out: (Function 9200)		
To the General Fund	910	
To Debt Service Funds	920	
To Capital Projects Funds	930	
Interfund	950	
To Permanent Funds	960	
To Internal Service Funds	970	
To Enterprise Funds	990	
Total Transfers Out	9700	0.00
Total Other Financing Sources (Uses)		0.00
Net Change in Fund Balance		0.00
Fund Balance, July 1, 2014	2800	
Adjustments to Fund Balance	2891	
Ending Fund Balances:		
Nonspendable Fund Balance	2710	
Restricted Fund Balance	2720	
Committed Fund Balance	2730	
Assigned Fund Balance	2740	
Unassigned Fund Balance	2750	
Total Fund Balance, June 30, 2015	2700	0.00

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Exhibit K-4  
 FDOE Page 10  
 Fund 433



DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - SPECIAL REVENUE FUNDS - ARRA RACE TO THE TOP (Continued)  
 For the Fiscal Year Ended June 30, 2015

Exhibit K-4  
 FDOE Page 11  
 Fund 434

EXPENDITURES	Account Number	100 Salaries	200 Employee Benefits	300 Purchased Services	400 Energy Services	500 Materials and Supplies	600 Capital Outlay	700 Other	Totals
<i>Current:</i>									
Instruction	5000			15,585.03		61,832.36	73,166.89		150,584.28
Student Support Services	6100								0.00
Instructional Media Services	6200								0.00
Instruction and Curriculum Development Services	6300	139,854.18	28,116.91	15,936.84		3,039.99	1,160.71	402.00	188,510.63
Instructional Staff Training Services	6400	1,036,086.55	89,132.55	546,404.05		17,226.94	1,019.00		1,689,869.09
Instruction-Related Technology	6500								0.00
Board	7100								0.00
General Administration	7200							107,176.97	107,176.97
School Administration	7300								0.00
Facilities Acquisition and Construction	7410								0.00
Fiscal Services	7500	12,907.96	3,400.88						16,308.84
Food Services	7600								0.00
Central Services	7700	46,556.64	10,342.09	497,607.75		708.41			555,214.89
Student Transportation Services	7800								0.00
Operation of Plant	7900								0.00
Maintenance of Plant	8100								0.00
Administrative Technology Services	8200								0.00
Community Services	9100								0.00
<i>Capital Outlay:</i>									
Facilities Acquisition and Construction	7420								0.00
Other Capital Outlay	9300						101,790.00		101,790.00
<b>Total Expenditures</b>		1,235,405.30	140,892.43	1,075,533.67	0.00	82,807.70	177,136.60	107,578.97	2,819,354.67
<b>Excess (Deficiency) of Revenues over Expenditures</b>									0.00

DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - SPECIAL REVENUE FUNDS - ARRA RACE TO THE TOP (Continued)  
For the Fiscal Year Ended June 30, 2015

OTHER FINANCING SOURCES (USES) and CHANGES IN FUND BALANCES	Account Number	
Loans	3720	
Sale of Capital Assets	1738	
Loss Recoveries	3740	
Transfers In:		
From General Fund	3610	
From Debt Service Funds	3620	
From Capital Projects Funds	3630	
Interfund	3650	
From Permanent Funds	3660	
From Internal Service Funds	3670	
From Enterprise Funds	3690	
Total Transfers In	3600	0.00
Transfers Out: (Function 9700)		
To the General Fund	910	
To Debt Service Funds	920	
To Capital Projects Funds	930	
Interfund	950	
To Permanent Funds	960	
To Internal Service Funds	970	
To Enterprise Funds	990	
Total Transfers Out	9700	0.00
Total Other Financing Sources (Uses)		0.00
Net Change in Fund Balance		0.00
Fund Balance, July 1, 2014	2800	
Adjustments to Fund Balance	2891	
Ending Fund Balance:		
Nonspendable Fund Balance	2710	
Restricted Fund Balance	2720	
Committed Fund Balance	2730	
Assigned Fund Balance	2740	
Unassigned Fund Balance	2750	
Total Fund Balances, June 30, 2015	2700	0.00



DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - SPECIAL REVENUE FUNDS - MISCELLANEOUS  
 For the Fiscal Year Ended June 30, 2015

Exhibit K-5  
 FDOE Page 12  
 Fund 490

REVENUES		Account Number							
<i>Federal Through State and Local:</i>									
Federal Through Local	3280								
Total Federal Through State and Local	3200	0.00							
<i>Local:</i>									
Interest on Investments	3431								
Gain on Sale of Investments	3432								
Net Increase (Decrease) in Fair Value of Investments	3433								
Gifts, Grants and Bequests	3440								
Other Miscellaneous Local Sources	3495								
Total Local	3400	0.00							
Total Revenues	3600	0.00							
EXPENDITURES	Account Number	100 Salaries	200 Employee Benefits	300 Purchased Services	400 Energy Services	500 Materials and Supplies	600 Capital Outlay	700 Other	Totals
<i>Current:</i>									
Instruction	5000								0.00
Student Support Services	6100								0.00
Instructional Media Services	6200								0.00
Instruction and Curriculum Development Services	6300								0.00
Instructional Staff Training Services	6400								0.00
Instruction-Related Technology	6500								0.00
Board	7100								0.00
General Administration	7200								0.00
School Administration	7300								0.00
Facilities Acquisition and Construction	7410								0.00
Fiscal Services	7500								0.00
Central Services	7700								0.00
Student Transportation Services	7800								0.00
Operation of Plant	7900								0.00
Maintenance of Plant	8100								0.00
Administrative Technology Services	8200								0.00
Community Services	9100								0.00
<i>Capital Outlay:</i>									
Facilities Acquisition and Construction	7420								0.00
Other Capital Outlay	9300								0.00
Total Expenditures		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Excess (Deficiency) of Revenues over Expenditures									
0.00									

DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - SPECIAL REVENUE FUNDS- MISCELLANEOUS  
 For the Fiscal Year Ended June 30, 2015

Exhibit K-5  
 FDOE Page 12  
 Fund 490

OTHER FINANCING SOURCES (USES) and CHANGES IN FUND BALANCES	Account Number	
Loss Recoveries	3740	
Transfers In:		
From General Fund	3610	
From Debt Service Funds	3620	
From Capital Projects Funds	3630	
Interfund	3650	
From Permanent Funds	3660	
From Internal Service Funds	3670	
From Enterprise Funds	3690	
Total Transfers In	3600	0.00
Transfers Out: (Function 9700)		
To General Fund	910	
To Debt Service Funds	920	
To Capital Projects Funds	930	
Interfund	950	
To Permanent Funds	960	
To Internal Service Funds	970	
To Enterprise Funds	990	
Total Transfers Out	9700	0.00
Total Other Financing Sources (Uses)		0.00
Net Change in Fund Balance		0.00
Fund Balance, July 1, 2014	2800	
Adjustments to Fund Balance	2891	
Ending Fund Balance:		
Nonspendable Fund Balance	2710	
Restricted Fund Balance	2720	
Committed Fund Balance	2730	
Assigned Fund Balance	2740	
Unassigned Fund Balance	2750	
Total Fund Balances, June 30, 2015	2700	0.00

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DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - DEBT SERVICE FUNDS  
 For the Fiscal Year Ended June 30, 2015

Exhibit K-6  
 FDOE Page 13  
 Funds 200

REVENUES	Account Number	SBE/COB Bonds 210	Special Act Bonds 220	Sections 1011.14 & 1011.15, F.S., Loans 230	Motor Vehicle Revenue Bonds 240	District Bonds 250	Other Debt Service 290	ARRA Economic Stimulus Debt Service 299	Totals
<i>Federal:</i>									
Miscellaneous Federal Direct	3199								0.00
Miscellaneous Federal Through State	3299								0.00
<i>State:</i>									
CO&DS Withheld for SBE/COB Bonds	3322	6,703,318.28							6,703,318.28
SBE/COB Bond Interest	3326	5,684.01							5,684.01
Racing Commission Funds	3341		446,500.00						446,500.00
Other Miscellaneous State Revenue	3399								0.00
Total State Sources	3300	6,709,002.29	446,500.00	0.00	0.00	0.00	0.00	0.00	7,155,502.29
<i>Local:</i>									
District Debt Service Taxes	3412								0.00
County Local Sales Tax	3418						23,601,924.83		23,601,924.82
School District Local Sales Tax	3419								0.00
Tax Redemptions	3421								0.00
Payment in Lieu of Taxes	3422								0.00
Excise Fees	3423								0.00
Interest on Investments	3431		1,663.45				667,356.94	13,240.42	682,260.81
Gain on Sale of Investments	3432								0.00
Net Increase (Decrease) in Fair Value of Investments	3433								0.00
Gifts, Grants and Bequests	3440								0.00
Other Miscellaneous Local Sources	3493								0.00
Impact Fees	3496								0.00
Refunds of Prior Year's Expenditures	3497								0.00
Total Local Sources	3400	0.00	1,663.45	0.00	0.00	0.00	24,269,281.76	13,240.42	24,284,185.63
Total Revenues	3000	6,709,002.29	448,163.45	0.00	0.00	0.00	24,269,281.76	13,240.42	31,439,687.92
<b>EXPENDITURES</b>									
<i>Debt Service (Function 9200)</i>									
Redemption of Principal	710	5,254,000.00	154,306.80				40,900,000.00		46,308,306.80
Interest	720	1,286,351.18	205,693.20				41,115,602.83	154,524.44	42,762,171.65
Dues and Fees	730	24,771.47	119,852.47				362,854.38	5,150.00	1,012,628.32
Miscellaneous	790								0.00
Total Expenditures		6,565,122.65	479,852.47	0.00	0.00	0.00	82,378,457.21	159,674.44	90,083,106.77
Excess (Deficiency) of Revenues Over Expenditures		143,879.64	(31,689.02)	0.00	0.00	0.00	(58,609,175.45)	(146,434.02)	(58,643,418.85)



DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - DEBT SERVICE FUNDS  
 For the Fiscal Year Ended June 30, 2015

Exhibit K-6  
 FDOE Page 13  
 Funds 200

OTHER FINANCING SOURCES (USES) and CHANGES IN FUND BALANCE	Account Number	SBE/COBI Bonds 210	Special Act Bonds 220	Sections 1011.14 & 1011.15, F.S., Loans 230	Motor Vehicle Revenue Bonds 240	District Bonds 250	Other Debt Service 290	ARRA Economic Stimulus Debt Service 299	Totals
Issuance of Bonds	3710		2,718,336.82						2,718,336.82
Premium on Sale of Bonds	3791								0.00
Discount on Sale of Bonds (Function 9299)	891								0.00
Proceeds of Lease-Purchase Agreements	3750								0.00
Premium on Lease-Purchase Agreements	3793								0.00
Discount on Lease-Purchase Agreements (Function 9299)	893								0.00
Loans	3720								0.00
Proceeds of Forward Supply Contract	3760								0.00
Face Value of Refunding Bonds	3715	12,583,000.00							12,583,000.00
Premium on Refunding Bonds	3792	1,196,535.89	198,146.65						1,394,682.54
Discount on Refunding Bonds (Function 9299)	892								0.00
Payments to Refunded Bonds Escrow Agent (Function 9299)	761	(14,769,358.77)	(2,788,978.91)						(17,558,337.68)
Refunding Lease-Purchase Agreements	3755								0.00
Premium on Refunding Lease-Purchase Agreements	3794								0.00
Discount on Refunding Lease-Purchase Agments (Function 9299)	894								0.00
Payments to Refunded Lease-Purchase Escrow Agent (Function 9299)	762								0.00
Transfers In:									
From General Fund	3610								0.00
From Capital Projects Funds	3630						64,695,502.25	2,267,174.44	66,962,676.69
From Special Revenue Funds	3640								0.00
Interfund	3650						1,070.01		1,070.01
From Permanent Funds	3660								0.00
From Internal Service Funds	3670								0.00
From Enterprise Funds	3690								0.00
Total Transfers In	3600	0.00	0.00	0.00	0.00	0.00	64,696,572.26	2,267,174.44	66,963,746.70
Transfers Out: (Function 9700)									
To General Fund	910								0.00
To Capital Projects Funds	930								0.00
To Special Revenue Funds	940								0.00
Interfund	950						(1,070.01)		(1,070.01)
To Permanent Funds	960								0.00
To Internal Service Funds	970								0.00
To Enterprise Funds	990								0.00
Total Transfers Out	9700	0.00	0.00	0.00	0.00	0.00	(1,070.01)	0.00	(1,070.01)
Total Other Financing Sources (Uses)		(989,822.88)	127,504.56	0.00	0.00	0.00	64,695,502.25	2,267,174.44	66,160,358.17
Net Change in Fund Balances		(845,943.24)	95,815.54	0.00	0.00	0.00	6,086,326.80	2,120,740.42	7,456,939.52
Fund Balance, July 1, 2014	2800	1,576,336.59	1,105,232.57				100,389,047.44	6,343,717.95	109,414,334.55
Adjustments to Fund Balances	2891								0.00
Finding Fund Balance:									
Nonspendable Fund Balance	2710								0.00
Restricted Fund Balance	2720	730,393.35	1,201,048.11				106,475,374.24	8,464,458.37	116,871,274.07
Committed Fund Balance	2730								0.00
Assigned Fund Balance	2740								0.00
Unassigned Fund Balance	2750								0.00
Total Fund Balances, June 30, 2015	2700	730,393.35	1,201,048.11	0.00	0.00	0.00	106,475,374.24	8,464,458.37	116,871,274.07

DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY  
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - CAPITAL PROJECTS FUNDS  
For the Fiscal Year Ended June 30, 2015

Exhibit K-7  
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REVENUES	Account Number	Capital Outlay Bond Issues (COBI)	Special Act Bonds	Sections 1011.14 & 1011.15, F.S., Loans	Public Education Capital Outlay (PECO)	District Bonds	Capital Outlay and Debt Service Program (CORDS)	Nonvoted Cap. Improvement Section 1011.71(2), F.S.	Voted Capital Improvement Fund	Other Capital Projects	AFRA Economic Stimulus Capital Projects	Totals
		310	320	330	340	350	360	370	380	390	399	
<i>Federal:</i>												
Miscellaneous Federal Direct	3199											0.00
Miscellaneous Federal Through State	3199											0.00
<i>State:</i>												
CORDS Distributed	3324						937,711.06					937,711.06
Interest on Undistributed CORDS	3325						50,004.27					50,004.27
Racing Commission Funds	3341											0.00
State Through Local	3380											0.00
Public Education Capital Outlay (PECO)	3391				3,831,847.00							3,831,847.00
Classrooms First Program	3392											0.00
District Effort Recognition Program	3394											0.00
SMART Schools Small County Assistance Program	3395											0.00
Class Size Reduction Capital Outlay	3396											0.00
Charter School Capital Outlay Funding	3397									4,856,173.00		4,856,173.00
Special Facility Construction Account	3398											0.00
Other Miscellaneous State Revenues	3399											0.00
Total State Sources	3300	0.00	0.00	0.00	3,831,847.00	0.00	987,715.33	0.00	0.00	4,856,173.00	0.00	9,625,735.33
<i>Local:</i>												
District Local Capital Improvement Tax	3413							108,238,030.63				108,238,030.63
County Local Sales Tax	3418									4,000,000.00		4,000,000.00
School District Local Sales Tax	3419											0.00
Tax Redemption	3421											0.00
Payment in Lieu of Taxes	3422											0.00
Excise Fees	3423											0.00
Interest on Investments	3431		1,739.51				2,871.51	200,428.24		81,534.01		286,573.27
Gain or Loss on Investments	3432											0.00
Net Increase (Decrease) in Fair Value of Investments	3433											0.00
Gifts, Grants and Bequests	3440											0.00
Other Miscellaneous Local Sources	3495							1,174,322.51		103,267.18		1,277,689.69
Imputed Fees	3499									21,088,950.52		21,088,950.52
Total Local Sources	3400	0.00	1,739.51	0.00	0.00	0.00	2,871.51	109,612,781.38	0.00	25,273,851.71	0.00	134,891,244.11
Total Revenues	3500	0.00	1,739.51	0.00	3,831,847.00	0.00	990,586.84	109,612,781.38	0.00	30,130,024.71	0.00	144,566,979.44
<b>EXPENDITURES</b>												
<i>Capital Outlay (Function 7400)</i>												
Library Books	610									156,864.76		156,864.76
Audiovisual Materials	620									17,872.92		17,872.92
Buildings and Fixed Equipment	630							6,318,749.87		22,116,857.43		28,435,607.30
Furniture, Fixtures and Equipment	640							1,879,920.43		1,534,437.18		3,414,357.61
Motor Vehicles (Including Buses)	650							2,354,840.11		8,003,228.11		10,358,068.22
Land	660							219,298.63				219,298.63
Improvements Other Than Buildings	670				42,944.86		229,325.94	5,426,382.10				5,698,652.90
Renovating and Renovations	680		1,191,874.01		323,244.81		519,392.75	48,321,566.40		11,340.00		50,567,287.97
Computer Software	690									18,866.33		18,866.33
<i>Debt Service (Function 7200)</i>												
Redemption of Principal	710											0.00
Interest	720											0.00
Fees and Fees	730						4,213.42					4,213.42
Miscellaneous	790											0.00
Total Expenditures		0.00	1,191,874.01	0.00	566,189.67	0.00	753,162.11	64,580,557.54	0.00	31,879,466.73	0.00	98,971,390.06
Excess (Deficiency) of Revenues Over Expenditures		0.00	(1,190,134.50)	0.00	3,265,657.33	0.00	237,424.73	45,032,223.84	0.00	(1,749,442.02)	0.00	45,595,589.18



DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - CAPITAL PROJECTS FUNDS (Continued)  
 For the Fiscal Year Ended June 30, 2015

Exhibit K-7  
 FDOE Page 15  
 Funds 100

OTHER FINANCING SOURCES (USES) and CHANGES IN FUND BALANCE	Account Number	Capital Outlay Bond Issues (COMB)	Special Act Bonds	Sections 1011.14 & 1011.15, F.S., Loans	Public Education Capital Outlay (PECO)	District Bonds	Capital Outlay and Debt Service Program (COMDS)	Nonvoted Cap. Improvements Section 1011.71(2), F.S.	Voted Capital Improvements Fund	Other Capital Projects	ARRA Economic Stimulus Capital Projects	Totals
		310	320	330	340	350	360	370	380	390	399	
Insurance of Bonds	3710		3,281,663.18									3,281,663.18
Premium on Sale of Bonds	3791											0.00
Discount on Sale of Bonds (Function 9299)	891											0.00
Proceeds of Lease-Purchase Agreements	3750											0.00
Premium on Lease-Purchase Agreements	3793											0.00
Discount on Lease-Purchase Agreements (Function 9299)	893											0.00
Loans	3720											0.00
Sale of Capital Assets	3730											0.00
Lease Reimbursements	3740											0.00
Proceeds of Forward Supply Contract	3760											0.00
Transfers In:												
From General Fund	3610											0.00
From Debt Service Funds	3620											0.00
From Special Revenue Funds	3640											0.00
Interfund	3650											0.00
From Permanent Funds	3660											0.00
From Internal Service Funds	3670											0.00
From Enterprise Funds	3690											0.00
Total Transfers In	3600	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transfers Out: (Function 9700)												
To General Fund	910							(7,000,000.00)		(4,855,370.70)		(11,855,370.70)
To Debt Service Funds	920							(66,961,478.99)		(1,197.70)		(66,962,676.69)
To Special Revenue Funds	940											0.00
Interfund	950											0.00
To Permanent Funds	960											0.00
To Internal Service Funds	970											0.00
To Enterprise Funds	990											0.00
Total Transfers Out	9700	0.00	0.00	0.00	0.00	0.00	0.00	(73,961,478.99)	0.00	(4,857,370.70)	0.00	(78,818,849.69)
Total Other Financing Sources (Uses)		0.00	3,281,663.18	0.00	0.00	0.00	0.00	(73,961,478.99)	0.00	(4,857,370.70)	0.00	(75,537,186.21)
Net Change in Fund Balances		0.00	2,091,528.68	0.00	3,265,657.33	0.00	237,384.73	(28,929,355.13)	0.00	(6,606,812.72)	0.00	(29,941,597.13)
Fund Balance, July 1, 2014	2800		0.00				1,936,423.35	103,649,916.36		62,701,134.78		168,287,474.49
Adjustments to Fund Balances:	2891							1				0.00
Ending Fund Balance:												
Nonspendable Fund Balance	2710											0.00
Restricted Fund Balance	2720		2,091,528.68		3,265,657.33		2,173,708.28	74,720,661.41		56,094,322.06		138,345,877.76
Committed Fund Balance	2730											0.00
Assigned Fund Balance	2740											0.00
Unassigned Fund Balance	2750											0.00
Total Fund Balances, June 30, 2015	2700	0.00	2,091,528.68	0.00	3,265,657.33	0.00	2,173,708.28	74,720,661.41	0.00	56,094,322.06	0.00	138,345,877.76



DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY  
 STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - PERMANENT FUND  
 For the Fiscal Year Ended June 30, 2015

Exhibit K-8  
 FDOE Page 16  
 Fund 000

REVENUES		Account Number							
Federal Direct		3100							
Federal Through State and Local		3200							
State Sources		3300							
Local Sources		3400							
Total Revenues		3000	0.00						
EXPENDITURES		Account Number	100 Salaries	200 Employee Benefits	100 Purchased Services	400 Energy Services	500 Materials and Supplies	600 Capital Outlay	700 Other
Current:									
Instruction		5000							0.00
Student Support Services		6100							0.00
Instructional Media Services		6200							0.00
Instruction and Curriculum Development Services		6300							0.00
Instructional Staff Training Services		6400							0.00
Instruction-Related Technology		6500							0.00
Board		7100							0.00
General Administration		7200							0.00
School Administration		7300							0.00
Facilities Acquisition and Construction		7410							0.00
Fiscal Services		7500							0.00
Central Services		7700							0.00
Student Transportation Services		7800							0.00
Operation of Plant		7900							0.00
Maintenance of Plant		8100							0.00
Administrative Technology Services		8200							0.00
Community Services		9100							0.00
Capital Outlay:									
Facilities Acquisition and Construction		7420							0.00
Other Capital Outlay		9100							0.00
Debt Service: (Function 9100)									
Redemption of Principal		710							0.00
Interest		720							0.00
Total Expenditures			0.00	0.00	0.00	0.00	0.00	0.00	0.00
Excess (Deficiency) of Revenues Over Expenditures									0.00

DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - PERMANENT FUND  
For the Fiscal Year Ended June 30, 2015

OTHER FINANCING SOURCES (USES) and CHANGES IN FUND BALANCES	Account Number	
Sale of Capital Assets	3730	
Loss Recoveries	3740	
Transfers In:		
From General Fund	3610	
From Debt Service Funds	3620	
From Capital Projects Funds	3630	
From Special Revenue Funds	3640	
From Internal Service Funds	3670	
From Enterprise Funds	3690	
Total Transfers In	3690	0.00
Transfers Out: (Function 9700)		
To General Fund	910	
To Debt Service Funds	920	
To Capital Projects Funds	930	
To Special Revenue Funds	940	
To Internal Service Funds	970	
To Enterprise Funds	990	
Total Transfers Out	9700	0.00
Total Other Financing Sources (Uses)		0.00
Net Change in Fund Balance		0.00
Fund Balance, July 1, 2014	2800	
Adjustments to Fund Balance	2891	
Ending Fund Balance:		
Nonspendable Fund Balance	2710	
Restricted Fund Balance	2720	
Committed Fund Balance	2730	
Assigned Fund Balance	2740	
Unassigned Fund Balance	2750	
Total Fund Balances, June 30, 2015	2700	0.00

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DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY  
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION - ENTERPRISE FUNDS  
 For the Fiscal Year Ended June 30, 2015

Exhibit K-9  
 FDOE Page 17  
 Funds 900

INCOME OR (LOSS)	Account Number	Self-Insurance - Consortium 911	Self-Insurance - Consortium 912	Self-Insurance - Consortium 913	Self-Insurance - Consortium 914	ARRA - Consortium 915	Other Enterprise Programs 921	Other Enterprise Programs 922	Totals
<b>OPERATING REVENUES</b>									
Charges for Services	3481								0.00
Charges for Sales	3482								0.00
Premium Revenue	3484								0.00
Other Operating Revenues	3489								0.00
<b>Total Operating Revenues</b>		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>OPERATING EXPENSES (Function 9900)</b>									
Salaries	100								0.00
Employee Benefits	200								0.00
Purchased Services	300								0.00
Energy Services	400								0.00
Materials and Supplies	500								0.00
Capital Outlay	600								0.00
Other	700								0.00
Depreciation and Amortization Expense	780								0.00
<b>Total Operating Expenses</b>		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Operating Income (Loss)</b>		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>NONOPERATING REVENUES (EXPENSES)</b>									
Interest on Investments	3431								0.00
Gain on Sale of Investments	3432								0.00
Net Increase (Decrease) in Fair Value of Investments	3433								0.00
Gifts, Grants and Bequests	3440								0.00
Other Miscellaneous Local Sources	3495								0.00
Loss Recoveries	3740								0.00
Gain on Disposition of Assets	3780								0.00
Interest (Function 9900)	720								0.00
Miscellaneous (Function 9900)	790								0.00
Loss on Disposition of Assets (Function 9900)	810								0.00
<b>Total Nonoperating Revenues (Expenses)</b>		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Net Income (Loss) Before Operating Transfers</b>		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>TRANSFERS and CHANGES IN NET POSITION</b>									
<i>Transfers In:</i>									
From General Fund	3610								0.00
From Debt Service Funds	3620								0.00
From Capital Projects Funds	3630								0.00
From Special Revenue Funds	3640								0.00
Interfund	3650								0.00
From Permanent Funds	3660								0.00
From Internal Service Funds	3670								0.00
<b>Total Transfers In</b>	3600	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<i>Transfers Out: (Function 9700)</i>									
To General Fund	910								0.00
To Debt Service Funds	920								0.00
To Capital Projects Funds	930								0.00
To Special Revenue Funds	940								0.00
Interfund	950								0.00
To Permanent Funds	960								0.00
To Internal Service Funds	970								0.00
<b>Total Transfers Out</b>	9700	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Change in Net Position</b>		0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Net Position, July 1, 2014</b>	2880								0.00
<b>Adjustments to Net Position</b>	2896								0.00
<b>Net Position, June 30, 2015</b>	2780								0.00



DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY  
 COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION - INTERNAL SERVICE FUNDS  
 For the Fiscal Year Ended June 30, 2015

Exhibit K-10  
 FDDE Page 18  
 Funds 760

INCOME OR (LOSS)	Account Number	Self-Insurance 711	Self-Insurance 712	Self-Insurance 713	Self-Insurance 714	Self-Insurance 715	Consortium Programs 731	Other Internal Service 791	Totals
<b>OPERATING REVENUES</b>									
Charges for Services	3481								0.00
Charges for Sales	3482								0.00
Premium Revenue	3484								
Other Operating Revenues	3489	7,558,405.55	32,829.60					168,639,641.30	168,639,641.30
<b>Total Operating Revenues</b>		<b>7,558,405.55</b>	<b>32,829.60</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>168,639,641.30</b>	<b>176,230,876.45</b>
<b>OPERATING EXPENSES (Function 9900)</b>									
Salaries	100	443,715.41							443,715.41
Employee Benefits	200	159,188.87							159,188.87
Purchased Services	300	310,496.45	30,484.53						340,980.98
Energy Services	400								0.00
Materials and Supplies	500								0.00
Capital Outlay	600								0.00
Other	700	7,159,101.91	3,432,310.38					168,639,641.30	179,231,053.59
Depreciation and Amortization Expense	780								0.00
<b>Total Operating Expenses</b>		<b>8,072,502.64</b>	<b>3,462,794.91</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>168,639,641.30</b>	<b>180,174,938.85</b>
<b>Operating Income (Loss)</b>		<b>(514,097.09)</b>	<b>(3,429,965.31)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>(3,944,062.40)</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>									
Interest on Investments	3431	169,453.07	11,601.60						181,054.67
Gain on Sale of Investments	3432								0.00
Net Increase (Decrease) in Fair Value of Investments	3433								0.00
Gifts, Grants and Bequests	3440								0.00
Other Miscellaneous Local Sources	3495								0.00
Loss Recoveries	3740								0.00
Gain on Disposition of Assets	3780								0.00
Interest (Function 9900)	720								0.00
Miscellaneous (Function 9900)	790								0.00
Loss on Disposition of Assets (Function 9900)	810								0.00
<b>Total Nonoperating Revenues (Expenses)</b>		<b>169,453.07</b>	<b>11,601.60</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>181,054.67</b>
<b>Income (Loss) Before Operating Transfers</b>		<b>(344,644.02)</b>	<b>(3,418,363.71)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>(3,763,007.73)</b>
<b>TRANSFERS and CHANGES IN NET POSITION</b>									
<b>Transfers In:</b>									
From General Fund	3610		4,950,000.00						4,950,000.00
From Debt Service Funds	3620								0.00
From Capital Projects Funds	3630								0.00
From Special Revenue Funds	3640								0.00
Interfund	3650								0.00
From Permanent Funds	3660								0.00
From Enterprise Funds	3690								0.00
<b>Total Transfers In</b>	<b>3600</b>	<b>0.00</b>	<b>4,950,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>4,950,000.00</b>
<b>Transfers Out: (Function 9700)</b>									
To General Fund	910	(43,183,023.90)							(43,183,023.90)
To Debt Service Funds	920								0.00
To Capital Projects Funds	930								0.00
To Special Revenue Funds	940	(4,562,334.92)							(4,562,334.92)
Interfund	950								0.00
To Permanent Funds	960								0.00
To Enterprise Funds	990								0.00
<b>Total Transfers Out</b>	<b>9700</b>	<b>(47,745,358.88)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>(47,745,358.88)</b>
<b>Change in Net Position</b>		<b>(48,090,002.90)</b>	<b>1,531,636.29</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>(46,558,366.61)</b>
Net Position, July 1, 2014	2880	84,536,190.84	3,779,626.86						88,315,817.70
Adjustments to Net Position	2896								0.00
<b>Net Position, June 30, 2015</b>	<b>2780</b>	<b>36,446,187.94</b>	<b>5,311,263.15</b>					<b>0.00</b>	<b>41,757,451.09</b>

DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY  
 COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES  
 SCHOOL INTERNAL FUNDS  
 June 30, 2015

Exhibit K-11  
 FDOE Page 19  
 Fund 891

ASSETS	Account Number	Beginning Balance July 1, 2014	Additions	Deductions	Ending Balance June 30, 2015
Cash	1110	15,866,435.53	16,019,701.76	15,866,435.53	16,019,701.76
Investments	1160	2,254,399.48	3,501.12	379,594.59	1,878,306.01
Accounts Receivable, Net	1131				0.00
Interest Receivable on Investments	1170				0.00
Due From Budgetary Funds	1141				0.00
Due From Other Agencies	1220				0.00
Inventory	1150	160,955.84	110,339.91	160,955.84	110,339.91
<b>Total Assets</b>		<b>18,281,790.85</b>	<b>16,133,542.79</b>	<b>16,406,985.96</b>	<b>18,008,347.68</b>
LIABILITIES					
Cash Overdraft	2125				0.00
Accrued Salaries and Benefits	2110				0.00
Payroll Deductions and Withholdings	2170				0.00
Accounts Payable	2120	1,423,013.37	1,294,696.82	1,423,013.37	1,294,696.82
Internal Accounts Payable	2290	16,858,777.48	25,284,458.38	25,429,585.00	16,713,650.86
Due to Budgetary Funds	2161				0.00
<b>Total Liabilities</b>		<b>18,281,790.85</b>	<b>26,579,155.20</b>	<b>26,852,598.37</b>	<b>18,008,347.68</b>



DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY  
SCHEDULE OF LONG-TERM LIABILITIES  
June 30, 2015

Exhibit K-12  
FDDE Page 20  
Fund 601

	Account Number	Governmental Activities Total Balance [1] June 30, 2015	Business-Type Activities Total Balance [1] June 30, 2015	Total	Governmental Activities - Debt Principal Payments 2014-15	Governmental Activities - Principal Due Within One Year 2015-16	Governmental Activities - Debt Interest Payments 2014-15	Governmental Activities - Interest Due Within One Year 2015-16
Notes Payable	2310			0.00				
Obligations Under Capital Leases	2315			0.00				
Bonds Payable								
SBE/COBI Bonds Payable	2321	28,405,000.00		28,405,000.00	5,254,000.00	4,880,000.00	1,286,351.18	1,398,138.32
District Bonds Payable	2322			0.00				
Special Act Bonds Payable	2323			0.00				
Motor Vehicle License Revenue Bonds Payable	2324	6,194,608.33		6,194,608.33	154,306.80	370,000.00	205,693.20	154,465.49
Sales Tax Bonds Payable	2326	190,517,728.29		190,517,728.29	11,255,000.00	11,770,000.00	8,717,551.89	8,508,903.73
Total Bonds Payable	2320	225,117,336.62	0.00	225,117,336.62	16,663,306.80	17,020,000.00	10,209,596.27	10,061,507.54
Liability for Compensated Absences	2330	134,955,875.81		134,955,875.81				
Lease-Purchase Agreements Payable								
Certificates of Participation (COPS) Payable	2341	762,391,319.45		762,391,319.45	29,645,000.00	31,420,000.00	32,398,050.94	32,779,199.92
Qualified Zone Academy Bonds (QZAB) Payable	2342	18,733,000.00		18,733,000.00		9,600,000.00		
Qualified School Construction Bonds (QSCB) Payable	2343	37,935,000.00		37,935,000.00			154,524.44	
Build America Bonds (BAB) Payable	2344			0.00				
Other Lease-Purchase Agreements Payable	2349			0.00				
Total Lease-Purchase Agreements Payable	2340	819,059,319.45	0.00	819,059,319.45	29,645,000.00	41,020,000.00	32,552,575.38	32,779,199.92
Estimated Liability for Long-Term Claims	2350	18,999,554.00		18,999,554.00				
Net Other Postemployment Benefits Obligation	2360	121,136,508.00		121,136,508.00				
Net Pension Liability	2365	512,151,808.00		512,151,808.00				
Estimated PECO Advance Payable	2370			0.00				
Other Long-Term Liabilities	2380			0.00				
Derivative Instrument	2390			0.00				
<b>Total Long-Term Liabilities</b>		<b>1,831,420,401.88</b>	<b>0.00</b>	<b>1,831,420,401.88</b>	<b>46,308,306.80</b>	<b>58,040,000.00</b>	<b>42,762,171.65</b>	<b>42,840,707.46</b>

[1] Report carrying amount of total liability due within one year and due after one year on June 30, 2015, including discounts and premiums.



DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY  
SCHEDULE OF CATEGORICAL PROGRAMS  
REPORT OF EXPENDITURES AND AVAILABLE FUNDS  
For the Fiscal Year Ended June 30, 2015

Exhibit K-13  
FDOE Page 21

CATEGORICAL PROGRAMS (Revenue Number) [Footnote]	Grant Number	Unexpended June 30, 2014	Returned To FDOE	Revenues [1] 2014-15	Expenditures 2014-15	Flexibility [2] 2014-15	Unexpended June 30, 2015
Class Size Reduction Operating Funds (3355)	94740	0.00		230,848,538.00	230,848,538.00		0.00
Class Size Reduction Capital Outlay (3396)	91050	0.00					0.00
Excellent Teaching Program (3363)	90570	0.00					0.00
Florida Digital Classrooms (FEFP Earmark)	98250	0.00		1,890,073.00	1,890,071.34		1.66
Florida School Recognition Funds (3361)	92040	477,711.84		11,420,797.00	11,297,590.91		600,917.93
Instructional Materials (FEFP Earmark) [3]	90880	6,951,429.24		15,302,754.00	20,285,385.95		1,968,797.29
Library Media (FEFP Earmark) [3]	90881	26,912.46		871,951.00	871,945.70		26,917.76
Preschool Projects (3372)	97950	0.00					0.00
Public School Technology	90320	0.00					0.00
Research-Based Reading Instruction (FEFP Earmark) [4]	90800	6,017,691.22		9,253,157.00	11,733,625.75		3,537,222.47
Safe Schools (FEFP Earmark) [5]	90803	0.00		3,437,596.00	3,437,596.00		0.00
Salary Bonus Outstanding Teachers in D and F Schools	94030	0.00					0.00
Student Transportation (FEFP Earmark)	90830	0.00		33,516,577.00	33,516,577.00		0.00
Supplemental Academic Instruction (FEFP Earmark) [4]	91280	0.00		39,528,422.00	39,528,422.00		0.00
Teacher Training	91290	0.00					0.00
Teachers Classroom Supply Assistance (FEFP Earmark)	97580	0.00		3,410,233.00	3,410,233.00		0.00
Voluntary Prekindergarten - School Year Program (3371)	96440	0.00		25,015,521.96	25,015,521.96		0.00
Voluntary Prekindergarten - Summer Program (3371)	96441	0.00		1,672,387.09	1,672,387.09		0.00

[1] Include both state and local revenue sources.

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

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

[4] Expenditures for designated low-performing elementary schools, based on the statewide standardized English Language Arts assessment, should be included in expenditures.

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

DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY  
SCHEDULE OF SELECTED SUBOBJECT EXPENDITURES  
For the Fiscal Year Ended June 30, 2015

Exhibit K-14  
FDDE Page 22

	Subobject	General Fund 100	Special Revenue Food Services 410	Special Revenue Other Federal Programs 420	Special Revenue Federal Economic Stimulus Programs 430	Total
<b>ENERGY EXPENDITURES:</b>						
Natural Gas	411					0.00
Bottled Gas	421					0.00
Electricity	430	33,981,315.36	2,243,714.92	61,425.96		36,286,456.24
Heating Oil	440					0.00
<b>Total</b>		33,981,315.36	2,243,714.92	61,425.96	0.00	36,286,456.24
<b>ENERGY EXPENDITURES FOR STUDENT TRANSPORTATION:</b>						
Compressed Natural Gas	412					0.00
Liquefied Petroleum Gas	422					0.00
Gasoline	450	44,155.46		5,904.40		50,059.86
Diesel Fuel	460	8,276,051.90				8,276,051.90
Oil and Grease	540	230,727.84				230,727.84
<b>Total</b>		8,550,935.20		5,904.40	0.00	8,556,839.60

	Subobject	General Fund 100	Special Revenue Other Federal Programs 420	Special Revenue Federal Economic Stimulus Programs 430	Capital Projects Funds 3XX	Total
<b>EXPENDITURES FOR SCHOOL BUSES AND SCHOOL BUS REPLACEMENTS:</b>						
Buses	651				10,398,068.22	10,398,068.22
<b>EXPENDITURES FOR CAPITALIZED AV MATERIALS:</b>						
Capitalized Audiovisual Materials	621	101,369.51	5,615.02			106,984.53

	Subobject	General Fund 100	Special Revenue Food Services 410	Special Revenue Other Federal Programs 420	Special Revenue Federal Economic Stimulus Programs 430	Total
<b>SUBAWARDS FOR INDIRECT COST RATE:</b>						
<i>Professional and Technical Services:</i>						
Subawards Under Subagreements - First \$25,000	311					0.00
Subawards Under Subagreements - In Excess of \$25,000	312	7,892,278.67		3,400,646.85		11,292,925.52
<i>Other Purchased Services:</i>						
Subawards Under Subagreements - First \$25,000	391					0.00
Subawards Under Subagreements - In Excess of \$25,000	392					0.00

	Subobject	Special Revenue Food Services 410
<b>FOOD SERVICE SUPPLIES SUBOBJECT</b>		
Supplies	510	177,971.76
Food	570	40,551,837.86
Donated Foods	580	6,047,135.22



DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY  
SCHEDULE OF SELECTED SUBOBJECT EXPENDITURES  
For the Fiscal Year Ended June 30, 2015

Exhibit K-14  
FDOE Page 23

	Subobject	General Fund 100	Special Revenue Other Federal Programs 420	Special Revenue Federal Economic Stimulus Programs 430	Total
<b>TEACHER SALARIES</b>					
Basic Programs 101, 102 and 103 (Function 5100)	120	530,293,562.36	30,437,384.51		560,730,946.87
Basic Programs 101, 102 and 103 (Function 5100)	140				0.00
Basic Programs 101, 102 and 103 (Function 5100)	750	47,194.35			47,194.35
<b>Total Basic Program Salaries</b>		530,340,756.71	30,437,384.51	0.00	560,778,141.22
Other Programs 130 (ESOL) (Function 5100)	120	8,708,600.87	899,805.86		9,608,406.73
Other Programs 130 (ESOL) (Function 5100)	140				0.00
Other Programs 130 (ESOL) (Function 5100)	750				0.00
<b>Total Other Program Salaries</b>		8,708,600.87	899,805.86	0.00	9,608,406.73
ESE Programs 111, 112, 113, 254 and 255 (Function 5200)	120	109,969,225.34	4,187,306.78		114,156,532.12
ESE Programs 111, 112, 113, 254 and 255 (Function 5200)	140				0.00
ESE Programs 111, 112, 113, 254 and 255 (Function 5200)	750				0.00
<b>Total ESE Program Salaries</b>		109,969,225.34	4,187,306.78	0.00	114,156,532.12
Career Program 300 (Function 5300)	120	22,614,706.03	218,105.35		22,832,811.38
Career Program 300 (Function 5300)	140				0.00
Career Program 300 (Function 5300)	750				0.00
<b>Total Career Program Salaries</b>		22,614,706.03	218,105.35	0.00	22,832,811.38
<b>Total</b>		671,633,288.95	35,742,602.50	0.00	707,375,891.45

	Subobject	General Fund 100	Special Revenue Other Federal Programs 420	Special Revenue Federal Economic Stimulus Programs 430	Total
<b>TEXTBOOKS (used for classroom instruction)</b>					
Textbooks (Function 5000)	520	20,424,994.93	108,692.03	4,460.00	20,538,146.96

ESE 348



DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY  
 SPECIFIC ACADEMIC CLASSROOM INSTRUCTION AND OTHER DATA COLLECTION  
 For the Fiscal Year Ended June 30, 2015

Exhibit K-14  
 FDOE Page 24

CATEGORICAL FLEXIBLE SPENDING - GENERAL FUND EXPENDITURES	Account Number	Safe Schools	Student Transportation	Supplemental Academic Instruction	Research-Based Reading Instruction	Instructional Materials	Instructional Materials / Library Media	Totals
<i>Instruction:</i>								
Basic	5100							0.00
Exceptional	5200							0.00
Career Education	5300							0.00
Adult General	5400							0.00
Prekindergarten	5500							0.00
Other Instruction	5900							0.00
<b>Total Flexible Spending Instructional Expenditures</b>	<b>5600</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

DISTRIBUTIONS TO CHARTER SCHOOLS (Charter school information is used in federal reporting)	Fund Number	Direct Payment (Object 393)	Amount Withheld for Administration	Payments and Services on Behalf of Charter Schools	Total Amount
<i>Expenditures:</i>					
General Fund	100	106,204,773.97	2,438,044.40		108,642,818.37
Food Service Special Revenue Fund	410	0.00			0.00
Other Federal Programs Special Revenue Fund	420	2,397,632.44			2,397,632.44
Federal Economic Stimulus Special Revenue Funds	430	210.00			210.00
<b>Total Charter School Distributions</b>		<b>108,602,616.41</b>	<b>2,438,044.40</b>	<b>0.00</b>	<b>111,040,660.81</b>

LIFELONG LEARNING (Lifelong Learning expenditures are used in federal reporting)	Account Number	Amount
<i>Expenditures:</i>		
General Fund	5900	754,872.18
Other Federal Programs Special Revenue Fund	5900	2,456,113.09
Federal Economic Stimulus Special Revenue Funds	5900	0.00
<b>Total:</b>	<b>5900</b>	<b>3,210,985.27</b>

MEDICAID EXPENDITURE REPORT (Medicaid expenditures are used in federal reporting)	Unexpended June 30, 2014	Earnings 2014-15	Expenditures 2014-15	Unexpended June 30, 2015
Earnings, Expenditures and Carryforward Amounts:		9,735,969.14	9,735,969.14	0.00

