

COMPREHENSIVE ANNUAL  
FINANCIAL REPORT

of

The School District of  
Hillsborough County, Florida

For the

Fiscal Year Ended June 30, 2005



Issued by:

MaryEllen Elia, Superintendent of Schools

Prepared by:

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

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



**COMPREHENSIVE ANNUAL FINANCIAL REPORT  
SCHOOL DISTRICT OF HILLSBOROUGH COUNTY  
For the Fiscal Year Ended June 30, 2005**

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# Introductory Section



# School District of Hillsborough County

## School Board

Carolyn Brickleymer, Chair  
Jack R. Lamb, Ed.D., Vice-Chair  
Doretha W. Edgecomb  
Jennifer Faliero  
Carol W. Kurdell  
Candy Olson  
Susan L. Valdes



Superintendent of Schools  
MaryEllen Elia

Chief of Staff  
James P. Hamilton, Ph.D.  
Ken Otero

Chief Business Officer  
Gretchen Saunders

December 13, 2005

Dear Chair Brickleymer and School Board Members:

The Comprehensive Annual Financial Report ("CAFR") of the School District of Hillsborough County, Florida, (the District) for the fiscal year ended June 30, 2005 is hereby submitted. These financial statements are presented in conformity with generally accepted accounting principles (GAAP) and are audited in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in "Government Auditing Standards" issued by the Comptroller General of the United States by a firm of licensed certified public accountants.

Responsibility for both the accuracy of the data, and completeness and fairness of the presentation, including all disclosures, rests with the District's management. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed both to protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the District's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The District's financial statements have been audited by KPMG LLP, a firm of licensed certified public accountants. The objective of the independent audit is to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2005, are free of material misstatements. The independent audit involved examining, on a test basis, evidence

supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the District's financial statements for the fiscal year ended June 30, 2005, are fairly presented in conformity with GAAP. The independent auditors' report is presented as the first component of the financial section of this report.

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

### **Profile of the Government**

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

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

Hillsborough County is the 3<sup>rd</sup> largest school district in Florida and the 9<sup>th</sup> largest in the United States with over 187,000 K-12 students. The District is growing by an average of 6,000 new students each year.

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

### **Factors Affecting Financial Condition**

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

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

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

**Cash Management Policies and Practices.** The goal of the District is to maximize yield and minimize risk of invested funds. By policy, all idle funds may only be invested with the State Board of Administration in the local government surplus trust funds or with a local intergovernmental pool. Funds made available through the issuance of long-term debt shall be invested with an approved national investment firm or banking institution selected through a request-for-proposal process under the terms and conditions contained therein, to include permitted securities as authorized by Florida statute. State Statutes limit the investment vehicles that may be utilized to United States Government obligations. Idle funds in bank accounts are, under the terms of a banking contract, invested in government securities that must provide a minimum of the federal funds overnight interest rate.

**Risk Management.** The primary method of risk financing is the self-insurance programs reported in the internal service funds. The fund provides a maximum of \$200,000 for each auto and general liability claim and \$100,000 to \$500,000 for each worker's compensation claim. The District purchases blanket commercial insurance for excess claims liability for worker's compensation. By State Statute, \$200,000 is generally the maximum the Board can be liable for auto and general liability claims.

It should be noted that as a result of an actuarial study of the various self-insurance programs it was determined that the funded reserves are adequate to cover the liabilities recorded.

**Pension and Other Post Employment Benefits.** The District participates in the Florida Retirement System, which is a State administered cost-sharing multiple-employer defined benefit retirement plan. The District, in addition to participating in the Florida Retirement System, has established a non-contributory Supplemental Early Retirement Plan. In fiscal year 2005 there were 446 retirees and beneficiaries receiving benefits. The contribution made to the plan for fiscal 2005 was \$1,932,629.

#### **Awards and Acknowledgements.**

The Governmental Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the District for its CAFR for the fiscal year ended June 30, 2004. This was the fourth consecutive year that the District received this prestigious award. In order to be awarded a Certificate of Achievement, the District must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

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

Sincerely yours,

MaryEllen Elia  
Superintendent of Schools

Gretchen Saunders, Chief Business Officer  
Business Division

Ed Nicholson  
Manager of District Accounting

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

**Principal Officials - Elected**

**Board Members – Terms of Office  
As of December 13, 2005**

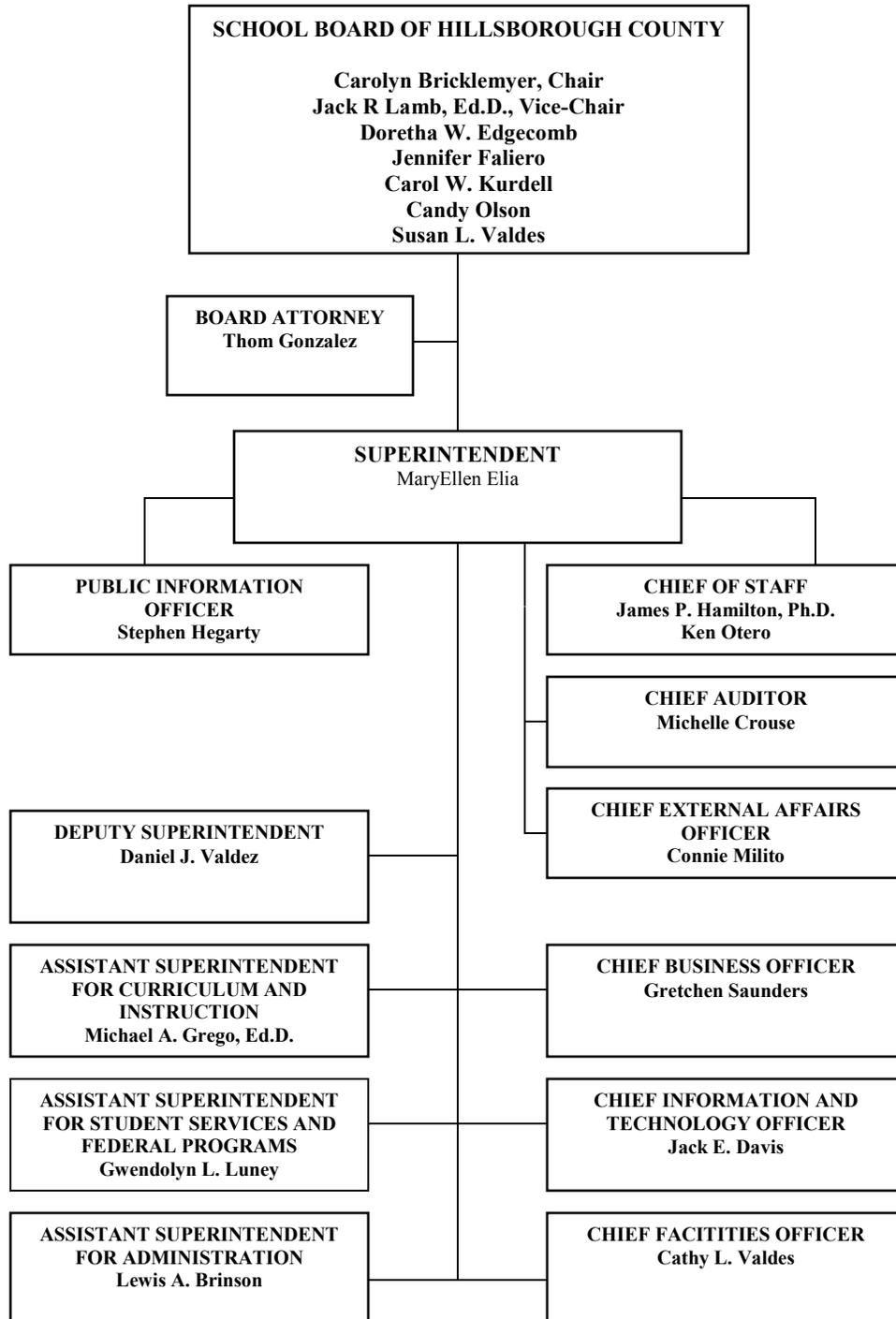
Mrs. Carolyn Bricklemyer, Chair Member from District 6 (at large) Present term began Present term expires Began as a Board member	November, 2002 November, 2006 November, 1994
Mr. Jack R. Lamb, Ed.D., Vice-Chair Member from District 3 Present term began Present term expires Began as a Board member	November, 2004 November, 2008 November, 2000
Mrs. Doretha W. Edgecomb Member from District 5 Present term began Present term expires Began as a Board member	November, 2004 November, 2008 November, 2004
Mrs. Jennifer Faliero Member from District 4 Present term began Present term expires Began as a Board member	November, 2002 November, 2006 November, 2002
Mrs. Carol W. Kurdell Member from District 7 (at large) Present term began Present term expires Began as a Board member	November, 2004 November, 2008 November, 1992
Mrs. Candy Olson Member from District 2 Present term began Present term expires Began as a Board member	November, 2002 November, 2006 November, 1994
Mrs. Susan L. Valdes Member from District 1 Present term began Present term expires Began as a Board member	November, 2004 November, 2008 November, 2004

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

**Other Principal Officials - Appointed  
As of December 13, 2005**

<b><u>Name</u></b>	<b><u>Title</u></b>
MaryEllen Elia	Superintendent of Schools
James P. Hamilton, Ph.D. Ken Otero	Chief of Staff Chief of Staff
Daniel J. Valdez	Deputy Superintendent
Gretchen Saunders	Chief Business Officer
Lewis A. Brinson	Assistant Superintendent for Administration
Jack E. Davis	Chief Information and Technology Officer
Gwendolyn L. Luney	Assistant Superintendent for Student Services and Federal Programs
Michael A. Grego, Ed.D.	Assistant Superintendent for Curriculum and Instruction
Cathy L. Valdes	Chief Facilities Officer
Michelle Crouse	Chief Auditor
Connie Milito	Chief External Affairs Officer

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
 ORGANIZATIONAL CHART  
 AS OF DECEMBER 13, 2005**



# Certificate of Achievement for Excellence in Financial Reporting

Presented to

School District of  
Hillsborough County, Florida

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2004

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



*Nancy L. Zielle*

President

*Jeffrey R. Emer*

Executive Director



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# Financial Section





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

## Independent Auditors' Report

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

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the School District of Hillsborough County, Florida (the District), as of and for the year ended June 30, 2005, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the aggregate discretely presented component units. Those financial statements were audited by other auditors whose reports thereon have been furnished to us, and our opinion, insofar as it relates to the amounts included for the discretely presented component units, is based solely on the reports of the other auditors.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the District's internal control over financial reporting. Accordingly, we express no such opinion. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of the other auditors provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District as of June 30, 2005, and the respective changes in financial position, and, where applicable, cash flows thereof, and the respective budgetary comparison for the general and contracted services funds for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 28, 2005 on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.



The management's discussion and analysis and the schedules of employer contributions and funding progress, on pages 3 through 9, and 70 through 71 are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual fund statements and schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund statements and schedules have been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, in our opinion, based on our audit and the reports of other auditors, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The information included in the introductory section and statistical section have not been subjected to the auditing procedures applied by us and the other auditors in the audit of the basic financial statements and, accordingly, we express no opinion on them.

KPMG LLP

October 28, 2005

THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2005

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

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

**Overview of the Financial Statements**

This discussion and analysis 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 Assets presents information on all of the District's assets and liabilities, with the difference between the two reported as net assets. 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 assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

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

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

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

THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2005

**Fund Financial Statements**

Traditional users of governmental financial statements will find the Fund Financial Statements presentation more familiar. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Funds are established for various purposes and the Fund Financial Statement allows the demonstration of sources and uses and/or budgetary compliance associated therewith (beginning on page 16). All funds of the District can be divided into three major categories: governmental funds, proprietary funds, and fiduciary funds.

**Governmental Funds**

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, the governmental funds focus on the sources and uses of liquid resources and balances of spendable resources available at the end of the fiscal year.

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

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

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

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

THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2005

**Proprietary Funds**

The District maintains an internal service fund as its only proprietary fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the District's various functions. The District uses internal service funds to account for its group health, workers compensation, and liability self-insurance activities. 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 31 – 33.

**Fiduciary Funds**

The District is the trustee, or fiduciary, for its employee pension plans. It is also responsible for other assets that, because of a trust agreement, can be used only for the trust beneficiaries. The District is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the District's fiduciary activities are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. The District excludes these activities from the government-wide financial statements because the District cannot use these assets to finance its 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 36 – 69 of this report.