<i>Expenditure Program or Activity:</i>	
Exceptional Student Education	9,735,969.14
School Nurses and Health Care Services	
Occupational Therapy, Physical Therapy and Other Therapy Services	
ESE Professional and Technical Services	
Gifted Student Education	
Staff Training and Curriculum Development	
Medicaid Administration and Billing Services	
Student Services	
Consultants	
Other	
<b>Total Expenditures</b>	<b>9,735,969.14</b>

General Fund Balance Sheet Information (This information is used in state reporting)	Fund Number	Amount
<i>Balance Sheet Amount:</i>		
Total Assets and Deferred Outflows of Resources	100	180,403,339.45
Total Liabilities and Deferred Inflows of Resources	100	34,380,470.94

DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY  
VOLUNTARY PREKINDERGARTEN (VPK) PROGRAM  
For the Fiscal Year Ended June 30, 2015

Exhibit K-15  
FDDE Page 25  
Supplemental Schedule - Fund 100

VOLUNTARY PREKINDERGARTEN PROGRAM [1] GENERAL FUND EXPENDITURES	Account Number	100	200	300	400	500	600	700	Totals
		Salaries	Employee Benefits	Purchased Services	Energy Services	Materials and Supplies	Capital Outlay	Other	
<i>Current:</i>									
Prekindergarten	5500	225,681.41	66,662.12	102,424.59	1,825.71	4,567.18			400,561.01
Student Support Services	6100								0.00
Instructional Media Services	6200								0.00
Instruction and Curriculum Development Services	6300								0.00
Instructional Staff Training Services	6400								0.00
Instruction-Related Technology	6500								0.00
Board	7100								0.00
General Administration	7200								0.00
School Administration	7300								0.00
Facilities Acquisition and Construction	7410								0.00
Fiscal Services	7500	155,912.00	52,282.84						208,194.84
Food Services	7600								0.00
Central Services	7700								0.00
Student Transportation Services	7800								0.00
Operation of Plant	7900	246.49	95.11						341.60
Maintenance of Plant	8100								0.00
Administrative Technology Services	8200								0.00
Community Services	9100			26,078,811.61					26,078,811.61
<i>Capital Outlay:</i>									
Facilities Acquisition and Construction	7420								0.00
Other Capital Outlay	9300								0.00
<i>Debt Service: (Function 9200)</i>									
Redemption of Principal	710								0.00
Interest	720								0.00
<b>Total Expenditures</b>		381,839.90	118,440.07	26,181,236.20	1,825.71	4,567.18	0.00	0.00	26,687,909.06

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

**SCHEDULE 5**  
**SUPPLEMENTAL SCHEDULE OF FEDERAL**  
**FINANCIAL ASSISTANCE PROGRAM EXPENDITURES**  
**For the Fiscal Year Ended June 30, 2015**

Federal Grantor/Pass -Through Grantor/Program Title	Catalog of Federal Domestic Assistance		Amount of Expenditures	Amount Provided to Subrecipients
	Assistance Number	Pass-Through Grantor Number		
United States Department of Agriculture				
School Breakfast Program	10.553	N/A	20,285,840.63	
National School Lunch Program	10.555	NSLP	56,572,955.92	
National School Lunch Program(Comm)	10.555	N/A	6,047,135.22	
Summer Food Service Program for Children	10.559	NSLP	1,625,781.26	
Total for United States Department of Agriculture			84,531,713.03	
United States Department of Labor				
National Farmworker Jobs Program	17.264	Various	346,978.22	
Disability Employment Policy Development	17.720	Various	22,089.14	
Total for United States Department of Labor			369,067.36	
National Aeronautics and Space Administration				
National Aeronautics and Space Administration	43.008	Various	5,412.36	
Total for National Aeronautics and Space Administration			5,412.36	
National Science Foundation				
Education and Human Resources	47.076	Various	7,507.82	
Total for National Science Foundation			7,507.82	
United States Department of Education				
Adult Education - Basic Grants to States	84.002	Various	2,025,536.82	
Federal Supplemental Educational Opportunity Grants	84.007	Various	41,365.00	
Title I Grants to Local Educational Agencies	84.010	Various	56,318,864.72	
Migrant Education_State Grant Program	84.011	Various	3,888,933.81	
Special Education - Grants to States	84.027	Various	46,987,489.01	
Federal Work-Study Program	84.033	Various	39,631.80	
Impact Aid	84.041	Various	485,816.30	
Career and Technical Education -- Basic Grants to States	84.048	Various	2,538,425.83	
Indian Education_Grants to Local Educational Agencies	84.060	Various	14,655.38	
Federal Pell Grant Program	84.063	Various	2,878,022.83	
Magnet School Assistance	84.165	Various	2,226,693.13	
Special Education - Preschool Grants	84.173	Various	781,764.97	
Safe and Drug-Free Schools and Communities National	84.184	Various	489,728.98	
Education for Homeless Children and Youth	84.196	Various	121,483.67	
Fund for the Improvement of Education	84.215	Various	21,000.00	
Charter Schools	84.282	Various	1,134,300.00	1,134,300.00
Gaining Early Awareness and Readiness for Undergraduate Programs	84.334	Various	206,882.13	
Transition to Teaching	84.350	Various	910,757.24	
English Language Acquisition Grants	84.365	Various	3,516,888.02	
Math and Science Partnerships	84.366	Various	576,719.13	
Improving Teacher Quality State Grants	84.367	Various	9,116,631.92	
Teacher Incentive Fund	84.374	Various	14,526,394.65	
School Improvement Grants	84.377	Various	537,942.24	
State Fiscal Stabilization Fund (SFSF) - Race-to-the-Top	84.395	Various	2,819,354.67	
Incentive Grants, Recovery Act				
Investing in Innovation (i3) Fund	84.411	Various	18,916.97	
Total for United States Department of Education			152,224,199.22	1,134,300.00
United States Department of Health and Human Services				
Mental Health Research Grants	93.242	Various	11,211.89	
Substance Abuse and Mental Health Services_Projects of Regional and National Significance	93.243	Various	41,899.51	
Department of Health and Human Services, Health Resources and Services Administration	93.501	Various	174,766.62	
Temporary Assistance for Needy Families	93.558	Various	14,255,887.34	
Refugee and Entrant Assistance_State Administered Programs	93.566	Various	1,557,009.18	
Refugee and Entrant Assistance-Discretionary Grants	93.576	Various	474,239.66	
Child Care and Development Block Grant	93.575	Various	14,741,454.68	
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	Various	15,001,667.19	
Head Start	93.600	Various	12,660,014.32	
Social Services Block Grant	93.667	Various	36,755.48	
Total for United States Department of Health and Human Services			58,954,905.86	
ROTC		ROTC	2,072,839.06	
Total for United States ROTC			2,072,839.06	
Grand Total			298,165,644.71	1,134,300.00



**FLORIDA DEPARTMENT OF EDUCATION  
SUPERINTENDENT'S ANNUAL FINANCIAL REPORT (ESE 145)  
DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY  
For the Fiscal Year Ended June 30, 2015**

Return completed form to:  
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Office of Funding and  
Financial Reporting  
325 W. Gaines St., Suite 824  
Tallahassee, FL 32399-0400

**PAGE NUMBER**

**Minimum  
Reporting**

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The Superintendent's Annual Financial Report (ESE 145) for the fiscal year ended June 30, 2015, was submitted in accordance with rule 6A-1.0071, F.A.C. (section 1001.51(12)(b), F.S.). This report was approved by the school board on November 17, 2015.

\_\_\_\_\_  
District Superintendent's Signature

November 17, 2015  
Date

MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2015

The School District of Hillsborough County's (the "District") 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 2).

**Overview of the Financial Statements**

The 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 plus deferred inflows 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 (see page 3) 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 unit 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 District has other component units that, due to the timing of the issuance of the Superintendent's Annual Financial Report, are not included in the basic financial statements. The Hillsborough County Education Foundation and several separate public charter schools for which the District is financially accountable are not included.

Key financial highlights included assets and deferred outflows of resources exceeding its liabilities and deferred inflows of resources by \$830,925,609.37 (net position). Of this amount \$(752,310,441.56) represents a deficit unrestricted net position. This deficit balance was attributed to the effects of the implementation of GASB Statement No. 68, Accounting and Financial Reporting for Pensions. See note 17 and 18 to the financial statements for additional information.

The government-wide financial statements can be found on pages 2 - 3 of this report.

MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2015

**Fund Financial Statements**

Fund financial statements are one of the components of the basic financial statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Funds are established for various purposes and the Fund Financial Statements allows the demonstration of sources and uses and/or budgeting compliance associated therewith (beginning on page 4). 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 entity. Because the focus is narrower than that of government-wide financial statements, it is useful to compare the information presented for governmental activities in the government-wide financial statements. By doing so, readers can 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) which is reflected on the page following each statement (see pages 5 and 7). The flow of current financial resources will reflect bond proceeds and interfund transfers as other financing sources as well as capital expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligation (bonds and others) into the Governmental Activities column in the Government-wide statements.

The District maintains thirteen 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, Special Revenue Fund – Other, Other Debt Service, Capital Improvement, and Other Capital Projects Fund that are considered to be major funds. Data from the other eight governmental funds are combined into a single, aggregated presentation.

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

**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 insurance, workers compensation, and liability self-insurance activities. Because these services benefit governmental functions, they have been included within governmental activities in the government-wide financial statements.

The basic proprietary fund statements can be found on pages 8 – 10.



MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2015

**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 liable 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.

**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 18.1 – 18.62 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 plus deferred inflows by \$830,925,609.37 at the end of the current fiscal year.

By far the largest portion of the District's net position reflects its investment in capital assets (e.g. land, building, 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 Activities 2015</b>	<b>Governmental Activities 2014 Restated*</b>
Current and other assets	\$ 571,058,539.73	\$ 729,878,118.13
Capital assets	<u>2,314,407,692.02</u>	<u>2,325,407,001.31</u>
Total assets	<u>2,885,466,231.75</u>	<u>3,055,285,119.44</u>
Deferred outflows	<u>182,266,823.47</u>	<u>114,433,944.60</u>
Long-term liabilities outstanding	1,831,420,401.88	2,101,327,000.00
Other liabilities	<u>122,939,642.97</u>	<u>126,861,650.30</u>
Total liabilities	<u>1,954,360,044.85</u>	<u>2,228,188,650.30</u>
Deferred inflows	<u>282,447,401.00</u>	<u>-</u>
Net position:		
Net Investment in Capital Assets	1,294,026,186.42	1,260,997,496.62
Restricted	289, 209, 864.51	325,924,969.57
Unrestricted	<u>(752,310,441.56)</u>	<u>(645,392,052.45)</u>
Total Net Position	<u>\$ 830, 925, 609.37</u>	<u>\$ 941,530,413.74</u>

\*Prior year amounts have been restated for the District's Adoption of GASB Statement No. 68.

An additional portion of the District's Net Position represents resources that are subject to external restrictions on how they may be used. The District's net position decreased by \$110,604,804.37 from last year, due to current year operations and the implementation of a new accounting standard,

MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2015

GASB Statement No. 68. This standard requires the unfunded liability for pensions to be recorded on the Statement of Net Position. The decrease attributed to current year operations was primarily due to salary increases, and an increase in pension liability.

**Governmental Activities**

Governmental activities decreased the District's net position by \$110,604,804.37. Key elements of this decrease are as follows:

	<b>Governmental Activities <u>2015</u></b>	<b>Governmental Activities <u>2014 Restated*</u></b>
Revenues:		
Program revenues:		
Charges for services	\$ 50,039,928.82	\$ 51,277,948.80
Operating grants and contributions	85,978,990.03	82,477,651.76
Capital grants and contributions	11,642,876.89	7,658,000.65
General revenues:		
Property taxes, levied for operational Purposes	422,316,780.42	418,312,866.48
Property taxes, levied for capital projects	108,238,030.63	101,321,821.14
Local sales taxes	27,601,924.82	25,879,851.17
Grants and contributions not restricted to specific programs	1,261,657,090.46	1,220,399,170.59
Investment earnings	344,573.34	2,176,307.62
Miscellaneous	75,493,689.03	80,302,540.22
Total revenues	\$ <u>2,043,313,884.44</u>	<u>1,989,806,158.43</u>
Expenses:		
Instruction	1,172,491,514.91	1,114,285,007.69
Pupil personnel services	83,732,223.04	81,678,993.08
Instructional media services	23,768,158.98	23,389,687.37
Instruction and curriculum development	56,514,620.45	50,476,135.73
Instructional staff training services	42,691,179.11	42,277,426.98
Instruction related technology	35,794,268.92	35,015,753.85
Board	1,560,017.95	2,450,302.69
General administration	11,829,414.05	11,978,921.01
School administration	103,373,945.21	96,079,598.17
Facilities acquisition and construction	116,885,644.69	118,081,464.54
Fiscal services	7,356,254.93	7,781,376.64
Food services	111,631,414.79	105,851,170.67
Central services	41,052,639.34	39,737,123.20
Pupil transportation services	75,442,447.31	72,785,759.38
Operation of plant	112,604,499.89	110,961,359.61
Maintenance of plant	27,655,466.40	28,063,065.82
Administrative Technology Services	210,513.82	926,983.48
Community services	87,042,522.76	85,306,779.42
Interest on long-term debt	42,039,562.03	44,213,724.39
Unallocated depreciation	242,380.23	297,324.54
Total expense	<u>2,153,918,688.81</u>	<u>2,071,637,958.26</u>
Change in net position	(110,604,804.37)	(81,831,799.83)
Net position beginning of year – restated	941,530,413.74	1,023,362,213.57
Net position end of year	\$ <u>830,925,609.37</u>	<u>941,530,413.74</u>

\*Prior year amounts have been restated for the District's adoption of GASB Statement No. 68.

MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2015

The increase in unrestricted grants and contributions revenue of \$41,257,919.87 is a result of an increase in Florida Education Finance Program (FEFP) and property taxes.

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

**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 \$431,938,207.08, a decrease of \$110,915,011.42 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 \$98,041,061.78, while total fund balance was \$146,022,868.51. The fund balance of the District's general fund decreased by \$83,609,442.91 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 six percent of total general fund expenditures, while total fund balance represents nine percent of that same amount. The fund balance decrease of \$83,609,442.91 in the current year was due in part to:

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 23 schools included in this category;

Increased expenditures due to more than 1,400 aging school buses. As the capital dollars have diminished in the last eight 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;

The state-wide proration (reduction of funds) as of April 17, 2015 FEFP 4<sup>th</sup> calculation was \$105,282,828; of that amount Hillsborough County Public Schools share was \$7,940,278. This number could be higher once the 5<sup>th</sup> and final FEFP calculation is released;

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



MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2015

The Special Revenues Fund (Other Federal Programs) revenue and expenditures remain equal to the prior year.

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

The Capital Improvement Fund's ending fund balance of \$74,720,661.41 dropped \$28,929,255.15 from the prior year. Taxes for capital outlay were \$6,916,209.49 more this year and expenditures for various projects were \$2,689,650.27 higher than last year, due to additional maintenance of schools and the building of an elementary school that opened this fiscal year.

Other Capital Projects Fund had a decrease in fund balance of \$6,606,812.75 from a prior year fund balance of \$62,701,134.78 to a current year fund balance of \$56,094,322.06. This change was due to an increase in school renovations.

Other capital projects ARRA Economic Stimulus Fund balance is now spent.

**General Fund Budgetary Highlights**

During the fiscal year, the District revises its budget and brings amendments to the Board on a monthly basis. These amendments are 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 \$137.3 million from the original budget to the final amended budget. The increases were due in part to, the increase in salaries due to implementation of the empowering effective teacher's evaluation system.

Actual expenditures were \$71.1 million below the final amended expenditure budget. Unexpended appropriations of \$71.1 million were composed of the following: (1) \$22.3 million in restricted programs, (2) \$20.6 million in other earmarked assigned funds and (3) \$28.2 million in other unexpended budget items. The \$28.2 million reflects only 2.0% of the final budget. In the normal course of business, some of the budget is left unspent, primarily due to temporarily unfilled positions.

MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2015

**Capital Asset and Debt Administration**

**Capital Assets**

The Districts investment in capital assets for its governmental activities as of June 30, 2015 amounts to \$2,314,407,692.02 (net of accumulated depreciation). This investment in capital assets includes land, land improvements, improvements other than buildings, buildings and fixed equipment, furniture, fixtures and equipment, motor vehicles, audiovisual materials, and computer equipment.

	<b>Governmental Activities <u>2015</u></b>	<b>Governmental Activities <u>2014</u></b>
Land	\$ 160,441,219.85	\$ 160,441,219.85
Land improvements	92,440,490.94	90,256,158.19
Construction in progress	31,200,084.86	33,205,073.56
Improvements other than buildings	80,073,535.84	82,212,441.26
Buildings and fixed equipment	1,904,015,054.61	1,915,877,549.57
Furniture, fixtures and equipment	28,310,966.56	32,015,173.40
Motor vehicles	16,830,038.15	9,946,628.26
Audio visual equipment	-	1,739.94
Computer software	1,096,301.21	1,451,017.28
Total capital assets	<u>\$ 2,314,407,692.02</u>	<u>\$ 2,325,407,001.31</u>

This year's additions of \$85,149,710.56 , excluding transfers from construction in progress, 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.

MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2015

**Long Term Debt**

At the end of the current fiscal year the District had borrowed and bonded debt outstanding of \$1,044,176,656.07, which is net of un-amortized bond premiums of (\$25,973,656.07)

	<u>2015</u>	<u>2014</u>
Bonds payable	225,117,336.62	238,225,802.53
Certificates of participation	819,059,319.45	850,584,266.12
Total long term debt	\$ <u>1,044,176,656.07</u>	\$ <u>1,088,810,068.65</u>

The District's total borrowed and bonded debt decreased by \$44,633,412.58 (net of repayment of principal on outstanding debt) during the current fiscal year. The decrease is approximately equal to the payment of principal.

The District has been given the following bond ratings:

	<u>Sales Tax Revenue Bonds</u>
	<u>Underlying</u>
Moody's	Aa2
Standard & Poors	AA-
Fitch IBCA	AA
	<u>Certificates of Participation</u>
	<u>Underlying</u>
Moody's	Aa2
Standard & Poors	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.



**DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY**  
**STATEMENT OF NET POSITION**  
**June 30, 2015**

	Account Number	Primary Government	
		Governmental Activities	Total
<b>ASSETS</b>			
Cash and Cash Equivalents	1110	99,177,878.93	99,177,878.93
Investments	1160	402,570,801.77	402,570,801.77
Taxes Receivable, Net	1120		0.00
Accounts Receivable, Net	1131	3,881,937.96	3,881,937.96
Interest Receivable on Investments	1170		0.00
Due From Other Agencies	1220	59,338,784.31	59,338,784.31
Due From Insurer	1180		0.00
Deposits Receivable	1210		0.00
Internal Balances			0.00
Cash with Fiscal/Service Agents	1114		0.00
Section 1011.13, F.S. Loan Proceeds	1420		0.00
Inventory	1150	6,089,136.76	6,089,136.76
Prepaid Items	1230		0.00
Long-Term Investments	1460		0.00
Prepaid Insurance Costs	1430		0.00
Other Postemployment Benefits Asset	1410		0.00
Pension Asset	1415		0.00
<i>Capital Assets</i>			
Land	1310	160,441,219.85	160,441,219.85
Land Improvements - Nondepreciable	1315	92,440,490.94	92,440,490.94
Construction in Progress	1360	31,200,084.86	31,200,084.86
Nondepreciable Capital Assets		284,081,795.65	284,081,795.65
Improvements Other Than Buildings	1320	214,617,306.92	214,617,306.92
Less Accumulated Depreciation	1329	(134,543,771.08)	(134,543,771.08)
Buildings and Fixed Equipment	1330	2,711,231,231.13	2,711,231,231.13
Less Accumulated Depreciation	1339	(807,216,176.52)	(807,216,176.52)
Furniture, Fixtures and Equipment	1340	152,378,908.80	152,378,908.80
Less Accumulated Depreciation	1349	(124,067,942.24)	(124,067,942.24)
Motor Vehicles	1350	102,294,717.30	102,294,717.30
Less Accumulated Depreciation	1359	(85,564,679.15)	(85,564,679.15)
Property Under Capital Leases	1370		0.00
Less Accumulated Depreciation	1379		0.00
Audiovisual Materials	1381	12,681.97	12,681.97
Less Accumulated Depreciation	1388	(12,681.97)	(12,681.97)
Computer Software	1382	22,245,827.28	22,245,827.28
Less Accumulated Amortization	1389	(21,149,526.07)	(21,149,526.07)
Depreciable Capital Assets, Net		2,030,325,896.37	2,030,325,896.37
Total Capital Assets		2,314,407,692.02	2,314,407,692.02
<b>Total Assets</b>		<b>2,885,466,231.75</b>	<b>2,885,466,231.75</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Accumulated Decrease in Fair Value of Hedging Derivatives	1910	18,574,377.00	18,574,377.00
Net Carrying Amount of Debt Refunding	1920	23,795,150.47	23,795,150.47
Pension	1940	139,897,296.00	139,897,296.00
<b>Total Deferred Outflows of Resources</b>		<b>182,266,823.47</b>	<b>182,266,823.47</b>
<b>LIABILITIES</b>			
Cash Overdraft	2125		0.00
Accrued Salaries and Benefits	2110	1,084,950.41	1,084,950.41
Payroll Deductions and Withholdings	2170	3,231,500.44	3,231,500.44
Accounts Payable	2120	46,633,120.70	46,633,120.70
Sales Tax Payable	2260		0.00
Current Notes Payable	2250		0.00
Accrued Interest Payable	2210	15,612,525.80	15,612,525.80
Deposits Payable	2220	7,284.75	7,284.75
Due to Other Agencies	2230	7,178,356.50	7,178,356.50
Due to Fiscal Agent	2240		0.00
Pension Liability	2115		0.00
Other Postemployment Benefits Liability	2116		0.00
Judgments Payable	2130		0.00
Construction Contracts Payable	2140		0.00
Construction Contracts Payable - Retained Percentage	2150	3,401,363.61	3,401,363.61
Estimated Unpaid Claims - Self-Insurance Program	2271		0.00
Estimated Liability for Claims Adjustment	2272		0.00
Derivative Instrument	2390	25,562,426.00	25,562,426.00
Unearned Revenues	2410	20,228,114.76	20,228,114.76
<i>Noncurrent Liabilities</i>			
<i>Portion Due Within One Year:</i>			
Notes Payable	2310		0.00
Obligations Under Capital Leases	2315		0.00
Bonds Payable	2320	17,020,000.00	17,020,000.00
Liability for Compensated Absences	2330	14,239,201.93	14,239,201.93
Lease-Purchase Agreements Payable	2340	41,020,000.00	41,020,000.00
Estimated Liability for Long-Term Claims	2350	9,468,258.00	9,468,258.00
Net Other Postemployment Benefits Obligation	2360		0.00
Net Pension Liability	2365		0.00
Estimated PECO Advance Payable	2370		0.00
Other Long-Term Liabilities	2380		0.00
Derivative Instrument	2390		0.00
Estimated Liability for Arbitrage Rebate	2280		0.00
Due Within One Year		81,747,459.93	81,747,459.93
<i>Portion Due After One Year:</i>			
Notes Payable	2310		0.00
Obligations Under Capital Leases	2315		0.00
Bonds Payable	2320	208,097,336.62	208,097,336.62
Liability for Compensated Absences	2330	120,716,673.88	120,716,673.88
Lease-Purchase Agreements Payable	2340	778,039,319.45	778,039,319.45
Estimated Liability for Long-Term Claims	2350	9,531,296.00	9,531,296.00
Net Other Postemployment Benefits Obligation	2360	121,136,508.00	121,136,508.00
Net Pension Liability	2365	512,151,808.00	512,151,808.00
Estimated PECO Advance Payable	2370		0.00
Other Long-Term Liabilities	2380		0.00
Derivative Instrument	2390		0.00
Estimated Liability for Arbitrage Rebate	2280		0.00
Due in More than One Year		1,749,672,941.95	1,749,672,941.95
Total Long-Term Liabilities		1,831,420,401.88	1,831,420,401.88
<b>Total Liabilities</b>		<b>1,954,360,044.85</b>	<b>1,954,360,044.85</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Accumulated Increase in Fair Value of Hedging Derivatives	2610		0.00
Deficit Net Carrying Amount of Debt Refunding	2620		0.00
Deferred Revenues	2630		0.00
Pension	2640	282,447,401.00	282,447,401.00
<b>Total Deferred Inflows of Resources</b>		<b>282,447,401.00</b>	<b>282,447,401.00</b>
<b>NET POSITION</b>			
Net Investment in Capital Assets	2770	1,294,026,186.42	1,294,026,186.42
<i>Restricted For:</i>			
Categorical Carryover Programs	2780	6,133,855.45	6,133,855.45
Food Service	2780	30,698,186.74	30,698,186.74
Debt Service	2780	101,258,748.27	101,258,748.27
Capital Projects	2780	134,944,514.15	134,944,514.15
Other Purposes	2780	16,174,559.90	16,174,559.90
Unrestricted	2790	(752,310,441.56)	(752,310,441.56)
<b>Total Net Position</b>		<b>830,925,609.37</b>	<b>830,925,609.37</b>