**Government-wide Financial Analysis**

As noted earlier, net assets may serve over time as a useful indicator of an entities financial position. In the case of the District, assets exceeded liabilities by \$1,163,676 at the end of the current fiscal year.

By far the largest portion of the District's net assets (75 percent) reflects its investment in capital assets (e.g. land, buildings, machinery, and equipment), less any related debt used to acquire those assets that is still outstanding. The District uses capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since capital assets themselves cannot be used to liquidate these liabilities.

	<b>Governmental Activities 2005</b>	<b>Governmental Activities 2004</b>
Current and other assets	\$ 743,852	\$ 729,816
Capital assets	1,757,012	1,615,378
Total assets	<u>2,500,864</u>	<u>2,345,194</u>
Long-term liabilities outstanding	1,203,976	1,194,856
Other liabilities	133,212	91,628
Total liabilities	<u>1,337,188</u>	<u>1,286,484</u>
Net assets:		
Invested in capital assets, net of related debt	870,883	822,439
Restricted	292,200	289,321
Unrestricted (deficit)	593	(53,050)
Total Net Assets	<u>\$ 1,163,676</u>	<u>\$ 1,058,710</u>

THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2005

An additional portion of the District assets represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net assets is \$593. Unrestricted net assets may be used to meet the government's on going obligations to citizens and creditors.

The District's net assets increased by \$104,966 during the current year and the unrestricted net assets increased by \$53,643. The increase in net assets is due in part to the increase of capital assets.

**Governmental Activities**

Governmental activities increased the District's net assets by \$104,966. Key elements of this increase are as follows:

	<b>Governmental Activities <u>2005</u></b>	<b>Governmental Activities <u>2004</u></b>
Revenues:		
Program revenues:		
Charges for services	\$ 44,370	\$ 44,651
Operating grants and contributions	78,181	76,750
Capital grants and contributions	32,269	122,546
General revenues:		
Property taxes, levied for operational purposes	334,149	304,334
Property taxes, levied for debt service	9,966	10,197
Property taxes, levied for capital projects	108,114	97,048
Local sales taxes	23,248	21,559
Grants and contributions not restricted to specific programs	914,133	852,075
Investment earnings	14,525	8,156
Miscellaneous	31,770	20,060
Total revenues	1,590,725	1,557,376
Expenses:		
Instructional services	773,361	714,080
Instructional support services	135,841	122,807
Pupil transportation services	58,847	55,102
Operation and maintenance of plant	110,370	101,680
Facilities acquisition and construction	103,066	87,709
School administration	79,215	70,565
General administration	46,366	53,972
Food services	77,408	74,500
Community services and other	54,744	53,922
Interest on long term debt	46,017	49,120
Unallocated depreciation	524	477
Total expenses	1,485,759	1,383,934
Increase in net assets	104,966	173,442
Net assets beginning of year	1,058,710	885,268
Net assets end of year	\$ 1,163,676	\$ 1,058,710

Property taxes increased by \$40,650. This is due to the increase in the assessed value of property and the continued growth and new construction in Hillsborough County.

THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2005

Unrestricted grants and contributions revenue increased by \$62,058, mostly due to the increase of the Florida School Finance Program and the Class Size Reduction Operating Program contributions, and the continued proactive grant application team which aggressively seeks grant funding.

Capital grants and contributions decreased by \$90,277, mostly due to the decrease of Class Size Reduction Capital Outlay contributions.

For the most part the increase in expenses is due to the continued growth of the District in both urban and rural areas. The District continues to grow at an accelerated rate, requiring additional schools, teachers and support personnel to meet the needs of additional students.

### **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, unreserved 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 \$654,378, an increase of \$9,445 over the prior year. Of this total amount \$474,759 constitutes unreserved fund balance, which is available for spending at the District's discretion. The remainder of the fund balance is reserved to indicate that it is not available for new spending because it has already been committed 1) to liquidate contracts and purchase orders of the prior period (\$63,867), 2) to pay debt service (\$69,821), 3) to complete State carryover programs (\$15,095), 4) to complete other committed projects (\$25,872) and 5) reserve for inventory (\$4,964).

The general fund is the chief operating fund of the District. At the end of the current fiscal year, unreserved fund balance of the general fund was \$94,704, while total fund balance was \$149,513. The fund balance of the District's general fund increased by \$52,784 during the current fiscal year. As a measure of the general fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved fund balance represents 8.75 percent of total general fund expenditures, while total fund balance represents 13.82 percent of that same amount.

The contracted services fund had an increase in revenue due to the increase of several ongoing grants and the addition of new ones.

The food services fund had a decrease of \$1,225 in fund balance. The District has increased meal prices for the first time in five years for fiscal 2006 to help alleviate the losses.

The Certificates of Participation Fund total fund balance increased by \$20,330 to a total of \$209,895. This increase was due to the Certificates of Participation Fund receiving an additional \$88,534 from the issuance of the Series 2004C. The Sales Tax Bond Revenue Fund, fund balance continues to be expended for eligible projects. Other Capital Projects Fund had a decrease of fund balance of \$15,925 to a total of \$100,043. This was due to the expenditures incurred from opening eight (8) new schools and the ongoing construction of six (6) new schools scheduled to open in 2006.

THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2005

**General Fund Budgetary Highlights**

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

There were revisions made to the 2004-2005 general fund original budget. These revisions were due to a variety of situations. The District increased by 6,700 new students over the previous school year and opened eight new schools. The actions to reduce district expenditures were approved by the Board and implemented through out the year.

Budgeted expenditures decreased \$11.4 million from the original budget to the final amended budget because of district wide reductions approved and implemented by the Board through out the year.

Actual expenditures were \$85.8 million below the final amended budget. This amount reflects only 7.3% of the final budget. In the normal course of business, some of the budget is left unspent, primarily due to temporarily unfilled positions.

**Capital Assets and Debt Administration**

**Capital Assets**

The Districts investment in capital assets for its governmental activities as of June 30, 2005, amounts to \$1,757,012 (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, and computer equipment.

	<b>Governmental Activities <u>2005</u></b>	<b>Governmental Activities <u>2004</u></b>
Land	\$ 115,549	\$ 105,210
Land improvements	38,056	32,705
Construction in progress	163,165	131,843
Improvements other than buildings	54,860	52,181
Buildings and systems	1,293,561	1,198,161
Furniture, fixtures and equipment	52,234	59,490
Motor vehicles	36,409	33,052
Property under capital lease	-	63
Audio visual materials	12	39
Computer software	3,166	2,634
Total capital assets	\$ 1,757,012	\$ 1,615,378

This years additions of \$213,510 included the construction of eight (8) new schools which opened in fiscal year 2005, six (6) schools which are to be opened in 2006 and several major expansion and renovation projects.

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

THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
For the Fiscal Year Ended June 30, 2005

**Long Term Debt**

At the end of the current fiscal year the District had total debt outstanding of \$1,132,539, which is net of unamortized bond premiums and unamortized loss on bond refunding of (\$1,668).

	<u>2005</u>	<u>2004</u>
Notes payable	\$ 1,707	\$ 2,561
Obligations under capital leases	-	20
Bonds payable	295,513	307,598
Certificates of participation	<u>835,319</u>	<u>755,004</u>
Total long term debt	<u>\$ 1,132,539</u>	<u>\$ 1,065,183</u>

The District's total debt increased by \$67,356 (net of repayment of principal on outstanding debt) during the current fiscal year. The key factor in this increase was the issuance of the following:

- \$ 3,415 SBE Bonds, 2004A
- \$ 1,145 SBE Bonds, 2005A
- \$ 89,750 Certificates of Participation, Series 2004C
- \$ 48,915 Certificates of Participation, Series 2005A
- \$127,975 Sales Tax Refunding Bonds, Series 2005

The District has been given the following bond ratings:

<u>General Obligation Bonds</u>		
	<u>Insured</u>	<u>Underlying</u>
Moody's	Aaa	Aa3
Standard & Poors	AAA	AA
Fitch IBCA	AAA	AA-
<u>Sales Tax Revenue Bonds</u>		
	<u>Insured</u>	<u>Underlying</u>
Moody's	Aaa	A2
Standard & Poors	AAA	A
Fitch IBCA	AAA	A+
<u>Certificates of Participation</u>		
	<u>Insured</u>	<u>Underlying</u>
Moody's	Aaa	A1
Standard & Poors	AAA	AA-
Fitch IBCA	AAA	A+

See the notes 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.





# **BASIC FINANCIAL STATEMENTS**

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**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**STATEMENT OF NET ASSETS**

**JUNE 30, 2005**

(amounts expressed in thousands)

	<u>Primary Government</u>	
	<u>Governmental Activities</u>	<u>Component Units</u>
<b>ASSETS:</b>		
Cash	\$ 12,010	\$ 2,455
Investments	568,593	3,019
Accounts receivable, net	1,646	537
Due from other governmental agencies	143,484	493
Inventories	5,746	-
Deferred charges	12,373	201
Prepaid items	-	2,698
Capital Assets (net of accumulated depreciation):		
Land	115,549	2,977
Land Improvements	38,056	28
Construction in progress	163,165	1,630
Improvements other than buildings	54,860	-
Buildings and systems	1,293,561	9,385
Furniture, fixtures and equipment	52,234	928
Motor vehicles	36,409	189
Property under capital leases	-	813
Audio visual materials	12	102
Computer software	3,166	130
Total assets	<u>\$ 2,500,864</u>	<u>\$ 25,585</u>
<b>LIABILITIES</b>		
Accounts payable	\$ 23,967	\$ 1,273
Salaries and wages payable	1,248	244
Accrued payroll taxes and withholdings	307	12
Accrued interest	21,262	-
Due to other governmental agencies	2,596	328
Deposits payable	14	-
Deferred revenue	9,168	126
Estimated unpaid claims	24,992	-
Other liabilities	-	446
Noncurrent liabilities:		
Due within one year	49,658	410
Due in more than one year	1,203,976	10,359
Total liabilities	<u>1,337,188</u>	<u>13,198</u>
<b>NET ASSETS</b>		
Invested in capital assets, net of related debt	870,883	4,692
Restricted for:		
Categorical carryover programs	15,095	-
Debt service	48,559	-
Capital outlay	202,674	35
Other purposes	25,872	6,341
Unrestricted	593	1,319
Total net assets	<u>1,163,676</u>	<u>12,387</u>
Total liabilities and net assets	<u>\$ 2,500,864</u>	<u>\$ 25,585</u>

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

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005  
(amounts expressed in thousands)**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Charges for Services</u>
<b>Primary government:</b>		
Governmental activities:		
Instructional services	\$ 773,361	\$ 10,820
Instructional support services	135,841	-
Pupil transportation services	58,847	2,112
Operation and maintenance of plant	110,370	-
Non capitalizable facilities acquisition and construction	103,066	-
School administration	79,215	-
General administration	46,366	-
Food services	77,408	31,438
Community services and other	54,744	-
Interest on long-term debt	46,017	-
Unallocated depreciation expense	524	-
Total governmental activities and primary government	<u>\$ 1,485,759</u>	<u>\$ 44,370</u>
<b>Component units:</b>		
Foundation and charter schools	\$ 28,082	\$ 1,547
Total component units	<u>\$ 28,082</u>	<u>\$ 1,547</u>

General Revenues:  
 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  
     Total general revenues  
     Change in net assets  
 Net assets - beginning  
 Net assets - ending

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

Program Revenues		Net (Expense) Revenue and Changes in Net Assets	
		Primary Government Governmental Activities	Component Units
Operating Grants and Contributions	Capital Grants and Contributions		
\$ -	\$ -	\$ (762,541)	\$ -
-	-	(135,841)	-
34,720	-	(22,015)	-
-	-	(110,370)	-
-	26,143	(76,923)	-
-	-	(79,215)	-
-	-	(46,366)	-
43,461	-	(2,509)	-
-	-	(54,744)	-
-	-	(46,017)	-
-	6,126	5,602	-
<u>\$ 78,181</u>	<u>\$ 32,269</u>	<u>\$ (1,330,939)</u>	<u>\$ -</u>
\$ 844	\$ 444	-	(25,247)
<u>\$ 844</u>	<u>\$ 444</u>	-	<u>(25,247)</u>
		334,149	-
		9,966	-
		108,114	-
		23,248	-
		914,133	25,302
		14,525	355
		31,770	405
		<u>1,435,905</u>	<u>26,062</u>
		104,966	815
		1,058,710	11,572
		<u>\$ 1,163,676</u>	<u>\$ 12,387</u>

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2005**

(amounts expressed in thousands)

	General	Contracted Services	Food Services	Certificates Of Participation
<b>ASSETS</b>				
Cash	\$ 9,130	\$ 167	\$ 20	\$ 111
Investments	127,403	568	-	213,997
Accounts receivable	183	31	31	-
Due from other governmental agencies	9,805	9,544	5,582	-
Due from other funds	18,313	205	609	193
Inventories	4,964	-	782	-
Total assets	<u>\$ 169,798</u>	<u>\$ 10,515</u>	<u>\$ 7,024</u>	<u>\$ 214,301</u>
<b>LIABILITIES AND FUND BALANCES</b>				
Liabilities:				
Accounts payable	\$ 13,915	\$ -	\$ 95	\$ -
Salaries and wages payable	982	-	265	-
Payroll deductions and withholdings	307	-	-	-
Due to other funds	1,006	8,430	6,412	4,406
Due to other governmental agencies	2,419	12	-	-
Deposits payable	8	-	-	-
Deferred revenue	1,648	2,073	252	-
Total liabilities	<u>20,285</u>	<u>10,515</u>	<u>7,024</u>	<u>4,406</u>
Fund balances				
Reserved for:				
State categorical carry-over programs	15,095	-	-	-
Encumbrances	8,878	-	-	15,925
Inventories	4,964	-	-	-
Debt service	-	-	-	-
Other purposes	25,872	-	-	-
Unreserved, reported in:				
General fund	94,704	-	-	-
Capital projects funds	-	-	-	193,970
Total fund balances	<u>149,513</u>	<u>-</u>	<u>-</u>	<u>209,895</u>
Total liabilities and fund balance:	<u>\$ 169,798</u>	<u>\$ 10,515</u>	<u>\$ 7,024</u>	<u>\$ 214,301</u>

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

Sales Tax Bond Revenue	Other Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
\$ 7	\$ 115	\$ 2,323	\$ 11,873
29,158	26,234	117,214	514,574
-	107	3	355
911	74,094	42,940	142,876
1,354	3,819	7,629	32,122
-	-	-	5,746
<u>\$ 31,430</u>	<u>\$ 104,369</u>	<u>\$ 170,109</u>	<u>\$ 707,546</u>

\$ -	\$ -	\$ -	\$ 14,010
-	-	-	1,247
-	-	-	307
982	4,155	5,630	31,021
-	166	-	2,597
-	5	-	13
-	-	-	3,973
<u>982</u>	<u>4,326</u>	<u>5,630</u>	<u>53,168</u>

-	-	-	15,095
5,212	6,212	27,640	63,867
-	-	-	4,964
-	-	69,821	69,821
-	-	-	25,872
-	-	-	94,704
<u>25,236</u>	<u>93,831</u>	<u>67,018</u>	<u>380,055</u>
<u>30,448</u>	<u>100,043</u>	<u>164,479</u>	<u>654,378</u>
<u>\$ 31,430</u>	<u>\$ 104,369</u>	<u>\$ 170,109</u>	<u>\$ 707,546</u>



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

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**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET ASSETS  
For the Fiscal Year Ended June 30, 2005  
(amounts expressed in thousands)**

<b>Total Fund Balances - Governmental Funds</b>	\$	654,378
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.		1,757,012
Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds.		12,373
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 assets.		14,810
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore, are not reported in the funds.		(1,253,635)
Accrued interest on long-term liabilities is not due and payable in the current period and therefore, is not reported in the funds.		<u>(21,262)</u>
<b>Total Net Assets - Governmental Activities</b>	<b>\$</b>	<b><u>1,163,676</u></b>

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

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005  
(amounts expressed in thousands)**

	General	Contracted Services	Food Services	Certificates Of Participation
<b>REVENUES</b>				
Local sources:				
Ad valorem taxes	\$ 334,149	\$ -	\$ -	\$ -
Local sales tax	-	-	-	-
Food services	-	-	31,438	-
Interest income	3,591	-	12	5,122
Other	29,618	1,967	-	2
Total local sources	<u>367,358</u>	<u>1,967</u>	<u>31,450</u>	<u>5,124</u>
State sources:				
Florida education finance program	573,732	-	-	-
Public education capital outlay	-	-	-	-
Categorical programs	150,161	-	-	-
Class size reduction	-	-	-	-
Workforce development	31,359	-	-	-
Food services	-	-	1,434	-
Other	7,251	2,025	-	-
Total state sources	<u>762,503</u>	<u>2,025</u>	<u>1,434</u>	<u>-</u>
Federal sources:				
Food services	-	-	42,027	-
Federal grants direct	1,471	8,186	-	-
Federal grants through state	5,863	156,528	-	-
Federal grants through local	-	10,256	-	-
Total federal sources	<u>7,334</u>	<u>174,970</u>	<u>42,027</u>	<u>-</u>
Total revenues	<u>1,137,195</u>	<u>178,962</u>	<u>74,911</u>	<u>5,124</u>
<b>EXPENDITURES</b>				
Current:				
Instructional services:				
Basic programs	525,615	55,914	-	-
Exceptional child programs	122,937	13,873	-	-
Adult and vocational technical programs	51,177	1,058	-	-
Total instructional services	<u>699,729</u>	<u>70,845</u>	<u>-</u>	<u>-</u>
Instructional support services:				
Pupil personnel services	45,671	15,548	-	-
Instructional media services	20,400	2,922	-	-
Instruction and curriculum development service	17,710	20,864	-	-
Instructional staff training services	3,396	8,702	-	-
Total instructional support services	<u>87,177</u>	<u>48,036</u>	<u>-</u>	<u>-</u>
Pupil transportation services	<u>55,026</u>	<u>1,406</u>	<u>-</u>	<u>-</u>
Operation and maintenance of plant:				
Operation of plant	84,637	133	-	-
Maintenance of plant	27,267	37	-	-
Total operation and maintenance of plant	<u>111,904</u>	<u>170</u>	<u>-</u>	<u>-</u>
School administration	<u>77,042</u>	<u>971</u>	<u>-</u>	<u>-</u>
General administration:				
Central services	22,240	1,296	-	-
Board of education	4,227	-	-	-
General administration	7,071	3,156	-	-
Fiscal services	4,829	658	-	-
Total general administration	<u>38,367</u>	<u>5,110</u>	<u>-</u>	<u>-</u>

Sales Tax Bond Revenue	Other Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 118,080	\$ 452,229
-	-	23,248	23,248
-	-	-	31,438
1,011	891	2,272	12,899
918	8,261	2,729	43,495
<u>1,929</u>	<u>9,152</u>	<u>146,329</u>	<u>563,309</u>
-	-	-	573,732
-	-	14,507	14,507
-	-	-	150,161
-	10,418	-	10,418
-	-	-	31,359
-	-	-	1,434
-	1,683	7,683	18,642
<u>-</u>	<u>12,101</u>	<u>22,190</u>	<u>800,253</u>
-	-	-	42,027
-	-	-	9,657
-	-	-	162,391
-	-	-	10,256
<u>-</u>	<u>-</u>	<u>-</u>	<u>224,331</u>
<u>1,929</u>	<u>21,253</u>	<u>168,519</u>	<u>1,587,893</u>
-	-	-	581,529
-	-	-	136,810
<u>-</u>	<u>-</u>	<u>-</u>	<u>52,235</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>770,574</u>
-	-	-	61,219
-	-	-	23,322
-	-	-	38,574
<u>-</u>	<u>-</u>	<u>-</u>	<u>12,098</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>135,213</u>
-	-	-	56,432
-	-	-	84,770
<u>-</u>	<u>-</u>	<u>-</u>	<u>27,304</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>112,074</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>78,013</u>
-	-	-	23,536
-	-	-	4,227
-	-	-	10,227
<u>-</u>	<u>-</u>	<u>-</u>	<u>5,487</u>
<u>-</u>	<u>-</u>	<u>-</u>	<u>43,477</u>

(Continued)

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005  
(amounts expressed in thousands)**

	General	Contracted Services	Food Services	Certificates Of Participation
Facilities acquisition and construction	704	1,476	-	-
Food services	381	-	77,163	-
Community services and other	7,438	47,172	-	-
Debt Service:				
Principal retirement	-	-	-	-
Interest	-	-	-	-
Dues, fees and other	-	-	-	-
Capital outlay	4,184	3,837	646	72,813
Total expenditures	1,081,952	179,023	77,809	72,813
Excess (deficiency) of revenues over (under) expenditures	55,243	(61)	(2,898)	(67,689)
<b>OTHER FINANCING SOURCES (USES):</b>				
Long term bonds issued	-	-	-	-
Premium on sale of bonds	-	-	-	-
Refunding bonds issued	-	-	-	-
Premium on sale of refunding bonds	-	-	-	-
Certificates of participation issued	-	-	-	88,534
Premium on sale of certificates of participation	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Refunding certificates of participation	-	-	-	-
Payments to refunded bond escrow agent	-	-	-	-
Transfers in	481	61	1,673	4
Transfers out	(2,940)	-	-	(519)
Total other financing sources and uses	(2,459)	61	1,673	88,019
Net change in fund balances	52,784	-	(1,225)	20,330
Fund balances - beginning	96,729	-	1,225	189,565
Fund balances - ending	\$ 149,513	\$ -	\$ -	\$ 209,895

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

<b>Sales Tax Bond Revenue</b>	<b>Other Capital Projects</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
-	-	-	2,180
-	-	-	77,544
-	-	-	54,610
-	-	32,038	32,038
-	-	48,203	48,203
-	-	4,068	4,068
66,629	41,787	72,154	262,050
66,629	41,787	156,463	1,676,476
(64,700)	(20,534)	12,056	(88,583)
-	-	4,560	4,560
-	-	47	47
-	-	127,975	127,975
-	-	10,296	10,296
-	-	1,216	89,750
-	-	828	828
-	4,609	-	4,609
-	-	48,915	48,915
-	-	(187,871)	(187,871)
-	-	59,582	61,801
-	-	(59,423)	(62,882)
-	4,609	6,125	98,028
(64,700)	(15,925)	18,181	9,445
95,148	115,968	146,298	644,933
<u>\$ 30,448</u>	<u>\$ 100,043</u>	<u>\$ 164,479</u>	<u>\$ 654,378</u>



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

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE  
STATEMENT OF ACTIVITIES**

**For the Fiscal Year Ended June 30, 2005**  
**(amounts expressed in thousands)**

**Net Change in Fund Balances - Total Governmental Funds** \$ 9,445

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 (\$213,510) exceeds depreciation expense (\$68,410) during the current period. 145,100

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 assets differs by the change in fund balances by the cost of assets sold. (5,171)

Revenues reported in the statement of activities that do not provide current financial resources are not reported as revenues in the funds. 1,705

Bond proceeds provide current financial resources to governmental funds, but issuing debt increases long-term liabilities in the statement of net assets. Repayment of bond principal, is an expenditure and payments to a refunding agent is another financing use in the governmental funds, but the repayment reduces long-term liabilities in the statement of net assets. This is the amount by which proceeds (\$271,200) exceeded repayments of bond principal (\$32,058) and repayments to a refunding agent (\$187,871) in the current period. (51,271)

Governmental funds report costs associated with certain bond transaction as resources or uses. However, in the statement of activities these transactions are reported over the life of the debt as expenses (\$2,508 issuance cost and (\$11,123) bond premium). (8,615)

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

Interest expense (including arbitrage rebate) 2,251

Compensated absences (1,040)

Amortization of bond discount, premium and issuance costs 2,193

Internal service funds are used by management to charge the cost of certain activities, such as insurance, to individual funds. The net revenue of internal service funds is reported with governmental activities. 10,369