The notes to financial statements are an integral part of this statement.  
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DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY  
STATEMENT OF ACTIVITIES  
For the Fiscal Year Ended June 30, 2015

FUNCTIONS	Account Number	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position	
			Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government	
						Governmental Activities	Total
<i>Governmental Activities:</i>							
Instruction	5000	1,172,491,514.91	25,599,557.74			(1,146,891,957.17)	(1,146,891,957.17)
Student Support Services	6100	83,732,223.04				(83,732,223.04)	(83,732,223.04)
Instructional Media Services	6200	23,768,158.98				(23,768,158.98)	(23,768,158.98)
Instruction and Curriculum Development Services	6300	56,514,620.45				(56,514,620.45)	(56,514,620.45)
Instructional Staff Training Services	6400	42,691,179.11				(42,691,179.11)	(42,691,179.11)
Instruction-Related Technology	6500	35,794,268.92				(35,794,268.92)	(35,794,268.92)
Board	7100	1,560,017.95				(1,560,017.95)	(1,560,017.95)
General Administration	7200	11,829,414.05				(11,829,414.05)	(11,829,414.05)
School Administration	7300	103,373,945.21				(103,373,945.21)	(103,373,945.21)
Facilities Acquisition and Construction	7400	116,885,644.69			4,933,874.60	(111,951,770.09)	(111,951,770.09)
Fiscal Services	7500	7,356,254.93				(7,356,254.93)	(7,356,254.93)
Food Services	7600	111,631,414.79	21,475,114.28	85,978,990.03		(4,177,310.48)	(4,177,310.48)
Central Services	7700	41,052,639.34				(41,052,639.34)	(41,052,639.34)
Student Transportation Services	7800	75,442,447.31	2,965,256.80			(72,477,190.51)	(72,477,190.51)
Operation of Plant	7900	112,604,499.89				(112,604,499.89)	(112,604,499.89)
Maintenance of Plant	8100	27,655,466.40				(27,655,466.40)	(27,655,466.40)
Administrative Technology Services	8200	210,513.82				(210,513.82)	(210,513.82)
Community Services	9100	87,042,522.76				(87,042,522.76)	(87,042,522.76)
Interest on Long-Term Debt	9200	42,039,562.03			6,709,002.29	(35,330,559.74)	(35,330,559.74)
Unallocated Depreciation/Amortization Expense		242,380.23				(242,380.23)	(242,380.23)
<b>Total Governmental Activities</b>		2,153,918,688.81	50,039,928.82	85,978,990.03	11,642,876.89	(2,006,256,893.07)	(2,006,256,893.07)
<i>Business-type Activities:</i>							
Self-Insurance Consortium							0.00
Daycare Operations							0.00
Other Business-Type Activity							0.00
<b>Total Business-Type Activities</b>		0.00	0.00	0.00	0.00		0.00
<b>Total Primary Government</b>		2,153,918,688.81	50,039,928.82	85,978,990.03	11,642,876.89	(2,006,256,893.07)	(2,006,256,893.07)
<i>Component Units:</i>							
Major Component Unit Name		0.00	0.00	0.00	0.00		
Major Component Unit Name		0.00	0.00	0.00	0.00		
Total Nonmajor Component Units		0.00	0.00	0.00	0.00		
<b>Total Component Units</b>		0.00	0.00	0.00	0.00		

General Revenues:

Taxes:

Property Taxes, Levied for Operational Purposes  
Property Taxes, Levied for Debt Service  
Property Taxes, Levied for Capital Projects  
Local Sales Taxes

Grants and Contributions Not Restricted to Specific Programs

Investment Earnings

Miscellaneous

Special Items

Extraordinary Items

Transfers

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

**Change in Net Position**

Net Position, July 1, 2014

Adjustments to Net Position

Net Position, June 30, 2015

422,316,780.42	422,316,780.42
0.00	0.00
108,238,030.63	108,238,030.63
27,601,924.82	27,601,924.82
1,261,657,090.46	1,261,657,090.46
344,573.34	344,573.34
75,493,689.03	75,493,689.03
	0.00
	0.00
	0.00
1,895,652,088.70	1,895,652,088.70
(110,604,804.37)	(110,604,804.37)
941,530,413.74	941,530,413.74
0.00	0.00
830,925,609.37	830,925,609.37



DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2015

	Account Number	General 100	Other Federal Programs 420	Other Debt Service 290	Nonvoted Capital Improvement Fund 370	Other Capital Projects 390
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>						
<b>ASSETS</b>						
Cash and Cash Equivalents	1110	95,920,849.31	27,399.29	2,844,339.40	76,106.06	0.00
Investments	1160	51,633,377.61	549,611.58	102,154,347.73	85,216,804.44	31,850,652.01
Taxes Receivable, Net	1120	0.00	0.00	0.00	0.00	0.00
Accounts Receivable, Net	1131	3,091,554.30	196,553.45	0.00	0.00	0.00
Interest Receivable on Investments	1170	0.00	0.00	0.00	0.00	0.00
Due From Other Agencies	1220	8,560,962.15	13,626,934.27	4,271,648.63	37,192.40	26,755,082.69
Due From Budgetary Funds	1141	16,132,574.47	816,065.04	13,739.13	331,325.75	18,197.61
Due From Insurer	1180	0.00	0.00	0.00	0.00	0.00
Deposits Receivable	1210	0.00	0.00	0.00	0.00	0.00
Due From Internal Funds	1142	0.00	0.00	0.00	0.00	0.00
Cash with Fiscal/Service Agents	1114	0.00	0.00	0.00	0.00	0.00
Inventory	1150	5,064,021.61	0.00	0.00	0.00	0.00
Prepaid Items	1230	0.00	0.00	0.00	0.00	0.00
Long-Term Investments	1460	0.00	0.00	0.00	0.00	0.00
<b>Total Assets</b>		<b>180,403,339.45</b>	<b>15,216,563.63</b>	<b>109,284,074.89</b>	<b>85,661,428.65</b>	<b>58,623,932.31</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Accumulated Decrease in Fair Value of Hedging Derivatives	1910	0.00	0.00	0.00	0.00	0.00
<b>Total Deferred Outflows of Resources</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Assets and Deferred Outflows of Resources</b>		<b>180,403,339.45</b>	<b>15,216,563.63</b>	<b>109,284,074.89</b>	<b>85,661,428.65</b>	<b>58,623,932.31</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>						
<b>LIABILITIES</b>						
Cash Overdraft	2125	0.00	0.00	0.00	0.00	0.00
Accrued Salaries and Benefits	2110	1,083,528.96	0.00	0.00	0.00	0.00
Payroll Deductions and Withholdings	2170	3,231,500.44	0.00	0.00	0.00	0.00
Accounts Payable	2120	16,542,525.78	4,998,447.64	2,808,700.65	3,396,032.07	2,491,153.08
Sales Tax Payable	2260	0.00	0.00	0.00	0.00	0.00
Current Notes Payable	2250	0.00	0.00	0.00	0.00	0.00
Accrued Interest Payable	2210	0.00	0.00	0.00	0.00	0.00
Deposits Payable	2220	4,529.32	0.00	0.00	0.00	0.00
Due to Other Agencies	2230	7,177,893.21	463.29	0.00	0.00	0.00
Due to Budgetary Funds	2161	1,358,936.61	8,252,828.31	0.00	7,544,735.17	38,457.17
Due to Internal Funds	2162	0.00	0.00	0.00	0.00	0.00
Due to Fiscal Agent	2240	0.00	0.00	0.00	0.00	0.00
Pension Liability	2115	0.00	0.00	0.00	0.00	0.00
Other Postemployment Benefits Liability	2116	0.00	0.00	0.00	0.00	0.00
Judgments Payable	2130	0.00	0.00	0.00	0.00	0.00
Construction Contracts Payable	2140	0.00	0.00	0.00	0.00	0.00
Construction Contracts Payable - Retained Percentage	2150	0.00	0.00	0.00	0.00	0.00
Matured Bonds Payable	2180	0.00	0.00	0.00	0.00	0.00
Matured Interest Payable	2190	0.00	0.00	0.00	0.00	0.00
Unearned Revenue	2410	4,981,556.62	1,964,824.39	0.00	0.00	0.00
Unavailable Revenue	2410	0.00	0.00	0.00	0.00	0.00
<b>Total Liabilities</b>		<b>34,380,470.94</b>	<b>15,216,563.63</b>	<b>2,808,700.65</b>	<b>10,940,767.24</b>	<b>2,529,610.25</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Accumulated Increase in Fair Value of Hedging Derivatives	2610	0.00	0.00	0.00	0.00	0.00
Deferred Revenues	2630	0.00	0.00	0.00	0.00	0.00
<b>Total Deferred Inflows of Resources</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>FUND BALANCES</b>						
<i>Nonspendable:</i>						
Inventory	2711	5,064,021.61	0.00	0.00	0.00	0.00
Prepaid Amounts	2712	0.00	0.00	0.00	0.00	0.00
Permanent Fund Principal	2713	0.00	0.00	0.00	0.00	0.00
Other Not in Spendable Form	2719	0.00	0.00	0.00	0.00	0.00
<b>Total Nonspendable Fund Balances</b>	<b>2710</b>	<b>5,064,021.61</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<i>Restricted for:</i>						
Economic Stabilization	2721	0.00	0.00	0.00	0.00	0.00
Federal Required Carryover Programs	2722	87,085.67	0.00	0.00	0.00	0.00
State Required Carryover Programs	2723	14,788,414.16	0.00	0.00	0.00	0.00
Local Sales Tax and Other Tax Levy	2724	0.00	0.00	0.00	0.00	0.00
Debt Service	2725	0.00	0.00	106,475,374.24	0.00	0.00
Capital Projects	2726	0.00	0.00	0.00	74,720,661.41	56,094,322.06
Restricted for Local Carryover Programs	2729	7,432,917.18	0.00	0.00	0.00	0.00
Restricted for	2729	0.00	0.00	0.00	0.00	0.00
<b>Total Restricted Fund Balances</b>	<b>2720</b>	<b>22,308,417.01</b>	<b>0.00</b>	<b>106,475,374.24</b>	<b>74,720,661.41</b>	<b>56,094,322.06</b>
<i>Committed to:</i>						
Economic Stabilization	2731	0.00	0.00	0.00	0.00	0.00
Contractual Agreements	2732	0.00	0.00	0.00	0.00	0.00
Committed for	2739	0.00	0.00	0.00	0.00	0.00
Committed for	2739	0.00	0.00	0.00	0.00	0.00
<b>Total Committed Fund Balances</b>	<b>2730</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<i>Assigned to:</i>						
Special Revenue	2741	0.00	0.00	0.00	0.00	0.00
Debt Service	2742	0.00	0.00	0.00	0.00	0.00
Capital Projects	2743	0.00	0.00	0.00	0.00	0.00
Permanent Fund	2744	0.00	0.00	0.00	0.00	0.00
Assigned for	2749	20,609,368.11	0.00	0.00	0.00	0.00
Assigned for	2749	0.00	0.00	0.00	0.00	0.00
<b>Total Assigned Fund Balances</b>	<b>2740</b>	<b>20,609,368.11</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Unassigned Fund Balances</b>	<b>2750</b>	<b>98,041,061.78</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Fund Balances</b>	<b>2700</b>	<b>146,022,868.51</b>	<b>0.00</b>	<b>106,475,374.24</b>	<b>74,720,661.41</b>	<b>56,094,322.06</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>		<b>180,403,339.45</b>	<b>15,216,563.63</b>	<b>109,284,074.89</b>	<b>85,661,428.65</b>	<b>58,623,932.31</b>



DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
June 30, 2015

	Account Number	Other Governmental Funds	Total Governmental Funds
<b>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>			
<b>ASSETS</b>			
Cash and Cash Equivalents	1110	100,572.10	98,969,266.16
Investments	1160	44,726,672.65	316,131,466.02
Taxes Receivable, Net	1120	0.00	0.00
Accounts Receivable, Net	1131	261,503.08	3,549,610.83
Interest Receivable on Investments	1170	0.00	0.00
Due From Other Agencies	1220	5,476,365.63	58,728,185.77
Due From Budgetary Funds	1141	223,523.45	17,535,425.45
Due From Insurer	1180	0.00	0.00
Deposits Receivable	1210	0.00	0.00
Due From Internal Funds	1142	0.00	0.00
Cash with Fiscal/Service Agents	1114	0.00	0.00
Inventory	1150	1,025,115.15	6,089,136.76
Prepaid Items	1230	0.00	0.00
Long-Term Investments	1460	0.00	0.00
<b>Total Assets</b>		<b>51,813,752.06</b>	<b>501,003,090.99</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Accumulated Decrease in Fair Value of Hedging Derivatives	1910	0.00	0.00
<b>Total Deferred Outflows of Resources</b>		<b>0.00</b>	<b>0.00</b>
<b>Total Assets and Deferred Outflows of Resources</b>		<b>51,813,752.06</b>	<b>501,003,090.99</b>
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
<b>LIABILITIES</b>			
Cash Overdraft	2125	0.00	0.00
Accrued Salaries and Benefits	2110	1,421.45	1,084,950.41
Payroll Deductions and Withholdings	2170	0.00	3,231,500.44
Accounts Payable	2120	1,769,513.36	32,006,372.58
Sales Tax Payable	2260	0.00	0.00
Current Notes Payable	2250	0.00	0.00
Accrued Interest Payable	2210	0.00	0.00
Deposits Payable	2220	2,755.43	7,284.75
Due to Other Agencies	2230	0.00	7,178,356.50
Due to Budgetary Funds	2161	340,468.19	17,535,425.45
Due to Internal Funds	2162	0.00	0.00
Due to Fiscal Agent	2240	0.00	0.00
Pension Liability	2115	0.00	0.00
Other Postemployment Benefits Liability	2116	0.00	0.00
Judgments Payable	2130	0.00	0.00
Construction Contracts Payable	2140	0.00	0.00
Construction Contracts Payable - Retained Percentage	2150	0.00	0.00
Matured Bonds Payable	2180	0.00	0.00
Matured Interest Payable	2190	0.00	0.00
Unearned Revenue	2410	1,074,612.77	8,020,993.78
Unavailable Revenue	2410	0.00	0.00
<b>Total Liabilities</b>		<b>3,188,771.20</b>	<b>69,064,883.91</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Accumulated Increase in Fair Value of Hedging Derivatives	2610	0.00	0.00
Deferred Revenues	2630	0.00	0.00
<b>Total Deferred Inflows of Resources</b>		<b>0.00</b>	<b>0.00</b>
<b>FUND BALANCES</b>			
<i>Nonspendable:</i>			
Inventory	2711	1,025,115.15	6,089,136.76
Prepaid Amounts	2712	0.00	0.00
Permanent Fund Principal	2713	0.00	0.00
Other Not in Spendable Form	2719	0.00	0.00
<i>Total Nonspendable Fund Balances</i>	<b>2710</b>	<b>1,025,115.15</b>	<b>6,089,136.76</b>
<i>Restricted for:</i>			
Economic Stabilization	2721	0.00	0.00
Federal Required Carryover Programs	2722	29,673,071.59	29,760,157.26
State Required Carryover Programs	2723	0.00	14,788,414.16
Local Sales Tax and Other Tax Levy	2724	0.00	0.00
Debt Service	2725	10,395,899.83	116,871,274.07
Capital Projects	2726	7,530,894.29	138,345,877.76
Restricted for Local Carryover Programs	2729	0.00	7,432,917.18
Restricted for	2729	0.00	0.00
<i>Total Restricted Fund Balances</i>	<b>2720</b>	<b>47,599,865.71</b>	<b>307,198,640.43</b>
<i>Committed to:</i>			
Economic Stabilization	2731	0.00	0.00
Contractual Agreements	2732	0.00	0.00
Committed for	2739	0.00	0.00
Committed for	2739	0.00	0.00
<i>Total Committed Fund Balances</i>	<b>2730</b>	<b>0.00</b>	<b>0.00</b>
<i>Assigned to:</i>			
Special Revenue	2741	0.00	0.00
Debt Service	2742	0.00	0.00
Capital Projects	2743	0.00	0.00
Permanent Fund	2744	0.00	0.00
Assigned for	2749	0.00	20,609,368.11
Assigned for	2749	0.00	0.00
<i>Total Assigned Fund Balances</i>	<b>2740</b>	<b>0.00</b>	<b>20,609,368.11</b>
<i>Total Unassigned Fund Balances</i>	<b>2750</b>	<b>0.00</b>	<b>98,041,061.78</b>
<b>Total Fund Balances</b>	<b>2700</b>	<b>48,624,980.86</b>	<b>431,938,207.08</b>
<b>Total Liabilities, Deferred Inflows of Resources and Fund Balances</b>		<b>51,813,752.06</b>	<b>501,003,090.99</b>

The notes to financial statements are an integral part of this statement. ESE 145  
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**DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION**  
**For the Fiscal Year Ended June 30, 2015**

<b>Total Fund Balances - Governmental Funds</b>		\$	431,938,207.08
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.			2,314,407,692.02
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.			-
Deferred outflows are not available to pay for current period expenditures and therefore are deferred in the funds			182,266,823.47
Deferred inflows are not available to pay for current period expenditures and therefore are deferred in the funds			(282,447,401.00)
Derivative instrument liability is not due and payable in the current period and therefore is not reported in the funds.			(25,562,426.00)
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.			41,757,451.09
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore, are not reported in the funds.			
Post Employment Benefits	121,136,508.00		
Pension	512,151,808.00		
Compensated Absences Payable	134,955,875.81		
Certificates of Participation	819,059,319.45		
Bonds Payable	225,117,336.62		(1,812,420,847.88)
Accrued interest on long-term liabilities is not due and payable in the current period and therefore, is not reported in the funds.			(15,612,525.80)
Accrued retainage payable is not due and payable in the current period and therefore is not reported in the funds.			(3,401,363.61)
<b>Total Net Position - Governmental Activities</b>		\$	<u><u>830,925,609.37</u></u>

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



**DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN**  
**FUND BALANCES - GOVERNMENTAL FUNDS**  
For the Fiscal Year Ended June 30, 2015