**Change in Net Assets of Governmental Activities** \$ 104,966

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

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005  
(amounts expressed in thousands)**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
<b>REVENUES</b>				
Local sources:				
Ad valorem taxes	\$ 335,857	\$ 334,149	\$ 334,149	\$ -
Interest income	1,120	3,591	3,591	-
Other	20,352	31,718	29,618	(2,100)
Total local sources	357,329	369,458	367,358	(2,100)
State sources:				
Florida education finance program	574,435	573,732	573,732	-
Categorical programs	149,318	150,161	150,161	-
Workforce development	31,359	31,359	31,359	-
Other	6,600	7,770	7,251	(519)
Total state sources	761,712	763,022	762,503	(519)
Federal sources:				
Federal grants direct	800	1,481	1,471	(10)
Federal grants through state	3,800	6,262	5,863	(399)
Total federal sources	4,600	7,743	7,334	(409)
Total revenues	1,123,641	1,140,223	1,137,195	(3,028)
<b>EXPENDITURES</b>				
Current:				
Instructional services:				
Basic programs	551,187	562,037	525,615	36,422
Exceptional child programs	120,975	123,356	122,937	419
Adult and vocational technical programs	55,250	56,337	51,177	5,160
Total instructional services	727,412	741,730	699,729	42,001
Instructional support services:				
Pupil personnel services	67,444	46,448	45,671	777
Instructional media services	27,312	23,265	20,400	2,865
Instruction and curriculum development services	25,017	19,321	17,710	1,611
Instructional staff training services	20,495	5,077	3,396	1,681
Total instructional support services	140,268	94,111	87,177	6,934
Pupil transportation services	53,700	56,365	55,026	1,339
Operation and maintenance of plant:				
Operation of plant	85,805	89,827	84,637	5,190
Maintenance of plant	26,048	36,542	27,267	9,275
Total operation and maintenance of plant	111,853	126,369	111,904	14,465
School administration	72,977	83,778	77,042	6,736
General administration:				
Central services	27,815	27,302	22,240	5,062
Board of education	4,630	4,443	4,227	216
General administration	21,403	11,414	7,071	4,343
Fiscal services	5,056	5,426	4,829	597
Total general administration	58,904	48,585	38,367	10,218

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

**GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005  
(amounts expressed in thousands)**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Facilities acquisition and construction	<u>3,840</u>	<u>2,257</u>	<u>704</u>	<u>1,553</u>
Food services	<u>-</u>	<u>381</u>	<u>381</u>	<u>-</u>
Community services and other	<u>10,175</u>	<u>9,984</u>	<u>7,438</u>	<u>2,546</u>
Capital outlay	<u>-</u>	<u>4,184</u>	<u>4,184</u>	<u>-</u>
Total expenditures	<u>1,179,129</u>	<u>1,167,744</u>	<u>1,081,952</u>	<u>85,792</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(55,488)</u>	<u>(27,521)</u>	<u>55,243</u>	<u>82,764</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	<u>757</u>	<u>481</u>	<u>481</u>	<u>-</u>
Transfers out	<u>(200)</u>	<u>(2,946)</u>	<u>(2,940)</u>	<u>6</u>
Total other financing sources and uses	<u>557</u>	<u>(2,465)</u>	<u>(2,459)</u>	<u>6</u>
Net change in fund balances	<u>(54,931)</u>	<u>(29,986)</u>	<u>52,784</u>	<u>82,770</u>
Fund balances - beginning	<u>75,464</u>	<u>96,729</u>	<u>96,729</u>	<u>-</u>
Fund balances - ending	<u>\$ 20,533</u>	<u>\$ 66,743</u>	<u>\$ 149,513</u>	<u>\$ 82,770</u>

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

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**MAJOR SPECIAL REVENUE FUND - CONTRACTED SERVICES**

**STATEMENT OF REVENUES, EXPENDITURES,**

**AND CHANGES IN FUND BALANCES -**

**BUDGET AND ACTUAL**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

(amounts expressed in thousands)

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
<b>REVENUES</b>				
Local sources:				
Other	\$ 2,800	\$ 3,064	\$ 1,967	\$ (1,097)
Total local sources	2,800	3,064	1,967	(1,097)
State sources:				
Other	5,000	5,986	2,025	(3,961)
Total state sources	5,000	5,986	2,025	(3,961)
Federal sources:				
Federal grants direct	8,170	13,583	8,186	(5,397)
Federal grants through state	170,500	207,057	156,528	(50,529)
Federal grants through local	8,830	14,678	10,256	(4,422)
Total federal sources	187,500	235,318	174,970	(60,348)
Total revenues	195,300	244,368	178,962	(65,406)
<b>EXPENDITURES</b>				
Current:				
Instructional services:				
Basic programs	63,598	84,181	55,914	28,267
Exceptional child programs	11,905	15,758	13,873	1,885
Adult and vocational technical programs	3,074	4,069	1,058	3,011
Total instructional services	78,577	104,008	70,845	33,163
Instructional support services:				
Pupil personnel services	16,055	17,452	15,548	1,904
Instructional media services	3,189	4,102	2,922	1,180
Instruction and curriculum development services	19,357	26,301	20,864	5,437
Instructional staff training services	9,028	17,259	8,702	8,557
Total instructional support services	47,629	65,114	48,036	17,078
Pupil transportation services	1,787	2,295	1,406	889
Operation and maintenance of plant:				
Operation of plant	203	149	133	16
Maintenance of plant	19	56	37	19
Total operation and maintenance of plant	222	205	170	35
School administration	160	1,006	971	35
General administration:				
Central services	831	1,699	1,296	403
Board of education	7	-	-	-
General administration	4,302	5,416	3,156	2,260
Fiscal services	579	685	658	27
Total general administration	5,719	7,800	5,110	2,690

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**MAJOR SPECIAL REVENUE FUND - CONTRACTED SERVICES  
STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES -  
BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005  
(amounts expressed in thousands)**

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>		
Facilities acquisition and construction	6,506	3,861	1,476	2,385
Community services and other	54,900	56,308	47,172	9,136
Capital outlay	-	3,837	3,837	-
Total expenditures	195,500	244,434	179,023	65,411
Excess (deficiency) of revenues over (under) expenditures	(200)	(66)	(61)	5
<b>OTHER FINANCING SOURCES (USES)</b>				
Transfers in	200	66	61	(5)
Total other financing sources and uses	200	66	61	(5)
Net change in fund balances	-	-	-	-
Fund balances - beginning	-	-	-	-
Fund balances - ending	\$ -	\$ -	\$ -	\$ -

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

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

**MAJOR SPECIAL REVENUE FUND - FOOD SERVICES**

**STATEMENT OF REVENUES, EXPENDITURES**

**AND CHANGES IN FUND BALANCES -**

**BUDGET AND ACTUAL**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

(amounts expressed in thousands)

	Food Services Fund			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
<b>REVENUES:</b>				
Local sources:				
Food services	\$ 33,686	\$ 34,417	\$ 31,438	\$ (2,979)
Interest income	23	23	12	(11)
Total local sources	<u>33,709</u>	<u>34,440</u>	<u>31,450</u>	<u>(2,990)</u>
State sources:				
Food services	1,640	1,640	1,434	(206)
Total state sources	<u>1,640</u>	<u>1,640</u>	<u>1,434</u>	<u>(206)</u>
Federal sources:				
Food services	39,997	45,027	42,027	(3,000)
Total federal sources	<u>39,997</u>	<u>45,027</u>	<u>42,027</u>	<u>(3,000)</u>
Total revenues	<u>75,346</u>	<u>81,107</u>	<u>74,911</u>	<u>(6,196)</u>
<b>EXPENDITURES:</b>				
Current:				
Food services	71,958	80,631	77,163	3,468
Capital outlay	-	646	646	-
Total expenditures	<u>71,958</u>	<u>81,277</u>	<u>77,809</u>	<u>3,468</u>
Excess (deficiency) of revenues over (under) expenditures	<u>3,388</u>	<u>(170)</u>	<u>(2,898)</u>	<u>(2,728)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Transfers in	-	1,673	1,673	-
Total other financing sources and uses	<u>-</u>	<u>1,673</u>	<u>1,673</u>	<u>-</u>
Net change in fund balance	3,388	1,503	(1,225)	(2,728)
Fund balances - beginning	562	1,225	1,225	-
Fund balances - ending	<u>\$ 3,950</u>	<u>\$ 2,728</u>	<u>\$ -</u>	<u>\$ (2,728)</u>

See accompanying independent auditors' report

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

**STATEMENT OF NET ASSETS**

**PROPRIETARY FUNDS**

**JUNE 30, 2005**

**(amounts expressed in thousands)**

	<b>Governmental Activities</b>
	<b>Internal Service Funds</b>
<b>ASSETS</b>	
Current Assets:	
Cash and cash equivalents	\$ 137
Investments	54,019
Accounts receivable	139
Due from other governmental agencies	608
Total current assets	<u>\$ 54,903</u>
<b>LIABILITIES</b>	
Current liabilities:	
Accounts payable	\$ 9,907
Deferred revenue	5,195
Estimated unpaid claims	24,991
Total liabilities	<u>40,093</u>
<b>NET ASSETS</b>	
Unrestricted	14,810
Total net assets	<u>14,810</u>
Total net assets and liabilities	<u>\$ 54,903</u>

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

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

**STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN NET ASSETS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005  
(amounts expressed in thousands)**

	<b>Governmental Activities</b>
	<b>Internal Service Funds</b>
<b>OPERATING REVENUES:</b>	
Premium revenue from other funds	\$ 132,204
Other revenue	1,353
Total operating revenues	<u>133,557</u>
<b>OPERATING EXPENSES:</b>	
Salaries	662
Benefits	220
Purchased services	2,037
Claims, premiums and other	122,232
Total operating expenses	<u>125,151</u>
Operating income	<u>8,406</u>
<b>NON-OPERATING REVENUE:</b>	
Interest	882
Total non-operating revenue	<u>882</u>
Income before transfers	9,288
<b>TRANSFERS IN</b>	1,207
<b>TRANSFERS OUT</b>	<u>(126)</u>
Change in net assets	10,369
Total net assets (deficit) - beginning	<u>4,441</u>
Total net assets - ending	<u>\$ 14,810</u>

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

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**STATEMENT OF CASH FLOWS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005  
(amounts expressed in thousands)**

	<b>Governmental Activities Internal Service Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Receipts from interfund services provided	\$ 133,389
Payment to suppliers	(124,709)
Payment to employees	(882)
Other receipts	1,214
Net cash provided by operating activities	<u>9,012</u>
<b>CASH FLOWS FROM NON CAPITAL AND RELATED FINANCING ACTIVITIES:</b>	
Transfers from other funds	1,207
Transfers to other funds	(126)
Net cash provided by noncapital and related financing activities	<u>1,081</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>	
Proceeds from sales and maturities of investments	9
Purchase of investments	(10,979)
Interest and dividends earned on investments	882
Net cash used in investing activities	<u>(10,088)</u>
Net increase in cash	5
Cash and cash equivalents - Beginning of year	<u>132</u>
Cash and cash equivalents - End of year	<u>\$ 137</u>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>	
Operating income	\$ 8,406
Adjustments to reconcile operating income to net cash provided by operating activities:	
Change in assets and liabilities:	
(Increase) decrease in accounts receivable	(139)
(Increase) decrease in due from other governmental agencies	(34)
(Increase) decrease in due from other funds	1,600
(Increase) decrease in accounts payable	941
Increase (decrease) in estimated unclaimed claims	(1,347)
Increase (decrease) in deferred revenue	(415)
Total adjustments	<u>606</u>
Net cash provided by operating activities	<u>\$ 9,012</u>

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

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

**STATEMENT OF FIDUCIARY NET ASSETS**

**FIDUCIARY FUNDS**

**JUNE 30, 2005**

**(amounts expressed in thousands)**

	<b>Pension Trust Fund</b>	<b>Agency Funds</b>
<b>ASSETS</b>		
Cash	\$ -	\$ 10,735
Investments	8,780	7,693
Accounts receivable, net	54	-
Due from other funds	-	51
Inventory	-	305
Total assets	<u>8,834</u>	<u>18,784</u>
<b>LIABILITIES</b>		
Accounts payable	-	42
Due to student organizations	-	13,463
Payroll deductions	-	4,127
Due to other funds	-	1,152
Total liabilities	<u>-</u>	<u>18,784</u>
<b>NET ASSETS</b>		
Assets held in trust for pension benefits	<u>8,834</u>	-
Total net assets	<u>8,834</u>	-
Total liabilities and net assets	<u>\$ 8,834</u>	<u>\$ 18,784</u>

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

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

**STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS**

**FIDUCIARY FUNDS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

**(amounts expressed in thousands)**

	<b>Pension Trust Fund</b>
<b>ADDITIONS</b>	
Contributions received from employer	\$ 1,952
Investment income:	
Interest income	343
Net decrease in fair value of investments	(34)
Total investment earnings	309
Less investment expense	24
Net investment income	285
Total additions	2,237
<b>DEDUCTIONS</b>	
Benefit payments	1,590
Administrative expenses	8
Total deductions	1,598
Net increase	639
Net assets - beginning	8,195
Net assets - ending	\$ 8,834

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

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2005

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The District School Board of Hillsborough County, Florida (School Board) has direct responsibility for the operation, control, and supervision of District schools and is considered a primary government for financial reporting purposes. 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 School Board's financial statements are identified and described in 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 accompanying financial statements of the School Board in the Certificates of Participation Fund. Separate financial statements of the Corporation are not published.

Discretely Presented Component Units

The component units column in the government wide financial statements include the financial data of the District's other component units for the fiscal year ended June 30, 2005. These component units consist of the Hillsborough Education Foundation, Inc. (the Foundation) and the District's Charter Schools. Both the Foundation and the Charter Schools are reported in a separate column to emphasize that they are legally separate from the District School Board. While it would be misleading to exclude them from the District's financial statements, none of the individual component units are considered to be major.

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

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2005

A. Reporting Entity (continued)

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

Hillsborough Education Foundation  
2010 E. Hillsborough Ave., Suite 212  
Tampa, Florida 33610-8255

The Charter Schools are separate not for-profit corporations organized under Section 1002.33, Florida Statutes to operate as public (as opposed to private) schools and are held responsible for prudent use of the public funds they receive. Each Charter School is a separate component unit that operates under a charter approved by their sponsor, the School Board. There are eighteen (18) Charter Schools operating in the School District of Hillsborough County that meet the criteria for presentation as a discretely presented component unit.

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

Anderson Academy Charter School  
2708 N. Central Ave  
Tampa, Fl 33602

Central City Charter School  
3916 E. Hillsborough Ave.  
Tampa, Fl 33614

Learning Gate Charter School  
16215 Hanna Road  
Lutz, Fl 33549

Mount Pleasant Charter School  
2002 Rome Ave.  
Tampa, Fl 33607

Pepin Charter School of Tampa  
3916 E. Hillsborough Ave.  
Tampa, Fl 33610

Prince Academy Charter School  
1006 S. 50<sup>th</sup> St.  
Tampa, Fl 33619

ReBirth Academy Charter School  
1924 E. Comanche Ave.  
Tampa, Fl 33610

Richard Milburn Charter School  
1404 Tech Blvd.  
Tampa, Fl 33619

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

Tampa Bay Academy Charter School  
12012 Boyette Road  
Riverview, Fl 33569

Tampa Charter School  
5429 Beaumont Center  
Tampa, Fl 33634

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

Trinity Charter School  
2402 W. Osborne Ave.  
Tampa, Fl 33603

Trinity Upper Charter School  
4807 North Armenia  
Tampa, Fl 33603

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2005

A. Reporting Entity (continued)

USF Charter School  
11801 Bull Run  
Tampa, Fl 33617

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

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

Wilbesan Academy Charter School  
8119 E. M. L. King Blvd.  
Tampa, Fl 33619

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

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

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

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

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2005

B. Basis of Presentation (continued)

Fund Financial Statements – The fund financial statements provide information about the District School Board's funds, including its fiduciary funds and blended component units. Separate statements for each fund category – governmental and fiduciary - are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as non-major funds. Because the focus of the governmental fund financial statements differs from the focus of the government-wide financial statements, a reconciliation is presented with each of the governmental fund financial statements.

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

The District reports the following major governmental funds:

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

Contracted Services - to account for financial resources of certain federal grant program resources.

Food Services – Accounts for and reports on the activities of the food service program.

Certificates of Participation – Accounts for and reports on the revenues generated from the issuance of Certificates of Participation.

Sales Tax Bond Revenue – Accounts for and reports on the revenues generated from the issuance of construction bonds backed by sales tax revenue.

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

Additionally, the District reports the following fund types:

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

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

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

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2005

C. Measurement Focus and Basis of Accounting

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

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

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

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

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

D. Cash

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

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2005

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, textbook depository and the bus garage are stated at cost based on a moving average. Food service inventories are stated at cost based on the first-in, first-out basis, except that United States Department of Agriculture surplus commodities are stated at their fair value as determined at the time of donation to the District's food service program by the Florida Department of Health and Rehabilitative Services, Food Distribution Center. All other inventories are stated at cost on the last invoice price method, which approximates the first-in, first-out basis. The cost of inventories is recorded as expenditures when used rather than purchased.

G. Capital Assets

Expenditures for capital assets acquired or constructed for general District purposes are reported in the governmental fund that financed the acquisition or construction. The capital assets so acquired are recorded at cost in the government-wide statement of net assets 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 and having a useful life of more than one year. Donated assets are recorded at fair value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized.

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

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

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

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
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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 assets. Bond premiums, discounts and losses on refunding issuances, as well as issuance costs, 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 and losses on refunding issuances. Bond issuance costs are reported as deferred charges and are amortized over the term of the related debt.

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

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

Changes in long-term debt for the current year are reported in note 13.

I. State Revenue Sources

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

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

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2005

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 2004 tax levy on September 7, 2004. Tax bills are mailed in October; and taxes are payable between November 1 of the year assessed and March 31 of the following year with discounts of up to four percent for early payment.

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

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

Millages and taxes levied for the current year are presented in note 18.

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. Use of Estimates

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

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2005

2. BUDGET COMPLIANCE AND ACCOUNTABILITY

A. Budgetary Information

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

1. Budgets are prepared, public hearings are held, and original budgets are adopted annually for all governmental fund types in accordance with procedures and time intervals prescribed by law and State Board of Education rules. Original budgets are submitted to the State Commissioner of Education for approval.
2. The budget is prepared by fund, function, object and department. Management may make transfers of appropriations between departments and object. The functional level is the legal level of budgetary control and may only be amended by resolution of the Board at any Board meeting prior to the due date for the Superintendent's Annual Financial Report (State Report). Budgetary disclosure in the accompanying financial statements reflects the original and final budget including all amendments approved for the fiscal year through September 6, 2005.
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 as described in a subsequent note on Reservations of Fund Balances.

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

At the governmental fund level, outstanding encumbrances are reflected as a reservation of fund balance to reflect the re-appropriation in the subsequent year. Encumbrances outstanding at year-end do not represent GAAP expenditures or liabilities but represent budgetary accounting controls.

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2005

3. CASH AND INVESTMENTS

At June 30, 2005, the District's deposits were entirely covered by federal depository insurance or by collateral pledged with the State Treasurer pursuant to Chapter 280, Florida Statutes. Under this Chapter, in the event of default by a participating financial institution (a qualified public depository), all participating institutions are obligated to reimburse the governmental entity for the loss.

As of June 30, 2005 the District had the following investments and maturities (amounts in thousands):

<u>Investment</u>	<u>Maturities</u>	<u>Fair Value</u>
United States Treasuries	August 2005 – November 2015	\$ 4,708
United States Agencies	August 2005 – January 2016	5,998
State Board of Administration Investment Pool	54 Days	573,960
Certificates of Deposit	July 2005 – June 2007	393
Evergreen Institutional Treasury Money Market	N/A	<u>7</u>
Total Primary Government Component Unit		585,066 3,019
Total Investments Reporting Entity		<u>\$588,085</u>

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

Governmental funds	\$514,574
Internal service funds	54,019
Fiduciary funds	
Pension trust	8,780
Agency	<u>7,693</u>
Total Primary Government	<u>\$585,066</u>

Interest Rate Risk

The District has a formal investment policy that limits investments of idle funds (other than debt proceeds and pension trust fund) to the State Board of Administration's Local Government Surplus Funds Trust Fund investment pool, created by Florida statute 218.405, or with an intergovernmental pool. The District does not have a formal investment policy for debt proceeds and pension trust fund that limit investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

The District has \$2,008 in obligations of United States Agencies that include embedded options consisting of the option at the discretion of the issuer to call their obligation or pay a stated increase in the interest rate. These securities have various call dates and mature between June 2006 and June 2007.

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2005

3. CASH AND INVESTMENTS (continued)

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 Local Government Surplus Funds Trust Fund, 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.

The securities listed in paragraphs (c) and (d) shall be invested to provide sufficient liquidity to pay obligations as they come due. The Local Government Surplus Funds Trust Fund (State Board of Administration Investment Pool, hereafter referred to as State Board) 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. Accordingly, the District's investments in the State Board have been determined based on the pool's share price, which approximates fair value.

Investments in the State Board are not rated by a nationally recognized statistical rating agency. The District's investments in Certificates of Deposits were in qualified public depositories. The Evergreen Institutional Treasury Money Market is rated AAA by Standard & Poors and Aaa by Moody's Investor Services.

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.

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2005

3. CASH AND INVESTMENTS (continued)

Of The District's investments, \$4,708 of U. S Treasuries and \$5,998 of U.S. Agencies are uninsured, not registered in the name of the District and are held by the counterparty's trust department or agent but not in the District's name.

The District places no limit on the amount the District may invest in any one issuer. The District had no investments which exceeded 5% of total investments.

Foreign Currency Risk

The District does not have a formal investment policy that limits its investment in foreign currency. The District has no investments which are exposed to foreign currency risk at June 30, 2005.

4. DUE FROM OTHER GOVERNMENTAL AGENCIES

Amounts due from other governmental agencies as of June 30, 2005 are shown below (amounts in thousands):

	<u>General Fund</u>	<u>Contracted Services Fund</u>	<u>Food Services Fund</u>	<u>Sales Tax Bond Rev Fund</u>	<u>Other Capital Projects Fund</u>	<u>Non- Major- and Other Funds</u>	<u>Total</u>
Federal Government:							
Miscellaneous	358	1,115	-	-	-	-	1,473
State Government:							
Food Reimbursement	-	-	4,231	-	-	-	4,231
Classrooms for Kids	-	-	-	-	74,022	-	74,022
Public Education							
Capital Outlay	-	-	-	-	-	38,369	38,369
Miscellaneous State	1,147	3,815	20	-	49	1,629	6,660
Local Government:							
Hillsborough County Board of County Commissioners	7,804	2,358	1,331	911	19	2,759	15,182
Miscellaneous Local Agencies	<u>496</u>	<u>2,256</u>	<u>-</u>	<u>-</u>	<u>4</u>	<u>791</u>	<u>3,547</u>
TOTAL:	<u>\$ 9,805</u>	<u>\$ 9,544</u>	<u>\$ 5,582</u>	<u>\$ 911</u>	<u>\$ 74,094</u>	<u>\$ 43,548</u>	<u>\$ 143,484</u>

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2005

5. CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2005 was as follows (amounts in thousands):

<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	\$ 105,210	\$11,665	\$ 1,326	\$ 115,549
Land Improvements – Non-Depreciable Landscaping	32,705	5,351	-	38,056
Construction In Progress	<u>131,843</u>	<u>179,721</u>	<u>148,399</u>	<u>163,165</u>
<b>Total Capital Assets Not Being Depreciated</b>	<u>269,758</u>	<u>196,737</u>	<u>149,725</u>	<u>316,770</u>
<u>Capital Assets Being Depreciated:</u>				
Improvements Other Than Buildings	125,603	8,188	300	133,491
Buildings and Systems Furniture, Fixtures and Equipment	1,539,067	134,923	26,355	1,647,635
Motor Vehicles	173,319	13,437	11,090	175,666
Property Under Capital Leases	79,681	9,020	2,560	86,141
Audio Visual Materials	181	-	181	-
Computer Software	131	96	34	193
<b>Total Capital Assets Being Depreciated</b>	<u>1,936,570</u>	<u>167,707</u>	<u>40,875</u>	<u>2,063,402</u>
Less Accumulated Depreciation for: Improvements Other Than Buildings	73,422	5,467	258	78,631
Buildings & Systems Furniture, Fixtures and Equipment	340,906	38,930	25,762	354,074
Motor Vehicles	113,829	17,241	7,638	123,432
Property Under Capital Leases	46,629	5,458	2,355	49,732
Audio Visual Materials	118	-	118	-
Computer Software	92	6	(83)	181
<b>Total Accumulated Depreciation</b>	<u>590,950</u>	<u>68,410</u>	<u>36,200</u>	<u>623,160</u>
<b>Total Capital Assets Being Depreciated (Net)</b>	<u>1,345,620</u>	<u>99,297</u>	<u>4,675</u>	<u>1,440,242</u>
Governmental Activities Capital Assets (Net)	<u>\$1,615,378</u>	<u>\$296,034</u>	<u>\$154,400</u>	<u>\$1,757,012</u>

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2005

5. CAPITAL ASSETS (continued)

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

Instructional Services	\$ 6,208
Instructional Support services	1,251
Pupil Transportation Services	4,478
Operation and Maintenance of Plant	949
Facilities Acquisition and Construction	52,689
School Administration	511
General Administration	766
Food Services	812
Community Services and other	222
Un-Allocated Depreciation	<u>524</u>
Total Depreciation Expense	<u>\$68,410</u>

6. REVOLVING LINE OF CREDIT

Pursuant to the provisions of Section 1011.13, Florida Statutes, the Board approved a revolving Line of Credit Tax Anticipation Note on June 7, 2005 that matures December 31, 2005, in the amount of \$80,000,000 with Wachovia National Bank of Florida. The outstanding principal amount of the Note shall bear interest at 69.5 percent of the Prime Rate, as published in the *Wall Street Journal* on the Monday of the week preceding the actual borrow date. 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 revolving Note may be made and repaid from time to time. The principal of this Note may be partly or wholly paid and re-advanced provided that the outstanding principal balance shall not exceed \$80,000,000 at any time outstanding. During the year ended June 30, 2005, no funds had been borrowed under this line-of-credit, nor was the line of credit utilized during the fiscal year.