	Account Number	General 100	Other Federal Programs 420	Other Debt Service 290	Nonvoted Capital Improvement Fund 370	Other Capital Projects 390
<b>REVENUES</b>						
Federal Direct	3100	2,691,467.15	21,590,714.24	0.00	0.00	0.00
Federal Through State and Local	3200	9,735,969.14	186,665,207.41	0.00	0.00	0.00
State Sources	3300	1,032,116,639.03	849,378.09	0.00	0.00	4,856,173.00
<i>Local Sources:</i>						
Property Taxes Levied, Tax Redemptions and Excess Fees for Operational Purposes	3411, 3421, 3423	422,330,960.68	0.00	0.00	0.00	0.00
Property Taxes Levied, Tax Redemptions and Excess Fees for Debt Service	3412, 3421, 3423	0.00	0.00	0.00	0.00	0.00
Property Taxes Levied, Tax Redemptions and Excess Fees for Capital Projects	3413, 3421, 3423	0.00	0.00	0.00	108,238,030.63	0.00
Local Sales Taxes	3418, 3419	0.00	0.00	23,601,924.82	0.00	4,000,000.00
Charges for Service - Food Service	345X	0.00	0.00	0.00	0.00	0.00
Impact Fees	3496	0.00	0.00	0.00	0.00	21,088,950.52
Other Local Revenue		79,799,824.83	601,527.79	667,356.94	1,374,750.75	184,901.19
Total Local Sources	3400	502,130,785.51	601,527.79	24,269,281.76	109,612,781.38	25,273,851.71
<b>Total Revenues</b>		<b>1,546,674,860.83</b>	<b>209,706,827.53</b>	<b>24,269,281.76</b>	<b>109,612,781.38</b>	<b>30,130,024.71</b>
<b>EXPENDITURES</b>						
<i>Current:</i>						
Instruction	5000	1,092,451,104.10	87,146,610.66	0.00	0.00	0.00
Student Support Services	6100	64,251,556.18	20,511,025.64	0.00	0.00	0.00
Instructional Media Services	6200	21,290,823.07	2,820,815.04	0.00	0.00	0.00
Instruction and Curriculum Development Services	6300	30,467,155.56	25,460,366.87	0.00	0.00	0.00
Instructional Staff Training Services	6400	27,098,827.40	14,245,106.39	0.00	0.00	0.00
Instruction-Related Technology	6500	30,795,953.84	2,978,835.18	0.00	0.00	0.00
Board	7100	1,644,292.20	0.00	0.00	0.00	0.00
General Administration	7200	5,721,178.65	6,065,210.66	0.00	0.00	0.00
School Administration	7300	100,321,779.73	2,357,854.33	0.00	0.00	0.00
Facilities Acquisition and Construction	7410	1,324,070.35	110.98	0.00	27,470,783.05	1,376,468.68
Fiscal Services	7500	6,949,340.66	520,508.36	0.00	0.00	0.00
Food Services	7600	537,228.71	0.00	0.00	0.00	0.00
Central Services	7700	38,193,024.44	975,973.74	0.00	0.00	0.00
Student Transportation Services	7800	73,169,560.96	1,166,986.16	0.00	0.00	0.00
Operation of Plant	7900	111,041,734.33	208,472.11	0.00	0.00	0.00
Maintenance of Plant	8100	27,239,007.51	0.00	0.00	0.00	0.00
Administrative Technology Services	8200	402,882.14	0.00	0.00	0.00	0.00
Community Services	9100	44,153,879.03	42,803,088.89	0.00	0.00	0.00
<i>Debt Service: (Function 9200)</i>						
Redemption of Principal	710	0.00	0.00	40,900,000.00	0.00	0.00
Interest	720	0.00	0.00	41,115,602.83	0.00	0.00
Dues and Fees	730	0.00	0.00	862,854.38	0.00	0.00
Miscellaneous	790	0.00	0.00	0.00	0.00	0.00
<i>Capital Outlay:</i>						
Facilities Acquisition and Construction	7420	209,078.65	478,939.58	0.00	37,109,774.49	30,502,998.05
Other Capital Outlay	9300	2,791,141.59	1,992,356.54	0.00	0.00	0.00
<b>Total Expenditures</b>		<b>1,680,053,619.10</b>	<b>209,732,261.13</b>	<b>82,878,457.21</b>	<b>64,580,557.54</b>	<b>31,879,466.73</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>		<b>(133,378,758.27)</b>	<b>(25,433.60)</b>	<b>(58,609,175.45)</b>	<b>45,032,223.84</b>	<b>(1,749,442.02)</b>
<b>OTHER FINANCING SOURCES (USES)</b>						
Issuance of Bonds	3710	0.00	0.00	0.00	0.00	0.00
Premium on Sale of Bonds	3791	0.00	0.00	0.00	0.00	0.00
Discount on Sale of Bonds	891	0.00	0.00	0.00	0.00	0.00
Proceeds of Lease-Purchase Agreements	3750	0.00	0.00	0.00	0.00	0.00
Premium on Lease-Purchase Agreements	3793	0.00	0.00	0.00	0.00	0.00
Discount on Lease-Purchase Agreements	893	0.00	0.00	0.00	0.00	0.00
Loans	3720	0.00	0.00	0.00	0.00	0.00
Sale of Capital Assets	3730	0.00	0.00	0.00	0.00	0.00
Loss Recoveries	3740	0.00	0.00	0.00	0.00	0.00
Proceeds of Forward Supply Contract	3760	0.00	0.00	0.00	0.00	0.00
Face Value of Refunding Bonds	3715	0.00	0.00	0.00	0.00	0.00
Premium on Refunding Bonds	3792	0.00	0.00	0.00	0.00	0.00
Discount on Refunding Bonds	892	0.00	0.00	0.00	0.00	0.00
Refunding Lease-Purchase Agreements	3755	0.00	0.00	0.00	0.00	0.00
Premium on Refunding Lease-Purchase Agreements	3794	0.00	0.00	0.00	0.00	0.00
Discount on Refunding Lease-Purchase Agreements	894	0.00	0.00	0.00	0.00	0.00
Payments to Refunding Escrow Agent (Function 9299)	760	0.00	0.00	0.00	0.00	0.00
Transfers In	3600	55,039,196.96	25,433.60	64,695,572.26	0.00	0.00
Transfers Out	9700	(5,269,881.60)	0.00	(1,070.01)	(73,961,478.99)	(4,857,370.70)
<b>Total Other Financing Sources (Uses)</b>		<b>49,769,315.36</b>	<b>25,433.60</b>	<b>64,695,502.25</b>	<b>(73,961,478.99)</b>	<b>(4,857,370.70)</b>
<b>SPECIAL ITEMS</b>						
		0.00	0.00	0.00	0.00	0.00
<b>EXTRAORDINARY ITEMS</b>						
		0.00	0.00	0.00	0.00	0.00
<b>Net Change in Fund Balances</b>		<b>(83,609,442.91)</b>	<b>(0.00)</b>	<b>6,086,326.80</b>	<b>(28,929,255.15)</b>	<b>(6,606,812.72)</b>
Fund Balances, July 1, 2014	2800	229,632,311.42	0.00	100,389,047.44	103,649,916.56	62,701,134.78
Adjustments to Fund Balances	2891	0.00	0.00	0.00	0.00	0.00
Fund Balances, June 30, 2015	2700	146,022,868.51	(0.00)	106,475,374.24	74,720,661.41	56,094,322.06

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



DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY  
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCES - GOVERNMENTAL FUNDS  
For the Fiscal Year Ended June 30, 2015

	Account Number	Other Governmental Funds	Total Governmental Funds
<b>REVENUES</b>			
Federal Direct	3100	0.00	24,282,181.39
Federal Through State and Local	3200	87,351,067.70	283,752,244.25
State Sources	3300	13,422,341.62	1,051,244,531.74
<i>Local Sources:</i>			
Property Taxes Levied, Tax Redemptions and Excess Fees for Operational Purposes	3411, 3421, 3423	0.00	422,330,960.68
Property Taxes Levied, Tax Redemptions and Excess Fees for Debt Service	3412, 3421, 3423	0.00	0.00
Property Taxes Levied, Tax Redemptions and Excess Fees for Capital Projects	3413, 3421, 3423	0.00	108,238,030.63
Local Sales Taxes	3418, 3419	0.00	27,601,924.82
Charges for Service - Food Service	345X	21,475,114.28	21,475,114.28
Impact Fees	3496	0.00	21,088,950.52
Other Local Revenue		123,262.07	82,751,623.57
Total Local Sources	3400	21,598,376.35	683,486,604.50
<b>Total Revenues</b>		122,371,785.67	2,042,765,561.88
<b>EXPENDITURES</b>			
<i>Current:</i>			
Instruction	5000	150,584.28	1,179,748,299.04
Student Support Services	6100	0.00	84,762,581.82
Instructional Media Services	6200	0.00	24,111,638.11
Instruction and Curriculum Development Services	6300	188,510.63	56,116,033.06
Instructional Staff Training Services	6400	1,699,869.09	43,043,802.88
Instruction-Related Technology	6500	0.00	33,774,789.02
Board	7100	0.00	1,644,292.20
General Administration	7200	107,176.97	11,893,566.28
School Administration	7300	0.00	102,679,634.06
Facilities Acquisition and Construction	7410	902,107.34	31,073,540.40
Fiscal Services	7500	16,308.84	7,486,157.86
Food Services	7600	117,235,545.31	117,772,774.02
Central Services	7700	555,114.86	39,724,113.04
Student Transportation Services	7800	0.00	74,336,547.12
Operation of Plant	7900	0.00	111,250,206.44
Maintenance of Plant	8100	0.00	27,239,007.51
Administrative Technology Services	8200	0.00	402,882.14
Community Services	9100	0.00	86,956,967.92
<i>Debt Service: (Function 9200)</i>			
Redemption of Principal	710	5,408,306.80	46,308,306.80
Interest	720	1,646,568.82	42,762,171.65
Dues and Fees	730	153,987.36	1,016,841.74
Miscellaneous	790	0.00	0.00
<i>Capital Outlay:</i>			
Facilities Acquisition and Construction	7420	1,605,045.03	69,905,835.80
Other Capital Outlay	9300	101,790.00	4,885,288.13
<b>Total Expenditures</b>		129,770,915.33	2,198,895,277.04
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>		(7,399,129.66)	(156,129,715.16)
<b>OTHER FINANCING SOURCES (USES)</b>			
Issuance of Bonds	3710	6,000,000.00	6,000,000.00
Premium on Sale of Bonds	3791	0.00	0.00
Discount on Sale of Bonds	891	0.00	0.00
Proceeds of Lease-Purchase Agreements	3750	0.00	0.00
Premium on Lease-Purchase Agreements	3793	0.00	0.00
Discount on Lease-Purchase Agreements	893	0.00	0.00
Loans	3720	0.00	0.00
Sale of Capital Assets	3730	0.00	0.00
Loss Recoveries	3740	0.00	0.00
Proceeds of Forward Supply Contract	3760	0.00	0.00
Face Value of Refunding Bonds	3715	12,583,000.00	12,583,000.00
Premium on Refunding Bonds	3792	1,394,682.54	1,394,682.54
Discount on Refunding Bonds	892	0.00	0.00
Refunding Lease-Purchase Agreements	3755	0.00	0.00
Premium on Refunding Lease-Purchase Agreements	3794	0.00	0.00
Discount on Refunding Lease-Purchase Agreements	894	0.00	0.00
Payments to Refunding Escrow Agent (Function 9299)	760	(17,558,337.68)	(17,558,337.68)
Transfers In	3600	7,123,957.36	126,885,160.18
Transfers Out	9700	0.00	(84,089,801.30)
<b>Total Other Financing Sources (Uses)</b>		9,543,302.22	45,214,703.74
<b>SPECIAL ITEMS</b>		0.00	0.00
<b>EXTRAORDINARY ITEMS</b>		0.00	0.00
<b>Net Change in Fund Balances</b>		2,144,172.56	(110,915,011.42)
Fund Balances, July 1, 2014	2800	46,480,808.30	542,853,218.50
Adjustments to Fund Balances	2891	0.00	0.00
Fund Balances, June 30, 2015	2700	48,624,980.86	431,938,207.08

The notes to financial statements are an integral part of this statement.  
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**DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY**  
**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES**  
**AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE**  
**GOVERNMENT-WIDE STATEMENT OF ACTIVITIES**  
**For the Fiscal Year Ended June 30, 2015**

**Net Change in Fund Balances - Governmental Funds**

\$ (110,915,011.42)

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 (\$82,558,397.05) was less than depreciation expense (\$95,274,124.88) during the current period.

(12,715,727.83)

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 change in fund balances by the cost of assets sold.

228,421.57

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

106,016.72

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position. This is the amount by which payments of bond principal (\$46,308,306.80) and payments to refunding agent (\$17,558,337.68) was more proceeds of (\$18,583,000.00) in the current year.

45,283,644.48

Governmental funds report certain bond transaction as resources or uses. However, in the statement of activities these transactions are reported over the life of the debt as (\$1,394,682.54) bond premium).

(1,394,682.54)

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

(25,687,694.00)

Interest expense (including arbitrage rebate)

726,908.21

Compensated absences

638,400.90

Pension

38,670,743.00

Amortization of bond discount, premium, loss on refunding.

139,037.15

Amortization of investment derivative

873,506.00

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

(46,558,366.61)

**Change in Net position of Governmental Activities**

\$ (110,604,804.37)

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



DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY  
STATEMENT OF NET POSITION  
PROPRIETARY FUNDS  
June 30, 2015

	Account Number	Governmental Activities - Internal Service
<b>ASSETS</b>		
Cash and Cash Equivalents	1110	208,612.77
Investments	1160	86,439,335.75
Accounts Receivable, Net	1131	332,327.13
Interest Receivable on Investments	1170	0.00
Due From Other Agencies	1220	610,598.54
Due From Insurer	1180	0.00
Due From Budgetary Funds	1141	0.00
Deposits Receivable	1210	0.00
Cash with Fiscal/Service Agents	1114	0.00
Section 1011.13, F.S., Loan Proceeds	1420	0.00
Inventory	1150	0.00
Prepaid Items	1230	0.00
Long-Term Investments	1460	0.00
Prepaid Insurance Costs	1430	0.00
Other Postemployment Benefits Asset	1410	0.00
Pension Asset	1415	0.00
<i>Capital Assets:</i>		
Land	1310	0.00
Land Improvements - Nondepreciable	1315	0.00
Construction in Progress	1360	0.00
Nondepreciable Capital Assets		0.00
Improvements Other Than Buildings	1320	0.00
Accumulated Depreciation	1329	0.00
Buildings and Fixed Equipment	1330	0.00
Accumulated Depreciation	1339	0.00
Furniture, Fixtures and Equipment	1340	0.00
Accumulated Depreciation	1349	0.00
Motor Vehicles	1350	0.00
Accumulated Depreciation	1359	0.00
Property Under Capital Leases	1370	0.00
Accumulated Depreciation	1379	0.00
Computer Software	1382	0.00
Accumulated Amortization	1389	0.00
Depreciable Capital Assets, Net		0.00
Total Capital Assets		0.00
<b>Total Assets</b>		<b>87,590,874.19</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Accumulated Decrease in Fair Value of Hedging Derivatives	1910	0.00
Net Carrying Amount of Debt Refunding	1920	0.00
Pension	1940	0.00
<b>Total Deferred Outflows of Resources</b>		<b>0.00</b>
<b>LIABILITIES</b>		
Cash Overdraft	2125	0.00
Accrued Salaries and Benefits	2110	0.00
Payroll Deductions and Withholdings	2170	0.00
Accounts Payable	2120	14,626,748.12
Sales Tax Payable	2260	0.00
Accrued Interest Payable	2210	0.00
Deposits Payable	2220	0.00
Due to Other Agencies	2230	0.00
Due to Budgetary Funds	2161	0.00
Pension Liability	2115	0.00
Other Postemployment Benefits Liability	2116	0.00
Judgments Payable	2130	0.00
Estimated Unpaid Claims - Self-Insurance Program	2271	0.00
Estimated Liability for Claims Adjustment	2272	0.00
Unearned Revenues	2410	12,207,120.98
<i>Noncurrent Liabilities</i>		
<i>Portion Due Within One Year:</i>		
Obligations Under Capital Leases	2315	0.00
Liability for Compensated Absences	2330	0.00
Estimated Liability for Long-Term Claims	2350	9,468,257.88
Net Other Postemployment Benefits Obligation	2360	0.00
Net Pension Liability	2365	0.00
Other Long-Term Liabilities	2380	0.00
Due Within One Year		9,468,257.88
<i>Portion Due After One Year:</i>		
Obligations Under Capital Leases	2315	0.00
Liability for Compensated Absences	2330	0.00
Estimated Liability for Long-Term Claims	2350	9,531,296.12
Net Other Postemployment Benefits Obligation	2360	0.00
Net Pension Liability	2365	0.00
Other Long-Term Liabilities	2380	0.00
Due in More Than One Year		9,531,296.12
Total Long-Term Liabilities		18,999,554.00
<b>Total Liabilities</b>		<b>45,833,423.10</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Accumulated Increase in Fair Value of Hedging Derivatives	2610	0.00
Deficit Net Carrying Amount of Debt Refunding	2620	0.00
Deferred Revenues	2630	0.00
Pension	2640	0.00
<b>Total Deferred Inflows of Resources</b>		<b>0.00</b>
<b>NET POSITION</b>		
Net Investment in Capital Assets	2770	0.00
Restricted for	2780	0.00
Unrestricted	2790	41,757,451.09
<b>Total Net Position</b>		<b>41,757,451.09</b>



**DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION**  
**PROPRIETARY FUNDS**  
**For the Fiscal Year Ended June 30, 2015**

	Account Number	Governmental Activities - Internal Service Funds
<b>OPERATING REVENUES</b>		
Charges for Services	3481	0.00
Charges for Sales	3482	0.00
Premium Revenue	3484	168,639,641.30
Other Operating Revenues	3489	7,591,235.15
<b>Total Operating Revenues</b>		<b>176,230,876.45</b>
<b>OPERATING EXPENSES</b>		
Salaries	100	443,715.41
Employee Benefits	200	159,188.87
Purchased Services	300	340,980.98
Energy Services	400	0.00
Materials and Supplies	500	0.00
Capital Outlay	600	0.00
Other	700	179,231,053.59
Depreciation and Amortization Expense	780	0.00
<b>Total Operating Expenses</b>		<b>180,174,938.85</b>
<b>Operating Income (Loss)</b>		<b>(3,944,062.40)</b>
<b>NONOPERATING REVENUES (EXPENSES)</b>		
Investment Income	3430	181,054.67
Gifts, Grants and Bequests	3440	0.00
Other Miscellaneous Local Sources	3495	0.00
Loss Recoveries	3740	0.00
Gain on Disposition of Assets	3780	0.00
Interest	720	0.00
Miscellaneous	790	0.00
Loss on Disposition of Assets	810	0.00
<b>Total Nonoperating Revenues (Expenses)</b>		<b>181,054.67</b>
<b>Income (Loss) Before Operating Transfers</b>		<b>(3,763,007.73)</b>
Transfers In	3600	4,950,000.00
Transfers Out	9700	(47,745,358.88)
<b>SPECIAL ITEMS</b>		<b>0.00</b>
<b>EXTRAORDINARY ITEMS</b>		<b>0.00</b>
<b>Change In Net Position</b>		<b>(46,558,366.61)</b>
Net Position, July 1, 2014	2880	88,315,817.70
Adjustments to Net Position	2896	0.00
Net Position, June 30, 2015	2780	41,757,451.09

The notes to financial statements are an integral part of this statement.  
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DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY  
STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
For the Fiscal Year Ended June 30, 2015

	Governmental Activities - Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Receipts from customers and users	0.00
Receipts from interfund services provided	171,823,641.50
Payments to suppliers	(176,527,047.90)
Payments to employees	(602,904.28)
Payments for interfund services used	0.00
Other receipts (payments)	7,509,829.16
<b>Net cash provided (used) by operating activities</b>	<b>2,203,518.48</b>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>	
Subsidies from operating grants	0.00
Transfers from other funds	4,950,000.00
Transfers to other funds	(47,745,358.88)
<b>Net cash provided (used) by noncapital financing activities</b>	<b>(42,795,358.88)</b>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>	
Proceeds from capital debt	0.00
Capital contributions	0.00
Proceeds from disposition of capital assets	0.00
Acquisition and construction of capital assets	0.00
Principal paid on capital debt	0.00
Interest paid on capital debt	0.00
<b>Net cash provided (used) by capital and related financing activities</b>	<b>0.00</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>	
Proceeds from sales and maturities of investments	43,551,188.08
Interest and dividends received	181,054.67
Purchase of investments	(7,574,118.13)
<b>Net cash provided (used) by investing activities</b>	<b>36,158,124.62</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(4,433,715.78)</b>
Cash and cash equivalents - July 1, 2014	4,642,328.55
Cash and cash equivalents - June 30, 2015	208,612.77
<b>Reconciliation of operating income (loss) to net cash provided (used) by operating activities:</b>	
Operating income (loss)	(3,944,062.40)
<i>Adjustments to reconcile operating income (loss) to net cash provided (used) by operating activities:</i>	
Depreciation/Amortization expense	0.00
Commodities used from USDA program	0.00
<i>Change in assets and liabilities:</i>	
(Increase) decrease in accounts receivable	(132,480.99)
(Increase) decrease in interest receivable	0.00
(Increase) decrease in due from insurer	0.00
(Increase) decrease in deposits receivable	0.00
(Increase) decrease in due from other funds	0.00
(Increase) decrease in due from other agencies	(25,182.53)
(Increase) decrease in inventory	0.00
(Increase) decrease in prepaid items	0.00
(Increase) decrease in pension	0.00
Increase (decrease) in salaries and benefits payable	0.00
Increase (decrease) in payroll tax liabilities	0.00
Increase (decrease) in accounts payable	1,294,861.20
Increase (decrease) in cash overdraft	0.00
Increase (decrease) in judgments payable	0.00
Increase (decrease) in sales tax payable	0.00
Increase (decrease) in accrued interest payable	0.00
Increase (decrease) in deposits payable	0.00
Increase (decrease) in due to other funds	0.00
Increase (decrease) in due to other agencies	0.00
Increase (decrease) in advanced/deferred revenue	3,235,075.20
Increase (decrease) in pension	0.00
Increase (decrease) in estimated unpaid claims - Self-Insurance Prog.	1,775,308.00
Increase (decrease) in estimated liability for claims adjustment	0.00
<b>Total adjustments</b>	<b>6,147,580.88</b>
<b>Net cash provided (used) by operating activities</b>	<b>2,203,518.48</b>
<b>Noncash investing, capital and financing activities:</b>	
Borrowing under capital lease	0.00
Contributions of capital assets	0.00
Purchase of equipment on account	0.00
Capital asset trade-ins	0.00
Net Increase/(Decrease) in the fair value of investments	0.00
Commodities received through USDA program	0.00

The notes to financial statements are an integral part of this statement.  
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DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY  
STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES  
FIDUCIARY FUNDS  
June 30, 2015

	Account Number	Total Pension Trust Funds 87X	Total Agency Funds 89X
<b>ASSETS</b>			
Cash and Cash Equivalents	1110	0.00	16,049,168.76
Investments	1160	12,430,669.73	39,938,778.86
Accounts Receivable, Net	1131	28,217.63	0.00
Pension Contributions Receivable	1132	0.00	
Interest Receivable on Investments	1170	0.00	0.00
Due From Budgetary Funds	1141	0.00	0.00
Due From Other Agencies	1220	0.00	0.00
Inventory	1150		110,339.91
<b>Total Assets</b>		<b>12,458,887.36</b>	<b>56,098,287.53</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>			
Accumulated Decrease in Fair Value of Hedging Derivatives	1910	0.00	
Pension	1940	0.00	
<b>Total Deferred Outflows of Resources</b>		<b>0.00</b>	
<b>LIABILITIES</b>			
Cash Overdraft	2125	0.00	0.00
Accrued Salaries and Benefits	2110	0.00	0.00
Payroll Deductions and Withholdings	2170	0.00	38,060,472.85
Accounts Payable	2120	0.00	1,324,163.82
Internal Accounts Payable	2290	0.00	16,713,650.86
Due to Other Agencies	2230	0.00	
Due to Budgetary Funds	2161	0.00	0.00
<b>Total Liabilities</b>		<b>0.00</b>	<b>56,098,287.53</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>			
Accumulated Increase in Fair Value of Hedging Derivatives	2610	0.00	
Pension	2640	0.00	
<b>Total Deferred Inflows of Resources</b>		<b>0.00</b>	
<b>NET POSITION</b>			
Held in Trust for Pension Benefits	2785	12,458,887.36	
Held in Trust for Other Purposes	2785	0.00	
<b>Total Net Position</b>		<b>12,458,887.36</b>	

The notes to financial statements are an integral part of this statement.  
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**DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY**  
**STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**For the Fiscal Year Ended June 30, 2015**

	Account Number	Total Pension Trust Funds 87X
<b>ADDITIONS</b>		
<i>Contributions:</i>		
Employer		1,410,653.00
Plan Members		0.00
Gifts, Grants and Bequests	3440	0.00
<i>Investment Income:</i>		
Interest on Investments	3431	99,346.19
Gain on Sale of Investments	3432	0.00
Net Increase (Decrease) in the Fair Value of Investments	3433	22,732.20
Total Investment Income		122,078.39
Less Investment Expense		31,770.42
Net Investment Income		90,307.97
<b>Total Additions</b>		1,500,960.97
<b>DEDUCTIONS</b>		
Salaries	100	0.00
Employee Benefits	200	2,031,448.42
Purchased Services	300	13,023.15
Other	700	0.00
Refunds of Contributions		0.00
Administrative Expenses		0.00
<b>Total Deductions</b>		2,044,471.57
<b>Change In Net Position</b>		(543,510.60)
Net Position Held In Trust, July 1, 2014	2885	13,002,397.96
Adjustments to Net Position	2896	0.00
Net Position Held in Trust for Pension Benefits and Other Purposes, June 30, 2015	2785	12,458,887.36

The notes to financial statements are an integral part of this statement.  
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NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The District School Board of Hillsborough County, Florida (School Board) has direct responsibility for operation, control, and supervision of District schools and is considered a primary government for financial reporting. The Hillsborough County School 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 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 School Board and its component units. Criteria for determining if other entities are potential component units, which should be reported within the Schools Board's financial statements, are identified and described in the Governmental Accounting Standards Board (GASB) Statement No. 14, The Financial Reporting Entity as amended by Statement No. 39, Determining Whether Certain Organizations are Component Units. The application of these criteria provide for identification of any entities for which the District School Board is financially accountable and other organizations for which the nature and significance of their relationship with the District School Board are such that exclusion would cause the Board'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



NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

accompanying financial statements of the School Board. Separate financial statements of the Corporation are not published.