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2005

7. OBLIGATIONS UNDER LEASE PURCHASE AGREEMENT - CERTIFICATES OF PARTICIPATION

The District entered into a financing arrangement on October 1, 1996 and supplemental arrangements dated March 1, 1998, October 1, 1999, March 9, 2000, November 1, 2000, January 15, 2001, July 1, 2001, November 6, 2001, September, 15, 2002, September 1, 2003, February 19, 2003, February 19, 2003, June 8, 2004, November 11, 2004 and February 25, 2005 in that each arrangement was characterized as a lease-purchase agreement, with the Hillsborough School Board Leasing Corporation, whereby the District secured financing of various education facilities in the amount of \$28,000,000, \$336,930,000, \$111,700,000, \$10,628,000, \$48,860,000, \$103,770,000, \$69,265,000, \$9,600,000, \$64,010,000, \$72,065,000, \$27,305,000, \$56,715,000, \$6,131,000, \$89,750,000 and \$48,915,000 respectively. The financing was accomplished through the issuance of Certificates of Participation to be repaid from the proceeds of rents paid by the School District.

As a condition of the financing arrangement, the District has given ground leases on District property to the Hillsborough School Board Leasing Corporation, with a rental fee of \$10 per year. The initial terms of the leases are 35 years beginning October 1, 1996, March 1, 1998, October 1, 1999, March 9, 2000, November 1, 2000, January 15, 2001, July 1, 2001, November 6, 2001, September 15, 2002, September, 1, 2003, February 19, 2003, June 8, 2004, November 11, 2004 and February 25, 2005 are referred to as the Series 1996 Project, the Series 1998 Project, the Series 1999 Project, the Series 2000 QZAB Project, the Series 2000 Project, the Series 2001A Project, the Series 2001B Project, the Series 2001 QZAB Project, the Series 2002 Project, the Series 2003B Project, the Series 2004B Project, the Series 2004 QZAB Project, the Series 2004C Project and the Series 2005A Project respectively. 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 for a maximum period of 35 years from the date of inception of the agreements.

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 2001A Certificates of Participation were issued in order to provide funds necessary to partially advance refund the Series 1999 Certificates of Participation and refinance the Series 1999 facilities that the School Board has acquired, constructed and installed from the proceeds of the Series 1999. 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 February 25, 2005 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 1996. See Note 12.

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2005

7. OBLIGATIONS UNDER LEASE PURCHASE AGREEMENT - CERTIFICATES OF PARTICIPATION  
(continued)

The District properties included in the ground lease dated March 1, 1998, include land on which the projects are to be constructed. The projects funded from the Series 1998 Certificates of Participation are as follows:

Series 1998 Certificates of Participation

Westchase Middle School "FF"  
Middleton High School "GGG"  
Media Centers  
Completion of Blake High School  
Completion of Series 1995 Project  
Completion of Series 1996 Project

The Master Lease allows the School Board to modify the components to the Series 1998 Project. As of June 30, 2005, the Board has amended the project list to include as follows:

Davidson Middle School "FF"	Middleton High School "GGG" Land
Springhead Elementary School	Baycrest Elementary School
Wilson Elementary School	Woodbridge Elementary School
Media Centers	Completion of Blake High School
Completion of Series 1995 Project	Franklin Middle School
Riverview High School	Lake Magdalene Elementary
Durant High School	Alonso Athletic Facility
Freedom Athletic Facility	

The District properties included in the ground lease dated October 1, 1999, include land on which the projects are to be constructed. The projects funded from Series 1999 Certificates of Participation are as follows:

Series 1999 Certificates of Participation

Middleton High School "GGG"  
High School "JJJ" and land for site  
Middle School "JJ" and land for site  
Elementary School "M" and land for site

The Master Lease allows the School Board to modify the components to the Series 1999 Project. As of June 30, 2005, the Board has amended the project list to include as follows:

Middleton High School	Newsom Athletic Facility
Freedom High School and land for site	Sheehy Elementary School
Liberty Middle School and land for site	Spoto Athletic Facility
Mulrennan Middle School	

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2005

7. OBLIGATIONS UNDER LEASE PURCHASE AGREEMENT - CERTIFICATES OF PARTICIPATION  
(continued)

The District properties included in the ground lease dated March 9, 2000, include land on which the projects are to be constructed. The projects funded from Series 2000-QZAB Certificates of Participation are as follows:

Series 2000-QZAB Certificates of Participation

Remodeling of D.W. Waters Training Center

The District properties included in the ground lease dated November 1, 2000, include land on which the projects are to be constructed. The projects funded from the Series 2000 Certificates of Participation are as follows:

Series 2000 Certificates of Participation

Middle School "MM"	Riverview Elementary
Elementary School "P"	Dover ESE
Claywell Elementary	Lopez ESE
Essrig Elementary	Ferrell Middle School
Mabry Elementary	Gorrie Elementary
Morgan Woods Elementary	

The Master Lease allows the School Board to modify the components to the Series 2000 Project. As of June 30, 2005, the Board has amended the project list to include as follows:

Farnell Middle School	Riverview Elementary
Chimino Elementary School	Dover ESE
Claywell Elementary	Lopez ESE
Essrig Elementary	Ferrell Middle School
Mabry Elementary	Gorrie Elementary
Morgan Woods Elementary	Lewis Elementary
High School "LLL" Athletic Facility	West Tampa Elementary
Westshore Elementary	

The District properties included in the ground lease dated July 1, 2001, include land on which the projects are to be constructed. The projects funded from Series 2001B Certificates of Participation are as follows:

Series 2001B Certificates of Participation

Middle School "LL"	Elementary School "E"
Elementary School "B"	Plant City ESE
East County Career Center	Elementary School "D"
Elementary School "R"	

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2005

7. OBLIGATIONS UNDER LEASE PURCHASE AGREEMENT - CERTIFICATES OF PARTICIPATION  
(continued)

The Master Lease allows the School Board to modify the components to the Series 2001B Project. As of June 30, 2005, the Board has amended the project list to include as follows:

Jennings Middle School	Nelson Elementary School
Heritage Elementary School	Plant City ESE
East County Career Center	Ippolito Elementary School
Broward Elementary	Grady Elementary
Sessums Elementary	Cork Elementary
MacFarlane Center	Kingswood Elementary

The District properties included in the ground lease dated November 6, 2001, include land on which the projects are to be constructed. The projects funded from Series 2001-QZAB Certificates of Participation are as follows:

Series 2001-QZAB Certificates of Participation

Renovations at Cahoon Elementary  
Renovations at Van Buren Middle School

The District properties included in the ground lease dated September 15, 2002, include land on which the projects are to be constructed. The projects funded from Series 2002 Certificates of Participation are as follows:

Series 2002 Certificates of Participation

Elementary "T"	Elementary "X"
Elementary "W"	Elementary "Z"
Middle School "OO"	

The Master Lease allows the School Board to modify the components to the Series 2002 Project. As of June 30, 2005, the Board has amended the project list to include as follows:

Corr Elementary	Middleton High School Athletic
Just Early Childhood Center	Turner Elementary
Middle School "OO"	Stewart Middle School
Woodbridge Elementary	Collins Elementary "F"

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7. OBLIGATIONS UNDER LEASE PURCHASE AGREEMENT - CERTIFICATES OF PARTICIPATION  
(continued)

The District properties included in the ground lease dated September 1, 2003, include land on which the projects are to be constructed. The projects funded from Series 2003B Certificates of Participation are as follows:

Series 2003B Certificates of Participation

High School "PPP"	Elementary School "Y"
Knights Elementary School	Elementary School "Z"
Middle School "PP"	

The Master Lease allows the School Board to modify the components to the Series 2003B Project. As of June 30, 2005, the Board has amended the project list to include as follows:

Spoto High School "PPP"	Fishawk Elementary School
High School "PPP" Athletic Facility	Frost Elementary School "Z"
Rampello Downtown Partnership School	

The District properties included in the ground lease dated February 19, 2003, include land on which the projects are to be constructed. The projects funded from Series 2004B Certificates of Participation are as follows:

Series 2004B Certificates of Participation

High School "RRR"  
Elementary School "K"  
Parking Facility at Rampello Downtown School

The District properties included in the ground lease dated June 8, 2004, include land on which the projects are to be constructed. The projects funded from Series 2004-QZAB Certificates of Participation are as follows:

Series 2004 - QZAB Certificates of Participation

Just Elementary  
Cleveland Elementary  
Foster Elementary  
Desoto Elementary

The District properties included in the ground lease dated November 11, 2004, include land on which the projects are to be constructed. The projects funded from Series 2004C Certificates of Participation are as follows:

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7. OBLIGATIONS UNDER LEASE PURCHASE AGREEMENT - CERTIFICATES OF PARTICIPATION  
(continued)

Series 2004C Certificates of Participation

High School "SSS"  
Middle School "RR"  
Middle School "TT"

Elementary School "X"  
Ancillary Facilities

The lease payments for the Series 1998, Series 1999, Series 2000, Series 2001A, Series 2001B, Series 2002, Series 2003B, Series 2004A, Series 2004B and Series 2005A Certificates are payable by the District, semi-annually, on July 1 and January 1 at interest rates, of 3.6 to 5.5 percent, 3.65 to 6.00 percent, 4.20 to 5.55 percent, 3.00 to 5.00 percent, 3.00 to 5.25 percent, 2.00 to 4.625, 5.00 percent, 5.25 percent, 2.00 percent to 5.09 percent and 2.375 percent to 5.0 percent respectively. The lease payments for the Series 2004C Certificates are payable by the District weekly at an auction interest rate. The lease payments for the Series 2000-QZAB, 2001-QZAB and 2004-QZAB Certificates are due April 10, 2012, November 1, 2015 and June 3, 2020 respectively. There is no interest to be paid on the QZABs, as the certificate holders receive Federal Tax Credits in lieu of interest payments. The District is required to reserve a portion of the lease payments each year. The following is a schedule by years of future minimum lease payments under the lease agreements as of June 30 (amounts in thousands):

	Total	Principal	Interest
2006	\$ 54,917	\$ 17,635	\$ 37,282
2007	53,612	16,545	37,067
2008	53,667	17,265	36,402
2009	53,610	17,960	35,650
2010	53,567	18,760	34,807
2011 – 2015	280,152	120,648	159,504
2016 – 2020	288,965	160,906	128,059
2021 – 2025	274,690	188,330	86,360
2026 – 2030	262,482	226,895	35,587
2031	50,375	50,375	-
Total Minimum Lease Payments	<u>\$1,426,037</u>	<u>\$ 835,319</u>	<u>\$ 590,718</u>

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
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8. INTEREST RATE SWAP

The District entered into a swaption contract that provided the District an up-front payment of \$5,006,500. This payment was reduced by a premium refund of \$1,800,000 paid by the District to the counterparty on May 26, 2005. Such premium refund was paid to reflect a reduction in the notional amount from \$177,195,000 to \$109,830,000 pursuant to an amendment to interest rate swaption dated April 19, 2005. As a synthetic refunding of its Series 1998A Certificates of Participation, this payment represents the risk-adjusted, present-value savings of a refunding as of July 1, 2008 without issuing refunding bonds at February 2003. The swaption gave the counterparty the option to make the District enter into a pay-fixed, receive-variable interest rate swap. If the option is exercised, the District would then expect to issue variable-rate refunding bonds. The original fixed swap rate of 5.06% is in accordance with the adjustment in the notional amount and reduced premium.

The Swaption was entered into on February 19, 2003. The \$3,206,500 net payment was based on a notional amount of \$109,830,000. The counterparty has the option to exercise the agreement on July 1, 2008, the District's Series 1998A Certificates of Participation's first call date. The counterparty also has the option to exercise the agreement on January 1, 2009, July 1, 2009, January 1, 2010, and July 1, 2010. If the swap is exercised, the swap will commence on the respective option date. The fixed swap rate (4.97%) was set at a rate that, when added to an assumption for remarketing and liquidity costs, will approximate the coupons of the "refunded" bonds. The swap's variable payment would be based on the Bond Market Association (BMA) municipal swap index.

As of June 30, 2005, the fair value of the option on the swap was \$10,971,197, which was estimated based on the year end market condition using the zero-coupon method. The contract's fair value reflects the aforementioned amendment to the interest rate swaption. The zero coupon method calculates the future net settlement payments required by the swap, assuming that the current forward rates implied by the yield curve correctly anticipate future spot interest rates. These payments were 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 swap.

If the option is exercised and refunding bonds are not issued, the Series 1998A Certificates of Participation would not be refunded and the District would make net swap payments as required by the terms of the contract, making a fixed payment to the counterparty for the term of the swap at 4.97 percent and receiving a variable payment of the BMA Municipal Swap Index. If the option is exercised and the variable-rate bonds are issued, the actual savings ultimately recognized by the transaction will be affected by the relationship between the interest rate terms of the to-be-issued variable-rate bonds versus the variable payment on the Swap (BMA Municipal Swap Index).

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2005

9. NOTES PAYABLE

Notes payable are comprised of the following (amounts in thousands):

<u>Wachovia Loans</u>	Balance at <u>6/30/05</u>
\$4,267 borrowed 1/23/02, under the provisions of Section 1011.14, Florida Statutes. Variable interest rate 3.269 percent at 6/30/05. Proceeds used to purchase insurance on educational property. The Board's intent is to extend repayment of the remaining balance over the next two years in annual installments of \$854.	<u>\$1,707</u>

Amounts needed for the planned repayment of the Section 1011.14, Florida Statutes, bank loans are as follows (amounts in thousands):

<u>Fiscal Year Ending June 30</u>	<u>Total</u>	<u>Principal</u>	<u>Interest (1)</u>
2006	896	854	42
2007	<u>875</u>	<u>853</u>	<u>22</u>
Total	<u>\$1,771</u>	<u>\$1,707</u>	<u>\$ 64</u>

(1) The projected interest amounts can change based on interest rate changes upon the annual renewal of the bank loans. Interest was calculated based on the rate in effect at June 30, 2005.

10. BONDS PAYABLE

Bonds payable at June 30, 2005 were as follows (amounts in thousands):

<u>Bond Type</u>	<u>Amount Outstanding</u>	<u>Interest Rates (Percent)</u>	<u>Annual Maturity To</u>
State School Bonds:			
Series 1996-B	\$ 340	4.0 - 4.625	2007
Series 1998-A	45,625	4.0 - 5.5	2018
Series 1999-A	6,280	4.0 - 4.75	2019
Series 2000-A	820	4.625 - 6.0	2020
Series 2002-A	1,505	3.0 - 5.0	2022
Series 2003-A	2,800	3.0 - 5.0	2023
Series 2004-A	3,305	3.0 - 4.625	2024
Series 2005-A	1,145	3.0 - 5.0	2025
District Revenue Bonds:			
Series 1998 Capital Improvement & Racetrack Revenue Refunding	3,648	3.5 - 5.35	2028
Series 2002 Sales Tax	92,550	2.25 - 5.375	2025
Series 2005 Sales Tax Refunding	127,975	2.25 - 5.00	2023
District General Obligation Bonds:			
Series 1994, Refunding	<u>9,520</u>	2.9 - 7.0	2005
Total Bonds Payable	<u>\$295,513</u>		

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2005

10. BONDS PAYABLE (continued)

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.

DISTRICT REVENUE BONDS

Capital Improvement and Racetrack Revenue Refunding Bonds of 1998

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

Sales Tax Revenue Bonds, Series 2002 and Series 2005

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.

DISTRICT GENERAL OBLIGATION BONDS

General Obligation Refunding Bonds, Series 1994

These bonds are authorized by Chapter 1010, Sections 40 through 41, Florida Statutes, and other applicable provisions of law, and are secured by a pledge of property taxes levied and collected each year sufficient to pay principal and interest thereon. The Bonds and the interest on the Bonds do not constitute a new debt, but merely constitute a renewal and continuation of the original existing indebtedness evidenced by the Refunded Bonds and the interest due thereon.

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2005

10. BONDS PAYABLE (continued)

Annual requirements to amortize all bonded debt outstanding as of June 30, 2005, are as follows (amounts in thousands):

TOTAL SBE BONDS

Fiscal Year Ending June 30	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2006	\$ 6,265	\$ 3,270	\$ 2,995
2007	6,288	3,440	2,848
2008	6,292	3,595	2,697
2009	6,295	3,755	2,540
2010	6,300	3,945	2,355
2011 – 2015	31,543	22,950	8,593
2016 – 2020	21,004	18,460	2,544
2021 – 2025	<u>2,659</u>	<u>2,405</u>	<u>254</u>
Total Debt Service Payments	<u>\$86,646</u>	<u>\$61,820</u>	<u>\$24,826</u>

TOTAL DISTRICT REVENUE BONDS

Fiscal Year Ending June 30	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2006	16,404	6,465	9,939
2007	16,656	6,925	9,731
2008	16,715	7,155	9,560
2009	16,567	7,188	9,379
2010	16,555	7,434	9,121
2011 – 2015	82,625	41,631	40,994
2016 – 2020	81,894	51,209	30,685
2021 – 2025	81,756	64,922	16,834
2026 – 2030	<u>33,532</u>	<u>31,244</u>	<u>2,288</u>
Total Debt Service Payments	<u>\$362,704</u>	<u>\$224,173</u>	<u>\$138,531</u>

GENERAL OBLIGATION BONDS 1994, REFUNDING

Fiscal Year Ending June 30	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2006	<u>9,798</u>	<u>9,520</u>	<u>278</u>
Total Debt Service Payments	<u>\$9,798</u>	<u>\$9,520</u>	<u>\$ 278</u>

11. STATE BOARD OF EDUCATION BONDS

On August 25, 2004 and June 1, 2005 the State Board of Education issued Series 2004A in the amount of \$3,415,000 and Series 2005A in the amount of \$1,145,000 in Capital Outlay Bonds, with an average interest rate of 3.0% to 4.625% and 3.0% to 5.0% respectively on behalf of the District in order to finance the cost of acquiring, building, construction, remodeling, improving, enlarging, furnishing, maintaining, renovating or repairing of projects. The net proceeds were placed in a Capital Outlay Fund for the above projects.

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
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12. DEFEASED DEBT

On February 25, 2005, the School Board issued \$48,915,000 in Certificates of Participation, Series 2005A at a premium, with an interest rate of 2.375% to 5.0%. The proceeds were used to advance refund \$45,625,000 principal amount of the District's then outstanding \$47,780,000 of Certificates of Participation Series 2000. The net proceeds of \$48,563,015 (after payment of \$649,880 in underwriter's fees, insurance, accrued interest and other issuance costs) were placed in an irrevocable trust to provide for the future debt service payment of the refunded amount of the Series 2000 Certificates of Participation.

As a result, \$45,625,000 of the Series 2000 Certificates of Participation is considered defeased and the liability for these certificates has been removed from long term debt. Accordingly, the trust account assets and the liability for that portion of the Series 2000 Certificates of Participation are not included in the School District's financial statements.

As a result of the advance refunding, the School District reduced its total debt service requirements by \$2,215,521, which resulted in an economic gain (difference between the present value of debt service payments on the old and new debt) of \$1,963,967.

On March 1, 2005, the School Board issued \$127,975,000 in Sales Tax Refunding Bonds, Series 2005 at a premium, with an interest rate of 2.25% to 5.0%. The proceeds were used to advance refund \$126,160,000 principal amount of the then outstanding \$218,710,000 of Series 2002 Sales Tax Revenue Bonds. The net proceeds of \$139,308,239 (after payment of \$1,684,659 in underwriter's fees, insurance, accrued interest, and other issuance costs) were placed in an irrevocable trust to provide for the future debt service payment of the refunded amount of the Series 2002 Sales Tax Revenue Bonds.

As a result, \$126,160,000 of the Series 2002 Sales Tax Revenue Bonds is considered defeased and the liability for these bonds has been removed from long term debt. Accordingly, the trust account assets and the liability for that portion of the Series 2002 Sales Tax Revenue Bonds are not included in the School District's financial statements.

As a result of the advance refunding, the School District reduced its total debt service requirements by \$6,724,695, which resulted in an economic gain (difference between the present value of debt service payments on the old and new debt) of \$4,850,667.

In prior years, the Board defeased in substance certain outstanding revenue bonds, general obligation bonds, and Certificates of Participation by placing the proceeds of each of the new bond issues in irrevocable trusts to provide for all future debt service payments on the old bonds. Accordingly, the trust account's assets and the liability for the in substance defeased bonds are not included in the Board's financial statements. At June 30, 2005, \$9,495,000 of General Obligation Bonds, Series 1985A and 1985B, \$9,570,000 of General Obligation Bonds, Series 1990, \$136,375,000 of Series 1994 Certificates of Participation, \$54,370,000 of Series 1995 Certificates of Participation, \$95,785,000 of Series 1999 Certificates of Participation and \$28,000,000 of the Series 1996 Certificates of Participation are considered defeased.

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2005

13. CHANGES IN LONG TERM DEBT

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

	Balance July 1, 2004	Additions	Deletions	Balance June 30, 2005	Due in One Year
Compensated					
Absences Payable	\$121,723	\$31,866	\$30,826	\$122,763	\$11,914
Capital Leases Payable	20	-	20	-	-
Certificate of Participation	755,004	138,665	58,350	835,319	17,635
Arbitrage Payable	744	-	744	-	-
Notes Payable	2,561	-	854	1,707	854
Bonds Payable	<u>307,598</u>	<u>132,535</u>	<u>144,620</u>	<u>295,513</u>	<u>19,255</u>
TOTAL	<u>\$1,187,650</u>	<u>\$303,066</u>	<u>\$235,414</u>	\$1,255,302	<u>\$49,658</u>
Plus unamortized bond premium:					
Bonds payable				11,905	
Certificates of participation				5,580	
Less unamortized loss on refunding					
Bonds payable				(11,610)	
Certificates of participation				<u>(7,543)</u>	
Total long-term liabilities				<u>\$ 1,253,634</u>	

Compensated absences are generally liquidated by the general fund.

14. RESERVATIONS OF FUND BALANCES

Reserves are generally limited to indicating that portion of the fund equity that is restricted to a specific future use or is not available for appropriations and expenditures. Fund balances have been reserved for the following at June 30, 2005 (amounts in thousands):

\$63,867	Encumbrances which are those amounts that represent obligations or commitments chargeable in the future when the material and services are rendered.
\$69,821	Debt Service which are those amounts available to apply against future principal and interest payments.
\$15,095	State Categorical Carry-over Programs, which are those balances of various specially identified programs, funded by the State Department of Education.
\$4,964	Reserves for Inventory are that portion of inventory on hand over liabilities that cannot be utilized as cash.
\$25,872	Reserves for Other Purposes, which are those balances of various identified programs other than State Categorical programs that are funded by the State and local government.