Discretely Presented Component Units.

For the purpose of presentation of this report, the Superintendent's Annual Financial Report (SAFR), there are no discretely presented component units reported.

The SAFR is required by the Department of Education to report certain financial aspects of the District to them. At the time this report was due to the State no component units had provided financial data.

When the audit of the district is completed, the Comprehensive Annual Financial Report (CAFR) will be published. In the CAFR, the inclusion of discretely presented component units will be determined by the application of appropriate criteria of the GASB.

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 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. Indirect

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

expense allocations that have been made in the funds have been reversed for the statement of activities. 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.

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 – *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.

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.

Special Revenue Fund-Other - to account for financial resources of certain federal grant program resources.

Special Revenue ARRA Economic Stimulus Fund – to account for financial resources of the federal economic stimulus program.

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

Other Debt Service Fund – Accounts for and reports on various bond revenue and principal and interest payments, including the Certificates of Participation.

Debt Service ARRA Economic Stimulus Fund – Accounts for and reports on bond revenue and principal payments for the Qualified School Construction Bond.

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.

Capital Projects ARRA Economic Stimulus Fund – Accounts for and reports on funds from the Qualified School Construction Bonds.

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.

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 – 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



NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

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 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 year. Property taxes, sales taxes, franchise 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 is both restricted and unrestricted net position 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.

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

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 Corporation and a multiple financial institution collateral pool required by Chapter 280, Florida Statutes. The statement of cash flows for the Internal Service Funds considers cash as those accounts used as demand deposit accounts and considers as cash equivalents amounts invested with the State Board of Administration.

E. Investments

Investments 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 described in a subsequent note 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, technology repair, and the bus garage are stated at cost basis 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

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

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 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, those purchased before July 1, 2004 are defined as those costing more than \$750. Donated assets are recorded at fair market 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 assets 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:

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



NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

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 and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

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

The liability for compensated absences reported in the government-wide financial statements consists of unpaid, accumulated annual 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 a subsequent note.

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.

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

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 reserved for the unencumbered balance of categorical educational program resources.

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 2014 tax levy for fiscal year 2015 on September 9, 2014. 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

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

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 when 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 and no delinquent tax revenue is recorded.

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

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, 2015 deferred outflows represent activity associated with various swap agreements, as discussed in note 8 and carrying amount of debt refunding and note 17 for the state retirement program.



NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

M. Use of Estimates

Management of the District has made a number of assumptions relative to the reporting of assets and liabilities to prepare these financial statements in conformity with generally accepted accounting principles. Actual results could differ from those estimates.

N. Accounting Standards

The District implemented GASB Statement Number 68, Accounting and Reporting for Pensions for fiscal year ended June 30, 2015. This resulted in a \$12,454,796.00 reduction of beginning net position from \$1,634,903,069.74 to \$1,622,448,273.74 due to the addition of a pension trust liability from the District's Early Retirement Program. Also attributed to GASB 68, each school district will increase their long term pension liability from information provided by the Florida Retirement System when it becomes available.

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.

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

2. The major 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 reflect the final budget including all amendments approved for the fiscal year through September 8, 2015.
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 accompanying supplementary information reflect the original budget and the amended budget (which has been adjusted for legally authorized revisions of the annual budget during the year).

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

3. CASH AND INVESTMENTS

At June 30, 2015, the District's deposits were entirely covered by Federal Depository Insurance Corporation 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, 2015 the District had the following investments and maturities:

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value</u>
United States Treasuries	07/15/2015 – 05/31/2020	\$ 5,656,832.45
United States Agencies	09/18/2015 – 05/15/ 2020	12,168,322.84
State Board of Administration		
Florida PRIME	34.3 Days	386,873,304.80
Debt Service Account	34.3 Days	730,393.35
Certificates of Deposit	11/07/ 2015 – 11/10/2015	40,513,950.24
Wells Fargo Advantage Treasure		
Plus Money Market	N/A	43,471.98
Bank Investment Contract	11/06/2015	<u>8,953,974.70</u>
Total Investments Reporting Entity		<u>\$454,940,250.36</u>

Investments are reflected in the financial statements as follows:

Governmental funds	\$316,131,466.02
Internal service funds	86,439,335.75
Fiduciary funds	
Pension trust	12,430,669.73
Agency	<u>39,938,778.86</u>
Total Primary Government	<u>\$454,940,250.36</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.



NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

Credit Risk

Section 218.415(17) Florida Statutes, authorizes the District to invest or reinvest any surplus public funds in their control or possession in:

- (a) The State Board of Administration (SBA) Investment Pool, or any intergovernmental investment pool authorized pursuant to the Florida Interlocal Cooperation Act.
- (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, 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.

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

The securities listed in paragraphs (c) and (d) shall be invested to provide sufficient liquidity to pay obligations as they come due.

The Districts investments in the SBA consist of Florida PRIME Fund B Surplus Funds Trust Fund (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 was accounted for as a fluctuating NAV pool. With a fluctuating NAV pool the fair value approximates market value. The SBA provided a fair value factor to use on the Fund B account balances to determine market value or fair value. As cash became available in Fund B from interest receipts, maturities, or sales, it was distributed to participant accounts in the Florida PRIME according to each participant's pro rata share of Fund B. As of September 2014, 100 percent of original participants' principal was returned to Florida Prime.

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 others were rated either AA+ by Standard and Poors or Aaa/P-1 by Moody's Investors Services.

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

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

Investments in the State Board of Administration Debt Service Account totaling \$730,393.35 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 does not have a formal investment policy that addresses custodial credit risk. However, 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, \$5,656,832.45 in U. S. Treasuries and \$12,168,322.84 in U.S. Agencies are not registered in the name of the District, are held by the counterparty's trust department or agent and are not insured.



NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

Concentration of Credit Risk

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

Foreign Currency Risk

The District has no investments which are exposed to foreign currency risk as of June 30, 2015. The District does not have a formal investment policy that limits its investment in foreign currency.

4. DUE FROM OTHER AGENCIES

Amount due from other governmental agencies as of June 30, 2015 are shown below:

	General Fund	Other Special Revenue Fund	Special Revenue ARRA	Other Debt Service	Local Capital Improv-ement	Other Capital Projects Fund	Non- Major and Other Funds	Total
Federal Government:								
Miscellaneous	\$ 4,398,338.12	\$5,158,907.26	\$46,048.40		-	-	-	\$ 9,603,293.78
State Government:								
Food Reimbursement	-	-	-	-	-	-	944,968.32	944,968.32
Classrooms for Kids	-	-	-	-	-	-	-	-
Miscellaneous State	3,785,635.90	711,061.59	-	-	-	-	5,095,947.45	9,592,644.94
Local Government:								
Hillsborough County Board of County Commissioners	161,440.68	7,590,390.43	-	4,271,648.63	37,192.40	26,751,260.00	-	38,811,932.14
Miscellaneous	215,547.45	166,574.99	-	-	-	3,822.69	-	385,945.13
Total:	<u>\$8,560,962.15</u>	<u>\$13,626,934.27</u>	<u>\$46,048.40</u>	<u>\$4,271,648.63</u>	<u>\$ 37,192.40</u>	<u>\$ 26,755,082.69</u>	<u>\$6,040,915.77</u>	<u>\$59,338,784.31</u>

DISTRICT SCHOOL BOARD  
OF HILLSBOROUGH COUNTY, FLORIDA

Exhibit D-1  
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NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2015 was as follows:

<u>Description</u>	<u>Beginning Balances</u>	<u>Additions</u>	<u>Deletions</u>	<u>Ending Balances</u>
<u>Capital Assets Not Being Depreciated:</u>				
Land	\$ 160,441,219.85	-	-	\$ 160,441,219.85
Land Improvements-Non Depreciable				
Landscaping	90,256,158.19	2,184,332.75		92,440,490.94
Construction in Progress	<u>33,205,073.56</u>	<u>66,391,098.95</u>	<u>68,396,087.65</u>	<u>31,200,084.86</u>
<b>Total Capital Assets Not Being Depreciated</b>	<u>283,902,451.60</u>	<u>68,575,431.70</u>	<u>68,396,087.65</u>	<u>284,081,795.65</u>
<u>Capital Assets Being Depreciated:</u>				
Improvements Other Than Buildings	210,571,323.10	4,884,667.29	838,683.47	214,617,306.92
Buildings and Systems	2,663,198,053.71	61,655,728.06	13,622,550.64	2,711,231,231.13
Furniture, Fixtures and Equipment	159,981,936.92	7,041,738.02	14,644,766.14	152,378,908.80
Motor Vehicles	96,658,308.27	10,756,609.22	5,020,200.19	102,394,717.30
Property Under Capital Lease	-	-	-	-
Audio Visual Materials	35,304.22	-	22,622.25	12,681.97
Computer Software	<u>23,761,197.63</u>	<u>631,623.92</u>	<u>2,146,994.27</u>	<u>22,245,827.28</u>
<b>Total Capital Assets Being Depreciated</b>	<u>3,154,206,123.85</u>	<u>84,970,366.51</u>	<u>36,295,816.96</u>	<u>3,202,880,673.40</u>
Less Accumulated Depreciation for:				
Improvements Other Than Buildings	128,358,881.84	6,984,092.39	799,203.15	134,543,771.08
Buildings & Systems	747,320,504.14	73,518,223.02	13,622,550.64	807,216,176.52
Furniture, Fixtures And Equipment	127,966,763.52	10,048,964.73	13,947,786.01	124,067,942.24
Motor Vehicles	86,711,680.01	3,831,423.02	4,978,423.88	85,564,679.15
Property Under Capital Lease	-	-	-	-
Audio Visual Materials	33,564.28	-	20,882.31	12,681.97
Computer Software	<u>22,310,180.35</u>	<u>891,421.72</u>	<u>2,052,076.00</u>	<u>21,149,526.07</u>
Total Accumulated Depreciation	<u>1,112,701,574.14</u>	<u>95,274,124.88</u>	<u>35,420,921.99</u>	<u>1,172,554,777.03</u>
<b>Total Capital Assets Being Depreciated (Net)</b>	<u>2,041,504,549.71</u>	<u>(10,303,758.37)</u>	<u>874,894.97</u>	<u>2,030,325,896.37</u>
Governmental Activities Capital Assets (Net)	<u>\$2,325,407,001.31</u>	<u>\$ 58,271,673.33</u>	<u>\$ 69,270,982.62</u>	<u>\$2,314,407,692.02</u>

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

Depreciation expense charged to governmental functions are:

Instruction	\$ 4,919,583.18
Public Personnel Services	41,495.76
Instructional Media Services	89,891.99
Instruction and Curriculum Development	174,595.70
Instructional Staff Training	56,760.47
Instructional Related Technology	1,714,793.33
General Administration	8,786.04
School Administration	224,911.07
Facilities Acquisition and Construction	85,835,831.16
Fiscal Services	7,449.61
Food Services	588,209.53
Central Services	190,362.64
Public Transportation Services	572,423.61
Operation of Plant	181,616.93
Maintenance of Plant	373,255.73
Administrative Technology Services	678.57
Community Services	51,099.33
Un-Allocated Depreciation	<u>242,380.23</u>
Total Depreciation Expense	<u>\$95,274,124.88</u>

6. REVOLVING LINE OF CREDIT

Pursuant to the provisions of Section 1011.13, Florida Statutes, on April 29, 2014 the Board authorized the Superintendent to establish a Line of Credit Tax Anticipation Note for fiscal year 2015, in the amount of \$80,000,000 with Wells Fargo Bank of Florida. The outstanding principal amount of the Note shall bear interest at three 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, 2015, no funds had been borrowed or utilized under this line-of-credit, and therefore no amounts are outstanding at June 30, 2015.

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

On April 21, 2015 the Board authorized the Superintendent to establish a Line of Credit Tax Anticipation Note for fiscal year 2016, the same as 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 proceed 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.



NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

Certificates of Participation that are still part of the District's debt obligation are as follows:

Certificates	Date of Certificates	Original Amount of Certificates	Ground Lease Term
Series 1998 Project	March 1, 1998	\$336,930,000	June 30, 2017
Series 2001QZAB Project	November 6, 2001	9,600,000	November 6, 2015
Series 2004A Project	February 19, 2004	27,305,000	June 30, 2017
Series 2004 QZAB Project	June 8, 2004	6,131,000	June 30, 2020
Series 2004C Project	November 4, 2004	89,750,000	June 30, 2030
Series 2005A Project	February 25, 2005	48,915,000	June 30, 2026
Series 2005 QZAB Project	December 20, 2005	3,002,000	December 20, 2020
Series 2006A Project	January 31, 2006	86,435,000	June 30, 2031
Series 2006B Project	January 26, 2007	77,900,000	June 30, 2026
Series 2007 Project	April 24, 2007	84,685,000	June 30, 2031
Series 2008A Projects	July 1, 2008	109,830,000	June 23, 2023
Series 2010A Projects	April 15, 2010	97,545,000	June 30, 2025
Series 2010 QSCB Projects	December 21, 2010	37,935,000	December 1, 2028
Series 2012A Projects	April 3, 2012	124,565,000	June 30, 2029
Series 2014A Projects	April 2, 2014	39,950,000	June 30, 2026

The Series 1998 Certificates of Participation were also 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

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

and 2000B. 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 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.

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

The lease payments for the Series 1998, Series 2004A, Series 2004B, Series 2005A, Series 2006A, Series 2006B, Series 2007, Series 2010A, Series 2012A and 2014A Certificates are payable by the District, semi-annually, on July 1 and January 1 at interest rates, of 3.600 to 5.500 percent, 2.000 to 4.625 percent, 5.250 percent, 2.000 percent to 5.090 percent, 2.375 to 5.000 percent, 3.500 to 5.000 percent, 3.500 to 5.000 percent, 3.750 to 5.000 percent, 3.000 to 5.000 percent, 4.000 to 5.000 percent and 2.56%, respectively. The lease payments for the Series 2004C and the 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 Association (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 1, 2015, June 3, 2020, December 20, 2020 and December 1, 2028 respectively. There is no interest to be paid on the QZABs or the 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:

Fiscal Year Ending June 30	Total	Principal	Interest
2016	73,799,199.92	41,020,000.00	32,779,199.92
2017	64,276,031.92	32,990,000.00	31,286,031.92
2018	64,624,076.67	34,855,000.00	29,769,076.67
2019	64,659,361.78	36,525,000.00	28,134,361.78
2020	70,324,935.77	44,356,000.00	25,968,935.77
2021 – 2025	323,649,713.34	221,622,000.00	102,027,713.34
2026 – 2027	348,840,828.03	300,075,000.00	48,765,828.03
2028 – 2032	<u>88,501,975.00</u>	<u>86,420,000.00</u>	<u>2,081,975.00</u>
Total Minimum Lease Payments	<u>\$1,098,676,122.43</u>	<u>\$797,863,000.00</u>	<u>\$300,813,122.43</u>

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

8. INTEREST RATE SWAP:

A	Pay fixed interest rate swap	Hedge in changes in cash flows on Series 2008A COPS	\$109,830,000	7/1/08	7/1/23	\$(25,562,426)	\$(5,402,799)
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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 related hedgeable item (long term debt). Such amortization amounted to \$873,506 for the year ended June 30, 2015.



NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

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 value of the derivative instruments was recorded as derivative instrument – liability in the Statements of Net Position at June 30, 2015.

During the year ended June 30, 2015, the change in the fair value of the derivative instruments, which were recorded as increases and (decreases) to deferred outflows in the Statement of Net Position, were as follows:

Derivative instrument A	\$(969,124)
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**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.

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.

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

9. BONDS PAYABLE

Bonds payable at June 30, 2015 were as follows:

<u>Bond Type</u>	<u>Amount Outstanding</u>	<u>Interest Rates (Percent)</u>	<u>Annual Maturity To</u>
State School Bonds:			
Series 2006-A	2,505,000.00	5.5	2026
Series 2008-A	4,295,000.00	3.25 – 5.0	2028
Series 2009-A	2,000,000.00	2.0 – 5.0	2029
Series 2010-A	3,245,000.00	3.0 – 5.0	2030
Series 2011-A	1,445,000.00	3.0 – 5.0	2023
Series 2014-A	2,332,000.00	2.0 – 5.0	2025
Series 2014-B	12,583,000.00	2.0 – 5.0	2021
District Revenue Bonds:			
Series 2015 Capital Improvement & Racetrack Revenue Refunding	6,000,000.00	3.5 - 5.35	2033
Series 2005 Sales Tax	100,820,000.00	2.25 – 5.0	2023
Series 2006 Sales Tax	37,600,000.00	4.0 – 4.25	2026
Series 2007 Sales Tax	<u>47,515,000.00</u>	3.5 – 5.0	2026
Total Bonds Principle	<u>\$220,340,000.00</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.

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

DISTRICT REVENUE BONDS

Capital Improvement and Racetrack Revenue Refunding Bonds of 2015

These bonds are authorized by Chapter 71-680, Laws of Florida, which authorized the Board to pledge all of the portion of racetrack funds and jai alai fronton 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, 2015, are as follows:

**TOTAL SBE BONDS**

Fiscal Year Ending June 30	Total	Principal	Interest
2016	6,278,138.32	4,880,000.00	1,398,138.32
2017	6,295,757.50	5,186,000.00	1,109,757.50
2018	6,287,617.50	5,434,000.00	853,617.50
2019	2,610,192.50	2,027,000.00	583,192.50
2020	2,200,648.75	1,715,000.00	485,648.75
2021 - 2025	7,746,368.75	6,283,000.00	1,463,368.75
2026 - 2030	<u>3,164,975.00</u>	<u>2,880,000.00</u>	<u>284,975.00</u>
Total Debt Service Payments	<u>\$34,583,698.32</u>	<u>\$28,405,000.00</u>	<u>\$ 6,178,698.32</u>

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

**TOTAL DISTRICT REVENUE BONDS**

Fiscal Year Ending June 30	Total	Principal	Interest
2016	20,494,439.24	12,140,000.00	8,354,439.24
2017	20,373,456.26	12,550,000.00	7,823,456.26
2018	20,356,826.26	13,135,000.00	7,221,826.26
2019	20,340,941.26	13,755,000.00	6,585,941.26
2020	20,334,440.64	14,410,000.00	5,924,440.64
2021 – 2025	102,076,809.43	83,405,000.00	18,671,809.43
2026 – 2030	43,190,553.17	41,315,000.00	1,875,553.17
2031 – 2033	<u>1,286,843.75</u>	<u>1,225,000.00</u>	<u>61,843.75</u>
Total Debt Service Payments	<u>\$248,454,310.01</u>	<u>\$191,935,000.00</u>	<u>\$ 56,519,310.01</u>

10. DEFEASED DEBT

On March 23, 2015 the District issued \$6,000,000 Capital Improvements and Refunding Bonds, Series 2015 with an interest rate of 2.00 to 4.00%. The proceeds were used to fully refund \$3,839,703 principal and interest amount of the District's Series 1998 Capital Improvement Revenue Bonds. Of the net proceeds, \$2,788,979 (after payment of \$119,852 issuance cost) were placed in an irrevocable trust to provide for future debt service payment of the refunded amount of the Series 1998 Capital Improvement Revenue Bonds.

As a result \$1,125,554 of the Series 1998 Capital Improvement Revenue bonds 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 1998 are not included in the District's financial statements.

As a result of the refunding, the District reduced its total debt service requirements by \$434,714, which resulted in an economic gain (difference between the present value of debt service payment on the old and new debt) of \$436,797.



NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

10. DEFEASED DEBT (continued)

On December 2, 2014 the State Board of Education issued Series 2014B SBE Refunding Bonds in the amount of \$12,583,000 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 \$13,565,000 of the Series 2005B SBE bonds. The net proceeds (after payment of \$21,593 in underwriter's fees and other issuance costs) were placed in an irrevocable trust account to refund the 2005B bonds that mature on or after January 1, 2016 and are scheduled to be called on January 1, 2016.

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

11. CHANGES IN LONG TERM DEBT

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

	Balance July 1, 2014	Additions	Deletions	Balance June 30, 2015	Due in One Year
Estimated Liability for Long Term Claims Post Employment Benefits	\$ 17,224,246.00	\$ 11,766,604.74	\$ 9,991,296.74	\$ 18,999,554.00	\$ 9,468,257.88
Compensated Absences Payable	95,448,814.00	30,151,078.00	4,463,384.00	121,136,508.00	-
Pension Trust	135,594,276.71	26,807,734.42	27,446,135.32	134,955,875.81	14,239,201.93
Pension State	12,454,796.00	1,538,701.00	-	13,993,497.00	-
FRS	452,545,478.00	-	289,285,708.00	163,259,770.00	-
HIS	299,252,275.00	35,646,266.00	-	334,898,541.00	-
Certificate of Participation Bonds Payable	827,508,000.00		29,645,000.00	797,863,000.00	41,020,000.00
	<u>233,110,860.50</u>	<u>18,583,000.00</u>	<u>31,353,860.50</u>	<u>220,340,000.00</u>	<u>17,020,000.00</u>
TOTAL	<u>\$2,073,138,746.21</u>	<u>\$124,493,384.16</u>	<u>\$392,185,384.56</u>	\$1,805,446,745.81	<u>\$81,747,459.81</u>
Plus unamortized bond premium					
Certificates of Participation				21,196,319.45	
Bonds payable				4,777,336.62	
Total Long-Term Debt				<u>\$1,831,420,401.88</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.

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

12. FUND BALANCE REPORTING

The Governmental Accounting Standards Board (GASB) has 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.

The GASB 54 statement 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 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 an particular purpose.

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

The District has classified its fund balances with the following hierarchy:

Nonspendable – The Districts has inventories totaling \$6,089,136.76 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, Food Services, 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 totals \$307,198,640.43 and represent \$29,760,157.26 for Federal programs, \$14,788,414.16 for State programs, \$7,432,917.18 for Local programs, \$116,871,274.07 for Debt Service and \$138,345,877.76 for Capital Projects.

Assigned for School Operations:

The District has set aside certain spendable fund balance for school operations in the amount of \$20,609,368.11.

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 \$98,041,061.78 in unassigned fund balance. At the end of the fiscal year the unassigned fund balance in the general fund is 6.34% of total revenues.



NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

13. INTERFUND RECEIVABLES AND PAYABLES

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

<u>Funds</u>	<u>Interfund</u> <u>Receivables</u>	<u>Payables</u>
Major Funds:		
General	\$16,132,574.47	\$ 1,358,936.61
Special Revenue Other	816,065.04	8,252,828.31
Special Revenue ARRA	-	-
Debt Service Other	13,739.13	-
Capital Improvement	331,325.75	7,544,735.17
Capital Projects Other	18,197.61	38,457.17
Non-major Governmental Funds		
Non-major	<u>223,523.45</u>	<u>340,468.19</u>
Total	<u>\$17,535,425.45</u>	<u>\$17,535,425.45</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. The amount in the capital projects funds and non-major funds is mostly due to the movements of expenditures between capital project funds.

14. INTERFUND TRANSFERS

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

<u>Funds</u>	<u>Interfund</u> <u>Transfers In</u>	<u>Transfers Out</u>
Major Funds:		
General	\$ 55,039,196.96	\$ 5,269,881.60
Special Revenue Other	25,433.60	-
Debt Service Other	64,696,572.26	1,070.01
Debt Service ARRA	-	-
Capital Improvement	-	73,961,478.99
Capital Projects Other	-	4,857,370.70
Non-major Governmental Funds	7,123,957.36	-
Internal Service Funds	<u>4,950,000.00</u>	<u>47,745,358.88</u>
Total	<u>\$131,835,160.18</u>	<u>\$131,835,160.18</u>

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

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

15. STATE REVENUE SOURCES

The following is a schedule of the Districts state revenue for the 2015 fiscal year:

<u>Sources</u>	<u>Amount</u>
Florida Education Finance Program	\$731,095,785.00
Workforce Development	28,411,671.00
Categorical Education Programs	268,957,244.05
Capital Outlay and Debt Service	11,587,188.61
Food Service Supplement	1,447,277.00
Mobile Home License Tax	643,088.75
State Board of Education Bond Interest	55,688.28
Pari-Mutuel Tax	446,500.00
Miscellaneous	<u>8,600,089.05</u>
Total	<u>\$1,051,244,531.74</u>

16. PROPERTY TAXES

The following is a summary of millages and taxes levied in the 2014 tax roll for the fiscal year 2015:

	<u>Millage Levied</u>	<u>Taxes Levied</u>
<u>General Fund</u>		
Non-voted School Tax:		
Required Local Effort	5.105	\$410,057,346.14
Discretionary Local Effort	.748	60,082,839.36
<u>Capital Projects Funds</u>		
Non-voted Tax:		
Local Capital Improvements	<u>1.500</u>	<u>120,486,977.32</u>
Total	<u>7.353</u>	<u>\$590,627,162.82</u>

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

17. STATE RETIREMENT PROGRAMS

a. General Information about the Pension Plan

*Plan description.* 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 FRS Investment Plan.

Essentially all regular employees of participating employers are eligible and must enroll as members of the Plan. Employees in the Pension Plan vest at six years of service if enrolled in the plan prior to July 1, 2011. Enrollment after July 1, 2011 requires eight years of service to vest. All vested members are eligible for normal retirement benefits at age 62 or at any age after 30 years of service. For enrollees prior to July 1, 2011, pension plan benefit payments are based on the member's highest 5-year average annual salary (average final compensation) times the number of years of service. Enrollees after July 1, 2011 have benefit payments based on the member's highest 8 year average annual salary. The annual final compensation (regardless of whether it is the highest five or highest eight) is 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, 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.

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

17. STATE RETIREMENT PROGRAMS (continued)

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.

Eligible FRS members may elect to participate in FRS Investment Plan in lieu of the Defined Benefit Plan. District employees participating in DROP are not eligible to participate in the Investment Plan. This 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.

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



NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

17. STATE RETIREMENT PROGRAMS (continued)

The contribution rates for the Plan are established, and may be amended, by the State of Florida. As of June 30, 2015, 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	7.37
Florida Retirement System, County Elected Officers (HI)	3.00	43.24
Florida Retirement System, Senior Management Service Class (HM)	3.00	21.14
Florida Retirement System, Special Risk (HB)	3.00	19.82
Teachers' Retirement System, Plan E (IE)	6.25	11.50
Florida Retirement System, Reemployed Retiree (RA)	3.00	7.37

Notes: (A)

Employer rates include the post-retirement health insurance supplement, which was increased on July 1, 2014 to 1.26 percent.

The District's contributions to the Plan (including employee contributions) for the fiscal years ending June 30, 2013, June 30, 2014, and June 30, 2015, totaled \$79,328,141, \$107,938,639, and \$119,007,284.72 respectively, representing a percentage of covered payroll of 7.94% for fiscal year 2013, 10.14% for fiscal year 2014, and 10.49% for fiscal year 2015. 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.

b. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2014, the District reported a liability of \$163,259,770 for its proportionate share of the FRS Pension Plan net pension liability. The net pension liability was measured as of June 30, 2014, and the total pension liability used to

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

17. STATE RETIREMENT PROGRAMS (continued)

calculate the net pension liability was determined by an actuarial valuation as of July 1, 2014. The District's proportionate share of the net pension liability was based on a projection of the District's long term share of contributions to the pension plan relative to the projected contributions during the fiscal year ended June 30, 2014. At June 30, 2014, the District's proportionate share was 2.68 percent, which was an increase of 0.05 percent from its proportionate share of 2.63 percent measured as of June 30, 2013.

For the year ended June 30, 2015, the District recognized pension expense of \$16,709,554 for the FRS Pension Plan. At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to pensions for the FRS Pension Plan from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience		10,103,004
Changes in Assumptions	28,273,876	
Net difference between projected and actual earnings on pension plan investments		272,344,397
Changes in proportion and differences between District contributions and proportionate share of contributions	6,788,424	
District contributions subsequent to the measurement date	67,371,349	
Total	102,433,649	282,447,401

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

17. STATE RETIREMENT PROGRAMS (continued)

The deferred outflows of resources related to pensions totaling \$67,371,394 resulting from District contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported for the FRS Pension plan as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30	Amount Recognized
2016	(63,376,798)
2017	(63,376,798)
2018	(63,376,798)
2019	(63,376,798)
2020	4,709,301
Thereafter	1,412,790

*Actuarial assumptions.* The total pension liability for the FRS Pension Plan was determined by an actuarial valuation as of the valuation date calculated on the assumptions listed below:

Valuation date	July 1, 2014
Measurement date	June 30, 2014
Discount rate	7.65%
Long-term expected rate of return, Net of investment expense	7.65%
Inflation	2.60%
Salary increase, including inflation	3.25%
Mortality	Generational RP-2000 with Projection Scale BB
Actuarial cost method	Entry Age

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

17. STATE RETIREMENT PROGRAMS (continued)

The actuarial assumptions that determined the total pension liability of the FRS Pension Plan as of June 30, 2014, were based on the results of an actuarial experience study for the period July 1, 2008 through June 30, 2013.

The changes in actuarial assumptions for demographic and economic assumptions (all of the above assumptions except actuarial cost method) correspond to changes in the same assumptions in the FRS actuarial study for funding purposes. These changes were approved by the 2014 FRS Actuarial Assumptions Conference. The changes are explained below:

- The discount rate and long-term expected rate of return, net of investment expense were both reduced since the prior actuarial valuation by 0.10 percent from 7.75 percent to 7.65 percent to increase the likelihood that FRS will meet or exceed its assumed investment return in future years.
- The assumed inflation rate was decreased from 3.00 percent in the July 1, 2013 valuation to 2.60 percent in the July 1, 2014 valuation in order to bring the rate in line with the combined Social Security intermediate long-term and lower near-term assumptions.
- The salary increase assumption, including inflation was decreased by 0.75 percent from 4.00 percent to 3.25 percent. The decrease was due to two factors, a decrease in inflation as previously explained and a decrease in real wage growth. The decrease in real wage growth was made to better align with the trailing 10-year growth in payroll as well as to be in a reasonable range based on observed national data and the Social Security Administration's forward-looking assumption sets.

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

17. STATE RETIREMENT PROGRAMS (continued)

- The mortality assumption was changed to incorporate Projection Scale BB in the July 1, 2014 actuarial valuation, in place of the Projection Scale AA previously used. The use of Scale BB allowed FRS to use a standard Society of Actuaries mortality table for each membership class/gender group without additional adjustment.

*Long-term expected rate of return.* To develop an analytical basis for the selection of the long-term expected rate of return assumption for the FRS Pension Plan, the 2014 FRS Actuarial Assumptions conference reviews long-term assumptions developed by multiple contracted capital market assumptions teams. The table below shows resulting assumptions for each of the asset classes in which the plan was invested based on the long-term target asset allocation. The allocation policy's description of each asset class was used to map the target allocation to the asset classes shown below. Each asset class assumption is based on a consistent set of underlying assumptions, and includes an adjustment for the inflation assumption. These assumptions are not based on historical returns, but instead are based on a forward-looking capital market economic model. The expected real rate of return is presented in arithmetic means.

Asset Class	Target Allocation	Long-Term Arithmetic Expected Real Rate of Return
Cash	1.00%	3.11%
Intermediate-Term Bonds	18.00%	4.18%
High Yield Bonds	3.00%	6.79%
Broad US Equities	26.50%	8.51%
Developed Foreign Equities	21.20%	8.66%
Emerging Market Equities	5.30%	11.58%
Private Equity	6.00%	11.80%
Hedge Funds/Absolute Return	7.00%	5.81%
Real Estate (Property)	12.00%	7.11%
Total	100%	



NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

17. STATE RETIREMENT PROGRAMS (continued)

*Discount rate.* The discount rate used to measure the total pension liability for the FRS Pension Plan is based on a projection of cash flows that assumed that employee contributions will be made at the current contribution rate and that contributions from participating members will be made at statutorily required rates, actuarially determined. Based on those assumptions, the FRS Pension Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the District's proportionate share of the net position liability to changes in the discount rate.* The following presents the District's proportionate share of the net pension liability of the FRS Pension Plan calculated using the discount rate of 7.65 percent. Also presented is what the District's proportionate share of the FRS Pension Plan net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.65 percent) or 1-percentage-point higher (8.65 percent) than the current rate:

	1% Decrease (6.65%)	Current Discount Rate (7.65%)	1% Increase (8.65%)
District's proportionate share of the FRS Pension Plan net pension liability	698,283,721	163,259,770	281,778,070

*Pension plan fiduciary net position.* Detailed information about FRS Pension Plan's fiduciary net position is available in the separately issued FRS Comprehensive Annual Financial Report. The comprehensive annual financial report of the FRS is available by mail at: State of Florida, Division of Retirement, Department of

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

17. STATE RETIREMENT PROGRAMS (continued)

Management Services, 1317 Winewood Boulevard, Building 8, Tallahassee, Florida 32399; by telephone toll free (844) 377-1888 or (850) 907-6500; by e-mail at [rep@dms.myflorida.com](mailto:rep@dms.myflorida.com); or at the Division's Web site (<http://www.dms.myflorida.com>).

c. General Information about the Health Insurance Subsidy (HIS)

*HIS plan description.* The HIS Pension Plan is a cost-sharing multiple-employer defined benefit pension plan established to provide a monthly subsidy payment to retired members of any state-administered retirement system, or beneficiary entitled to receive benefits.

*HIS benefits provided.* The benefit of the HIS Pension Plan is a monthly payment to assist retirees in paying their health insurance costs. This plan is administered by the Department of Management Services within the Florida Retirement System. HIS benefits are not guaranteed and are subject to annual legislative appropriation.

For fiscal year ended June 30, 2015, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of creditable service completed at the time of retirement multiplied by \$5. The payments are at a minimum of \$30 but not more than \$150 monthly per Florida Statutes 112.363.

*HIS contributions.* The HIS Pension Plan is funded by required contributions from FRS participating employers. The funds are deposited in a separate trust fund and consequently paid from that trust fund. Employer contributions are a percentage of gross compensation for all FRS members. For the fiscal year ended June 30, 2015, the contribution rate was 1.26 percent of payroll per Florida Statutes 112.363. Employees do not contribute to this plan.

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

17. STATE RETIREMENT PROGRAMS (continued)

The District's contributions to the HIS Pension Plan totaled \$14,293,769 for the fiscal year ended June 30, 2015.

d. Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to HIS Pensions

At June 30, 2015, the District reported a liability of \$334,898,541 for its proportional share of the HIS Pension Plan net pension liability. The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2014. The District's proportionate share of the net pension liability was based on a projection of the District's long term share of contributions to the pension plan relative to the projected contributions during the fiscal year ended June 30, 2014. At June 30, 2014, the District's proportionate share was 3.58 percent, which was an increase of 0.14 percent from its proportionate share of 3.44 percent measured as of June 30, 2013.

For the year ended June 30, 2015, the District recognized pension expense of \$25,003,205 for the FRS Pension Plan. At June 30, 2015, the District reported deferred outflows of resources and deferred inflows of resources related to pensions for the FRS Pension Plan from the following sources:

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

17. STATE RETIREMENT PROGRAMS (continued)

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience		
Changes in Assumptions	11,917,019	
Net difference between projected and actual earnings on pension plan investments	160,706	
Changes in proportion and differences between District contributions and proportionate share of contributions	10,835,013	
District contributions subsequent to the measurement date	14,293,769	
Total	37,206,507	

The deferred outflows of resources related to pensions totaling \$14,293,769 resulting from District contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2016. Other amounts reported for the HIS Pension plan as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ending June 30</u>	<u>Amount Recognized</u>
2016	3,709,873
2017	3,709,873
2018	3,709,873
2019	3,709,873
2020	3,669,683
Thereafter	4,403,617

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

17. STATE RETIREMENT PROGRAMS (continued)

*Actuarial assumptions.* The total pension liability for the HIS Pension Plan was determined by an actuarial valuation as of the valuation date calculated on the assumptions listed below:

Valuation date	July 1, 2014
Measurement date	June 30, 2014
Discount rate	4.29%
Long-term expected rate of return, Net of investment expense	4.29%
Inflation	2.60%
Salary increase, including inflation	3.25%
Mortality	Generational RP-2000 with Projection Scale BB
Actuarial cost method	Entry Age

The actuarial assumptions that determined the total pension liability of the HIS Pension Plan as of June 30, 2014, were based on the results of an actuarial experience study for the period July 1, 2008 through June 30, 2013.

*Long-term expected rate of return.* The HIS pension Plan is funded on a pay-as-you-go basis. There is no assumption for long-term expected rate of return, cash flows, or asset allocation.

*Discount rate.* Because the HIS Pension Plan uses a pay-as-you-go funding structure, a municipal bond rate of 4.29% was used to determine the total pension liability for the program.



NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

17. STATE RETIREMENT PROGRAMS (continued)

*Sensitivity of the District's proportionate share of the net pension liability to changes in the discount rate.* The following presents the District's proportionate share of the net pension liability of the HIS Pension Plan calculated using the discount rate of 4.29 percent. Also presented is what the District's proportionate share of the HIS Pension Plan net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (3.29 percent) or 1-percentage-point higher (5.29 percent) than the current rate:

	1% Decrease (3.29%)	Current Discount Rate (4.29%)	1% Increase (5.29%)
District's proportionate share of the HIS Pension Plan net pension liability	380,919,971	334,898,541	296,483,817

*Pension plan fiduciary net position.* Detailed information about HIS Pension Plan's fiduciary net position is available in the separately issued FRS Comprehensive Annual Financial Report. The comprehensive annual financial report of the FRS is available by mail at: State of Florida, Division of Retirement, Department of Management Services, 1317 Winewood Boulevard, Building 8, Tallahassee, Florida 32399; by telephone toll free (844) 377-1888 or (850) 907-6500; by e-mail at [rep@dms.myflorida.com](mailto:rep@dms.myflorida.com); or at the Division's Web site (<http://www.dms.myflorida.com>).

18. EARLY RETIREMENT PROGRAM

a. General Information about the Early Retirement Program

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,

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

18. EARLY RETIREMENT PROGRAM (continued)

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.

*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 provided.* 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.

*Employees covered by benefit terms.* Based on an actuarial report as of June 30, 2015 employee membership data related to the Plan was as follows:

Retirees and beneficiaries currently receiving benefits  
Active Plan Participants: There are no longer any active plan participants.

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

18. EARLY RETIREMENT PROGRAM (continued)

*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.

*Contributions.* The District's Early Retirement Program was established by the Board on August 1, 1984. On July 1, 2010, the plan was closed to any new participants. 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. 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. As of July 1, 2015, the actuarial study shows a deficit of \$13.9 million on a GASB 68 funding basis.

Total contributions to the Plan in fiscal years 2012, 2013, 2014, and 2015 amounted to \$879,714, \$1,383,120, \$1,401,167, and \$1,410,653, respectively.

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

18. EARLY RETIREMENT PROGRAM (continued)

b. Net Pension Liability

The net pension asset (obligation) to the Plan in fiscal years 2012, 2013 and 2014 were \$(611), \$(1,807) and \$(30). However, due to GASB 68, the net pension liability in the amount of \$13,993,497 replaces the net pension obligation of \$(30) identified as of July 1, 2014.

Total pension liability	\$ 26,452,384
Plan fiduciary net position	<u>12,458,887</u>
Net pension liability	\$ <u>13,993,497</u>
Plan fiduciary net position as a percentage of the total pension liability	47.10%

The Net Pension Liability of \$13,993,497 was added as a long term liability on the Statement of Net Position in the Government-wide Financial Statements. The plan fiduciary net position represents 47.10% of the total pension liability.

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 total pension liability for fiscal 2015 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.

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

18. EARLY RETIREMENT PROGRAM (continued)

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

Valuation Date	07/01/14
Actuarial Cost Method	Aggregate
Asset Valuation Method	Market Value
Actuarial Assumptions:	
Investment Rate of Return	3.5%
Projected Salary Increases	0%
Rate of Inflation Adjustment	2.5%

Mortality rates were based on the RP-2014 Healthy Annuitant/Non Annuitant Mortality table for Males or Females, with generational projections for mortality improvements based on Scale MP.

*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, 2015, consisted of the following:

	Balance <u>June 30, 2015</u>	Percentage of <u>Plan Net Position</u>
U. S. Treasury Notes and Bonds	\$5,084,225	41%
U. S. Agencies	7,302,973	59%
Federation Prime Obligations Fund	<u>43,472</u>	<u>-%</u>
Total	<u>\$12,430,670</u>	100%



NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

18. EARLY RETIREMENT PROGRAM (continued)

*Long-term expected rate of return.* 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, 2015 are summarized in the following table:

Asset Class	Target allocation	Long-term Expected real rate of return
Government Fixed Income	98%	1.0%
Cash	2%	0.9%

*Rate of return.* For the year ended June 30, 2015, 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.

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

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

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

18. EARLY RETIREMENT PROGRAM (continued)

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

*Deferred Retirement Option Program (DROP).* The District does not offer DROP to employees in the Early Retirement Program.

c. Total Pension Liability

The District's total pension liability for the Early Retirement Program for the current fiscal year were as follows

<u>Total Pension Liability</u>	<u>2015</u>
Service cost	\$ -
Interest cost	855,451
Changes of benefit terms	-
Differences between expected and actual	(9,066)
Changes of assumptions	2,180,253
Benefit payments, including refunds of contributions	(2,031,448)
Net change in total pension liability	995,190
Total pension liability (beginning)	<u>25,457,194</u>
Total pension liability (ending)	\$ <u>26,452,384</u>

*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

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

18. EARLY RETIREMENT PROGRAM (continued)

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.

*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	\$29,178,458	\$26,452,384	\$24,137,611
Plan Fiduciary Net Position	<u>(12,458,887)</u>	<u>(12,458,887)</u>	<u>(12,458,887)</u>
District's Net Pension Liability	<u>\$16,719,571</u>	<u>\$13,993,497</u>	<u>\$11,678,724</u>

d. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

	Deferred Outflows	Deferred Inflows
Measurement date ending June 30, 2015		
Difference between actual and expected experience	-	-
Assumption changes	-	-
Net difference between expected and actual earnings on pension plan investments	\$257,086	-
Contribution made in fiscal year ending June 30, 2015	<u>-</u>	<u>N/A</u>
Total	\$257,086	-

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

18. EARLY RETIREMENT PROGRAM (continued)

Amounts recognized in the deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in the pension expense as follows:

<u>Year ended June 30</u>	
2016	\$ 64,272
2017	64,272
2018	64,272
2019	64,270
2020	\$ -
Thereafter	\$ -

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. 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 are not issued.

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

19. POST EMPLOYMENT HEALTH CARE BENEFITS (continued)

b. Funding Policy

The District via the Board can establish and amend funding requirements. The District has designated fund balance in the general fund for the net Other Post Employment Benefits (OPEB), but has not advanced-funded the OPEB costs or the net OPEB obligation. For the 2015 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 required contributions of \$4,463,384 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 \$9,054,293, which is about 1 percent of payroll.

c. Annual OPEB Cost and Net OPEB Obligation

The District's annual OPEB cost is calculated based on the annual required contribution (ARC), and amount actuarially determined in accordance with the parameters of the 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 District's net OPEB obligation:



NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

19. POST EMPLOYMENT HEALTH CARE BENEFITS (continued)

Descriptions	Amount
Normal Cost (service cost for one year)	\$ 23,167,832
Amortization of Unfunded Actuarial Accrued Liability	7,246,740
Interest on Normal Cost and Amortization	760,364
Annual Required Contribution (ARC)	31,174,927
Interest on Net OPEB Obligation (NOO)	2,386,220
Amortization of Net OPEB Obligation	(3,410,069)
Total Expense or Annual OPEB Cost (AOC)	30,151,078
Annual Contribution Toward OPEB Cost	(4,463,384)
Increase in Net OPEB Obligation	25,687,694
Net OPEB Obligation Beginning of Year	95,448,814
Net OPEB Obligation End of Year	<u>\$121,136,508</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, 2015 was as follows:

Fiscal Year	Annual OPEB Cost	Annual Contributed	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2015	30,151,078	4,463,384	14.8%	121,136,508
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
2011	17,520,393	6,583,222	37.6%	40,019,078

d. Funded Status and Funding Progress

As of June 30, 2015, the actuarial accrued liability for benefits was \$212,358,525, all of which was unfunded. The covered payroll (annual payroll for active participating employees) was \$1,134,992,341 for the 2015 fiscal year, and the ratio of the unfunded actuarial accrued liability to the covered payroll was 18.7%.

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

19. POST EMPLOYMENT HEALTH CARE BENEFITS (continued)

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, and that actuarially determined amounts are subject to continual revisions as actual results are compared to past expectations and new estimates are made about the future.
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.

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

19. POST EMPLOYMENT HEALTH CARE BENEFITS (continued)

4. The actuarial methods and significant assumptions used in the actuarial valuation as of July 1, 2014 are:

Actuarial cost method	Cost Method
Actuarial value of assets	Fair Value
Discount rate	2.5%
Salary scale	4.0%
Inflation	2.5%

Healthcare cost trend rate is 7.50% for fiscal year ended June 30, 2015 grading to 5.0% for fiscal year ending June 30, 2024. 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.

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 excess claims. As of June 30, 2015, \$4,000,000 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.

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

20. RISK MANAGEMENT (continued)

A liability in the amount of \$18,999,554.00 was actuarially determined to cover estimated incurred but not reported insurance claims payable at June 30, 2015. It is estimated that \$9,468,257.88 of the liability is current and due within one year. The remaining \$9,531,296.12 will be due in future years.

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

	Beginning-of-Fiscal-Year Liability	Current-Year Claims and Changes in Estimates	Claim Payments	Balance at Fiscal Year-End
2012 – 2013	\$15,992,106.00	\$7,899,185.00	\$(7,767,011.00)	\$16,124,280.00
2013 – 2014	\$16,124,280.00	\$11,935,546.00	\$(10,835,580.00)	\$17,224,246.00
2014 – 2015	\$17,224,246.00	\$11,766,604.74	\$(9,991,296.74)	\$18,999,554.00

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 summary of major construction contract commitments remaining at June 30, 2015:

DETAIL LISTING OF CONSTRUCTION IN PROGRESS

<u>Description</u>	<u>Project Authorization</u>	<u>Expended to 6/30/15</u>	<u>Committed</u>
Additions	\$ 34,147,055.05	\$ 4,275,162.63	\$ 29,871,892.42
Elementary	20,074,466.97	13,254,416.36	6,820,050.61
Middle	8,854,068.69	1,636,119.35	7,217,949.34
Other	619,318.78	361,260.00	258,058.78
Renovations	25,397,011.32	10,073,066.08	15,323,945.24
Improvements	2,162,526.56	1,600,060.44	562,466.12
Total	<u>\$ 91,254,447.37</u>	<u>\$ 31,200,084.86</u>	<u>\$ 60,054,362.51</u>

NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

21. COMMITMENTS AND CONTINGENCIES (continued)

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.

22. SUBSEQUENT EVENTS

New legislation was signed into law on May 21, 2015, which became effective on July 21, 2015 that covered the final distribution of Fund B's remaining reserve (218.421(2)(e),F.S. This required Fund B to distribute residual balances to participants who had been entitled to, but had not received a November 2007 interest payment on invested funds that month. The amount was be based on each participant's proportional share of the total November 2007 interest earned, which was not paid out, but transferred to the trust fund in order to maximize the payout of principal. The SBA distributed the District's proportional share in the amount of \$995,010.31 on July 13, 2015 for Fiscal Year 2016.



NOTES TO FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2015

22. SUBSEQUENT EVENTS (continued)

On July 17, 2015 the District issued Series 2015A Sales Tax Revenue Refunding Bonds in the amount of \$53,760,000 in order to refund a portion of the district's outstanding Sales Tax Revenue Refunding Bonds, Series 2005 and advance refund a portion of the district's outstanding Sales Tax Revenue Bonds, Series 2006 maturing in the years 2016-2019. Total bond proceeds were applied as follows: \$53,627,987 to an escrow account and \$132,013 to pay issuance costs.

On August 20, 2015 the District issued Series 2015A Refunding Certificates of Participation in the amount of \$100,625,000 at a net premium of \$12,518,825 in order to refund the district's outstanding Refunding Certificates of Participation, Series 2005A and advance refund the district's outstanding Certificates of Participation, Series 2006A. Total certificate proceeds were applied as follows: \$112,382,116 to an escrow account and \$761,710 to pay issuance costs.

On August 20, 2015 the District issued Series 2015B Sales Tax Revenue Refunding Bonds in the amount of \$65,195,000 at a net premium of \$10,270,067 in order to refund a portion of the district's outstanding Sales Tax Revenue Refunding Bonds, Series 2005 and advance refund a portion of the district's outstanding Sales Tax Revenue Bonds, Series 2006 maturing in the years 2020-2026. Total bond proceeds were applied as follows: \$74,763,314 to an escrow account and \$701,753 to pay issuance costs.

**DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY**  
**REQUIRED SUPPLEMENTARY INFORMATION -**  
**SCHEDULE OF FUNDING PROGRESS**  
**OTHER POSTEMPLOYMENT BENEFITS PLAN**  
**June 30, 2015**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Projected Unit Credit (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percent of Covered Payroll [(b-a)/c]
6/15/2014	0	180,677,017.00	180,677,017.00	0.00%	1,134,992,341.00	15.90%
6/30/2014	0	191,669,324.00	191,669,324.00	0.00%	1,064,282,519.00	18.00%
6/30/2013	0	194,788,495.00	194,788,495.00	0.00%	998,616,019.00	19.50%
6/30/2012	0	156,271,280.00	156,271,280.00	0.00%	979,901,112.00	15.90%
6/30/2011	0	144,887,062.00	144,887,062.00	0.00%	991,177,970.00	14.60%
6/30/2010	0	122,763,693.00	122,763,693.00	0.00%	964,984,023.00	12.70%
6/30/2009	0	139,930,959.00	139,930,959.00	0.00%	990,757,415.00	14.10%
6/30/2008	0	142,851,161.00	142,851,161.00	0.00%	984,347,938.00	14.50%

THE SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO REQUIRED SUPPLEMENTAL INFORMATION  
June 30, 2015  
(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) There were method and assumption changes since the prior fiscal year. The actuarial cost method changed from entry age to aggregate, and the assumption changes used an updated mortality assumption going from RP-2000 generational with scale AA to RP-2014 generational with scale MP for funding and financial accounting valuations.

Method and assumptions used in calculation of actuarially determined contribution:

Actuarial cost method

Aggregate: This method spreads the excess of the present value of benefits minus the actuarial value of the assets over the average total life expectancy of the remaining participants. This amount is recalculated each year.

Actuarial assumptions

Valuation Date	07/01/14
Actuarial Cost Method	Aggregate
Asset Valuation Method	Market Value
Actuarial Assumptions:	
Investment Rate of Return	3.5%
Projected Salary Increases	0%
Rate of Inflation Adjustment	2.5%

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 2.5%
- (d). Salary scale is 4.0%
- (e). Healthcare cost trend rate is 7.50% for fiscal year ended June 30, 2015 grading to 5.0% for fiscal year ending June 30, 2024.
- (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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**PAGES 20 INTENTIONALLY OMITTED**

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**DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**GENERAL FUND**  
**For the Fiscal Year Ended June 30, 2015**

	Account Number	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
		Original	Final		
<b>REVENUES</b>					
Federal Direct	3100	2,660,232.35	2,701,335.67	2,691,467.15	(9,868.52)
Federal Through State and Local	3200	10,220,413.36	9,735,969.14	9,735,969.14	0.00
State Sources	3300	1,036,676,931.82	1,033,980,953.99	1,032,116,639.03	(1,864,314.96)
<i>Local Sources:</i>					
Property Taxes Levied, Tax Redemptions and Excess Fees for Operational Purposes	3411, 3421, 3423	419,464,351.13	422,338,342.32	422,330,960.68	(7,381.64)
Property Taxes Levied, Tax Redemptions and Excess Fees for Debt Service	3412, 3421, 3423			0.00	0.00
Property Taxes Levied, Tax Redemptions and Excess Fees for Capital Projects	3413, 3421, 3423			0.00	0.00
Local Sales Taxes	3418, 3419			0.00	0.00
Charges for Service - Food Service	345X			0.00	0.00
Impact Fees	3496			0.00	0.00
Other Local Revenue		75,002,619.40	100,109,675.58	79,799,824.83	(20,309,850.75)
Total Local Sources	3400	494,466,970.53	522,448,017.90	502,130,785.51	(20,317,232.39)
<b>Total Revenues</b>		1,544,024,548.06	1,568,866,276.70	1,546,674,860.83	(22,191,415.87)
<b>EXPENDITURES</b>					
<i>Current:</i>					
Instruction	5000	1,042,375,854.17	1,127,887,768.52	1,092,451,104.10	35,436,664.42
Student Support Services	6100	66,184,843.23	64,507,604.24	64,251,556.18	256,048.06
Instructional Media Services	6200	21,756,808.42	21,662,732.87	21,290,823.07	371,909.80
Instruction and Curriculum Development Services	6300	25,850,156.10	31,010,744.10	30,467,155.56	543,588.54
Instructional Staff Training Services	6400	26,467,814.03	30,388,667.14	27,098,827.40	3,289,839.74
Instruction-Related Technology	6500	33,529,467.84	33,103,772.58	30,795,953.84	2,307,818.74
Board	7100	2,365,598.69	1,674,247.20	1,644,292.20	29,955.00
General Administration	7200	4,597,433.16	8,154,637.13	5,721,178.65	2,433,458.48
School Administration	7300	104,247,104.90	100,739,065.64	100,321,779.73	417,285.91
Facilities Acquisition and Construction	7410	1,787,273.49	2,314,403.32	1,324,070.35	990,332.97
Fiscal Services	7500	7,516,215.98	7,876,407.19	6,949,340.66	927,066.53
Food Services	7600	435,875.13	537,228.71	537,228.71	0.00
Central Services	7700	31,206,764.69	42,053,836.44	38,193,024.44	3,860,812.00
Student Transportation Services	7800	68,830,692.64	73,775,928.71	73,169,560.96	606,367.75
Operation of Plant	7900	102,646,897.37	112,097,719.82	111,041,734.33	1,055,985.49
Maintenance of Plant	8100	27,100,306.90	30,463,244.70	27,239,007.51	3,224,237.19
Administrative Technology Services	8200	1,117,366.67	7,718,652.88	402,882.14	7,315,770.74
Community Services	9100	45,829,296.14	52,159,886.18	44,153,879.03	8,006,007.15
<i>Debt Service: (Function 9200)</i>					
Redemption of Principal	710			0.00	0.00
Interest	720			0.00	0.00
Due and Fees	730			0.00	0.00
Miscellaneous	790			0.00	0.00
<i>Capital Outlay:</i>					
Facilities Acquisition and Construction	7420		209,078.65	209,078.65	0.00
Other Capital Outlay	9300		2,791,141.59	2,791,141.59	0.00
<b>Total Expenditures</b>		1,613,845,769.55	1,751,126,767.61	1,680,053,619.10	71,073,148.51
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>		(69,821,221.49)	(182,260,490.91)	(133,378,758.27)	48,881,732.64
<b>OTHER FINANCING SOURCES (USES)</b>					
Issuance of Bonds	3710			0.00	0.00
Premium on Sale of Bonds	3791			0.00	0.00
Discount on Sale of Bonds	891			0.00	0.00
Proceeds of Lease-Purchase Agreements	3750			0.00	0.00
Premium on Lease-Purchase Agreements	3793			0.00	0.00
Discount on Lease-Purchase Agreements	893			0.00	0.00
Loans	3720			0.00	0.00
Sale of Capital Assets	3730			0.00	0.00
Loss Recoveries	3740			0.00	0.00
Proceeds of Forward Supply Contract	3760			0.00	0.00
Face Value of Refunding Bonds	3715			0.00	0.00
Premium on Refunding Bonds	3792			0.00	0.00
Discount on Refunding Bonds	892			0.00	0.00
Refunding Lease-Purchase Agreements	3755			0.00	0.00
Premium on Refunding Lease-Purchase Agreements	3794			0.00	0.00
Discount on Refunding Lease-Purchase Agreements	894			0.00	0.00
Payments to Refunding Escrow Agent (Function 9299)	760			0.00	0.00
Transfers In	3600	13,853,816.97	55,940,023.96	55,039,196.96	(900,827.00)
Transfers Out	9700	(26,516.28)	(5,270,782.69)	(5,269,881.60)	901.09
<b>Total Other Financing Sources (Uses)</b>		13,827,300.69	50,669,241.27	49,769,315.36	(899,925.91)
<b>SPECIAL ITEMS</b>				0.00	0.00
<b>EXTRAORDINARY ITEMS</b>				0.00	0.00
<b>Net Change in Fund Balances</b>		(55,993,920.80)	(131,591,249.64)	(83,609,442.91)	47,981,806.73
Fund Balances, July 1, 2014	2800	229,632,311.42	229,632,311.42	229,632,311.42	0.00
Adjustments to Fund Balances	2891			0.00	0.00
Fund Balances, June 30, 2015	2700	173,638,390.62	98,041,061.78	146,022,868.51	47,981,806.73

**DISTRICT SCHOOL BOARD OF HILLSBOROUGH COUNTY**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**MAJOR SPECIAL REVENUE FUNDS - OTHER FEDERAL PROGRAMS**  
**For the Fiscal Year Ended June 30, 2015**

	Account Number	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
		Original	Final		
<b>REVENUES</b>					
Federal Direct	3100	16,231,295.70	36,452,145.60	21,590,714.24	(14,861,431.36)
Federal Through State and Local	3200	187,598,983.07	212,855,493.44	186,665,207.41	(26,190,286.03)
State Sources	3300	791,045.41	2,078,891.69	849,378.09	(1,229,513.60)
<i>Local Sources:</i>					
Property Taxes Levied, Tax Redemptions and Excess Fees for Operational Purposes	3411, 3421, 3423			0.00	0.00
Property Taxes Levied, Tax Redemptions and Excess Fees for Debt Service	3412, 3421, 3423			0.00	0.00
Property Taxes Levied, Tax Redemptions and Excess Fees for Capital Projects	3413, 3421, 3423			0.00	0.00
Local Sales Taxes	3418, 3419			0.00	0.00
Charges for Service - Food Service	345X			0.00	0.00
Impact Fees	3496			0.00	0.00
Other Local Revenue		398,999.16	812,688.95	601,527.79	(211,161.16)
Total Local Sources	3400	398,999.16	812,688.95	601,527.79	(211,161.16)
<b>Total Revenues</b>		205,020,323.34	252,199,219.68	209,706,827.53	(42,492,392.15)
<b>EXPENDITURES</b>					
<i>Current:</i>					
Instruction	5000	93,713,783.73	107,003,360.62	87,146,610.66	19,856,749.96
Student Support Services	6100	19,703,935.63	20,978,158.46	20,511,025.64	467,132.82
Instructional Media Services	6200	2,506,928.20	3,880,166.56	2,820,815.04	1,059,351.52
Instruction and Curriculum Development Services	6300	25,713,816.15	27,725,380.83	25,460,366.87	2,265,013.96
Instructional Staff Training Services	6400	13,873,468.63	19,193,606.40	14,245,106.39	4,948,500.01
Instruction-Related Technology	6500	1,309,389.24	6,327,956.73	2,978,835.18	3,349,121.55
Board	7100			0.00	0.00
General Administration	7200	6,014,522.67	7,065,631.37	6,065,210.66	1,000,420.71
School Administration	7300	2,368,138.17	2,722,731.21	2,357,854.33	364,876.88
Facilities Acquisition and Construction	7410	251,286.56	91,441.04	110.98	91,330.06
Fiscal Services	7500	496,754.79	553,361.21	520,508.36	32,852.85
Food Services	7600			0.00	0.00
Central Services	7700	1,138,570.45	7,747,531.63	975,973.74	6,771,557.89
Student Transportation Services	7800	1,041,590.52	1,392,699.58	1,166,986.16	225,713.42
Operation of Plant	7900	201,191.63	262,503.71	208,472.11	54,031.60
Maintenance of Plant	8100			0.00	0.00
Administrative Technology Services	8200			0.00	0.00
Community Services	9100	36,713,463.25	44,809,728.90	42,803,088.89	2,006,640.01
<i>Debt Service: (Function 9200)</i>					
Redemption of Principal	710			0.00	0.00
Interest	720			0.00	0.00
Dues and Fees	730			0.00	0.00
Miscellaneous	790			0.00	0.00
<i>Capital Outlay:</i>					
Facilities Acquisition and Construction	7420		478,939.58	478,939.58	0.00
Other Capital Outlay	9300		1,992,356.54	1,992,356.54	0.00
<b>Total Expenditures</b>		205,046,839.62	252,225,554.37	209,732,261.13	42,493,293.24
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>		(26,516.28)	(26,334.69)	(25,433.60)	901.09
<b>OTHER FINANCING SOURCES (USES)</b>					
Issuance of Bonds	3710			0.00	0.00
Premium on Sale of Bonds	3791			0.00	0.00
Discount on Sale of Bonds	891			0.00	0.00
Proceeds of Lease-Purchase Agreements	3750			0.00	0.00
Premium on Lease-Purchase Agreements	3793			0.00	0.00
Discount on Lease-Purchase Agreements	893			0.00	0.00
Loans	3720			0.00	0.00
Sale of Capital Assets	3730			0.00	0.00
Loss Recoveries	3740			0.00	0.00
Proceeds of Forward Supply Contract	3760			0.00	0.00
Face Value of Refunding Bonds	3715			0.00	0.00
Premium on Refunding Bonds	3792			0.00	0.00
Discount on Refunding Bonds	892			0.00	0.00
Refunding Lease-Purchase Agreements	3755			0.00	0.00
Premium on Refunding Lease-Purchase Agreements	3794			0.00	0.00
Discount on Refunding Lease-Purchase Agreements	894			0.00	0.00
Payments to Refunding Escrow Agent (Function 9299)	760			0.00	0.00
Transfers In	3600	26,516.28	26,334.69	25,433.60	(901.09)
Transfers Out	9700			0.00	0.00
<b>Total Other Financing Sources (Uses)</b>		26,516.28	26,334.69	25,433.60	(901.09)
<b>SPECIAL ITEMS</b>				0.00	0.00
<b>EXTRAORDINARY ITEMS</b>				0.00	0.00
<b>Net Change in Fund Balances</b>		(0.00)	(0.00)	(0.00)	0.00
Fund Balances, July 1, 2014	2800			0.00	0.00
Adjustments to Fund Balances	2891			0.00	0.00
Fund Balances, June 30, 2015	2700	(0.00)	(0.00)	(0.00)	0.00



District School Board of Hillsborough County Public Schools  
Net Pension Liability (Account 2365) Balance as of June 30, 2015

	June 30, 2015 Account 2365 Balance
Florida Retirement System – Share of Net Pension Liability	(163,259,770.00)
Health Insurance Subsidy Program – Share of Net Pension Liability	(334,898,541.00)
Total Net Pension Liability Balance	<u>\$ (498,158,311.00)</u>

I certify that, based on the entries published by the Florida Retirement System, the balance above may be incorporated in the Schedule of Long-Term Liabilities portion of the 2014-15 Form ESE 348, Report of Financial Data to the Commissioner of Education, by the Florida Department of Education's Office of Funding and Financial Reporting staff.

\_\_\_\_\_  
Signature of Superintendent or Designee

\_\_\_\_\_  
Date