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2005

15. INTERFUND RECEIVABLES AND PAYABLES

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

<u>Funds</u>	<u>Receivables</u>	<u>Interfund Payables</u>
Major Funds:		
General	\$18,313	\$1,006
Contracted Services	205	8,430
Food Services	609	6,412
Certificates of Participation	193	4,406
Sales Tax Bond Revenue	1,354	982
Other Capital Projects	3,819	4,155
Non-major Governmental Funds	7,629	5,630
Fiduciary	<u>51</u>	<u>1,152</u>
Total	<u>\$32,173</u>	<u>\$32,173</u>

The majority of interfund receivables and payables are established during the closing period. The receivable in the general fund is for payback of payroll and direct/indirect charges for June. The amounts in certificates of participation funds, sales tax bond revenue funds, other capital project funds and non-major funds are mostly due to the movement of expenditures between capital project funds. The receivable in internal service is for June's deductions for worker's compensation and health insurance in the governmental funds.

16. INTERFUND TRANSFERS

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

<u>Funds</u>	<u>Transfer In</u>	<u>Interfund Transfer Out</u>
Major Funds:		
General	\$ 481	\$2,940
Contracted Services	61	-
Food Services	1,673	-
Certificates of Participation	4	519
Non-major Governmental Funds	59,582	59,423
Internal Service Funds	<u>1,207</u>	<u>126</u>
Total	<u>\$63,008</u>	<u>\$63,008</u>

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

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
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17. STATE REVENUE SOURCES

The following is a schedule of the District's state revenue for the 2004/2005 fiscal year (amounts in thousands):

<u>Sources</u>	<u>Amount</u>
Florida Education Finance Program	\$573,732
Workforce Development	31,359
Discretionary Lottery Funds	10,420
Categorical Education Programs	139,741
Gross Receipts Tax (Public Education Capital Outlay)	14,507
Capital Outlay and Debt Service	7,242
Class Size Reduction	10,418
Food Service Supplement	1,434
Mobile Home License Tax	639
State Board of Education Bond Interest	102
Pari-Mutuel Tax	447
Miscellaneous	<u>10,212</u>
Total	<u>\$800,253</u>

18. PROPERTY TAXES

The following is a summary of millages and taxes levied in the 2004 tax roll for the fiscal year 2004-05 (dollars in thousands):

	<u>Millage Levied</u>	<u>Taxes Levied</u>
<u>General Fund</u>		
Non-voted School Tax:		
Required Local Effort	5.4930	\$295,263
Discretionary Local Effort	.6840	36,767
<u>Debt Service Funds</u>		
Voted Tax:		
Interest and Sinking	.1839	9,885
<u>Capital Projects Funds</u>		
Non-voted Tax:		
Local Capital Improvements	<u>2.0000</u>	<u>107,505</u>
Total	<u>8.3609</u>	<u>\$449,420</u>

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
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19. STATE RETIREMENT PROGRAMS

All regular employees of the District are covered by the Florida Retirement System, a State-administered cost-sharing multiple-employer public employee defined benefit retirement plan (Plan). Participating employers include all State departments, counties, district school boards, and community colleges. Many municipalities and special districts have elected to be participating employers. Employees who earn benefit credits while employed by one participating employer may transfer the credits to any other participating employer.

Essentially all regular employees of participating employers are eligible and must enroll as members of the Plan. Benefits vest at specified numbers of years of service depending upon the employee's classification. Generally, members are eligible for normal retirement benefits at age 62 with 6 years of service or at any age after 30 years of service. For normal retirement, benefit payments are based on the member's highest 5-year average annual salary (average final compensation) times the number of years of service, multiplied by a percentage ranging from 1.60 percent at either 62 or with 30 years of service to 1.68 percent at age 65 or with 33 years of service. Members are eligible for early retirement after 6 years of service but before age 62; however, normal benefits are reduced by 5 percent for each year a member retires before age 62. As described in note 20, the District administers a single-employer retirement program that under certain conditions covers the difference in benefits between normal and early retirement.

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

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

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

The contribution rates for the Plan are established, and may be amended, by the State of Florida. As of June 30, 2005, 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)	0.00	7.39
Florida Retirement System, County Elected Officers (HI)	0.00	15.23
Florida Retirement System, Senior Management Service Class (HM)	0.00	9.37
Florida Retirement System, Special Risk (HB)	0.00	18.53
Teachers' Retirement System, Plan E (IE)	6.25	11.35
State and County Officers and Employees' Retirement System, Plan B (AF)	4.00	9.10
Florida Retirement System, Reemployed Retiree (RA)	0.00	7.39

Notes: (A) Employer rates include the post-retirement health insurance supplement, which was increased on January 1, 1998 to 0.94 percent.

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
 NOTES TO THE FINANCIAL STATEMENTS  
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19. STATE RETIREMENT PROGRAMS (continued)

The District's liability for participation in the Plan is limited to the payment of the required contribution at the rates and frequencies established by law on future payrolls of the District. The District's contributions to the Plan (including employee contributions) for the fiscal years ending June 30, 2003, June 30, 2004, and June 30, 2005, totaled \$43,234,653, \$56,048,722 and \$59,393,345 respectively, representing a percentage of covered payroll of 6.09% for fiscal year 2003, 7.56% for fiscal year 2004 and 7.56% for fiscal year 2005. These amounts are equal to the required contributions for each fiscal year.

The State of Florida issues a publicly available financial report that includes financial statements and required supplementary information for the Florida Retirement System. The report may be obtained by writing to the State of Florida, Division of Retirement, Department of Management Services, 2639 North Monroe Street, Building C, Tallahassee, Florida 32399.

20. EARLY RETIREMENT PROGRAM

a. Plan Description and Provisions

As authorized by Section 1012.985, Florida Statutes, the Board implemented an Early Retirement Plan (Plan), effective August 1, 1984. The Plan is a single-employer defined benefit plan. The purpose of the Plan is to provide eligible District employees, who elect to retire under the early retirement provisions of the Florida Retirement System, described in Note 19, 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 Wachovia Bank, N.A., designating the Bank as the Investment Manager and Custodian (Trustee) for the Plan assets. The Agreement also provides that monthly benefits be paid by the Trustee.

Based on an actuarial report as of July 1, 2004 employee membership data related to the Plan was as follows:

Retirees and beneficiaries currently receiving benefits	<u>446</u>
Active Plan Participants:	
Vested	3,140
Non-vested	<u>2,361</u>
Total	<u>5,501</u>

A summary of Eligibility and Benefits follows:

Eligibility

A member of the Plan is 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.

Benefits

The amount of the monthly benefit will be equal to the reduction imposed on the retirement benefit by the Florida Retirement System due to early retirement. The benefit amount will be based on the initial benefit amount determined by the Florida

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
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20. EARLY RETIREMENT PROGRAM (continued)

Retirement System prior to any cost of living adjustments and once established will remain unchanged, unless a specific increase is authorized by the Board.

b. Summary of Significant Accounting Policies

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

Separate Statements are not issued for the Plan.

c. Contributions and Reserves

The District's Early Retirement Program was established by the Board on August 1, 1984. Pursuant to the Plan Agreement, no contribution shall be required or permitted from any member. Board contributions shall be sufficient to meet the annual pension cost of the Plan and to amortize the un-funded actuarial accrued liability within 30 years based on an actuarial study. There are no long-term contracts to the plan. Periodic employer contributions to the Plan are determined on an actuarial basis using the "Entry Age Actuarial Cost Method". Annual pension cost is funded on a current basis. Pursuant to Section 112.64, Florida Statutes, the un-funded actuarial accrued liability is funded over a 40-year period. Periodic contributions for both normal cost and the amortization of the un-funded actuarial liability are based on the level percentage of payroll method.

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

Total contributions to the Plan in fiscal years 2003, 2004 and 2005 amounted to \$1,309,182, \$2,100,014 and \$1,932,629 respectively. The actuarially determined contribution for fiscal years 2003, 2004 and 2005 were \$1,754,766, \$1,885,854 and \$1,990,860 respectively which were determined through actuarial valuations performed at October 30, 2001, February 28, 2003 and May 4, 2004 respectively. The total annual pension costs for fiscal years 2003, 2004 and 2005 were \$1,753,256, \$1,882,002 and \$1,988,508 respectively.

The computation of the annual required contributions for fiscal 2005 was based on the same (a) actuarial assumptions, (b) benefit provisions, (c) actuarial funding method, and (d) other significant factors as used to determine annual required contributions in the previous year.

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

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2005

20. EARLY RETIREMENT PROGRAM (continued)

d. Concentrations

The Plan's investments at June 30, 2005, consisted of the following:

	<u>Balance</u> <u>June 30, 2005</u>	<u>Percentage of</u> <u>Plan Net Assets</u>
Obligations of U.S. Agencies	\$8,773,305	99%
Other Investments	<u>6,487</u>	<u>1%</u>
Total	<u>\$8,779,792</u>	<u>100%</u>

e. Actuarial Information

Additional information as of the latest actuarial valuation is as follows:

Valuation Date	07/01/04
Actuarial Cost Method	Entry Age
Amortization Method	Level Percentage of Payroll-Closed
Asset Valuation Method	Fair Value
Actuarial Assumptions:	
Investment Rate of Return	7%
Projected Salary Increases	5%
Rate of Inflation Adjustment	None

21. OTHER POST-RETIREMENT BENEFITS

The state retirement program described in Note 19 includes District payments for a retiree health insurance subsidy. The employer contribution rate from July 2004 through June 2005 was .94 percent of eligible wages. Total District contributions for the fiscal year ended June 30, 2005 were \$7,381,037.

22. 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. The District has entered into agreements with various insurance companies to provide specific excess coverage of claim amounts above the stated amount on an individual claim basis. 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 three fiscal years.

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2005

22. RISK MANAGEMENT (continued)

A liability in the amount of \$24,991,648 was actuarially determined using a discount rate of 3% to cover reported and unreported insurance claims payable at June 30, 2005. It is estimated that \$8,503,263 of the liability is current and due within one year. The remaining \$16,488,385 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
2003 – 2004	\$28,619,040	\$ 4,557,077	\$( 6,837,913)	\$26,338,204
2004 – 2005	\$26,338,204	\$ 6,810,079	\$( 8,156,635)	\$24,991,648

Claims and judgments are generally liquidated by the general fund.

23. COMMITMENTS AND CONTINGENCIES

Construction Contract Commitments

The following is summary of major construction contract commitments remaining at June 30, 2005 (amounts in thousands):

DETAIL LISTING OF CONSTRUCTION IN PROGRESS  
JUNE 30, 2005

<u>Description</u>	<u>Project Authorization</u>	<u>Expended Through 6/30/05</u>	<u>Committed</u>
Additions	\$ 51,217	\$ 8,336	\$ 42,881
Elementary Schools	45,385	26,462	18,923
Middle Schools	30,174	14,230	15,944
Senior High Schools	68,877	27,868	41,009
Other	12,052	6,305	5,747
Renovations	110,568	78,600	31,968
Improvements	<u>2,218</u>	<u>1,364</u>	<u>854</u>
Total	<u>\$320,491</u>	<u>\$163,165</u>	<u>\$157,326</u>

LITIGATION

The District is involved in several pending and threatened legal actions. In the opinion of District management, the range of potential loss from all such claims and actions should not materially affect the financial condition of the District.

SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
June 30, 2005

23. COMMITMENTS AND CONTINGENCIES (continued)

Grants and Contracts

The District participates in various federally assisted grant programs that are subject to review and audit by the grantor agencies. Entitlement to these resources is generally conditional upon compliance with the terms and conditions of grant agreements and applicable federal regulations, including the expenditure of resources for allowable purposes. Any disallowance resulting from a federal audit may become a liability of the District.

THE SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA  
 SUPPLEMENTAL EARLY RETIREMENT PENSION TRUST  
 REQUIRED SUPPLEMENTARY INFORMATION  
 SCHEDULE OF FUNDING PROGRESS  
 June 30, 2005  
 (UNAUDITED)

Schedule of Funding Progress:

FISCAL YEAR ENDED JUNE 30	Actuarial Value of Plan Assets	Actuarial Accrued Liability Entry Age (1)	Unfunded Actuarial Accrued Liability (3)	Funded Ratio (2)	Covered Payroll	Actuarial Liability as a Percentage of Covered Payroll
2000	5,138,834	17,837,415 (4)	12,698,581	28.80%	128,190,836 (4)	13.91%
2001	5,580,220	22,070,817 (5)	16,490,597	25.28%	156,605,715 (5)	14.09%
2002	6,409,495	22,827,019 (6)	16,417,524	28.10%	170,162,468 (6)	13.41%
2003	7,202,634	28,443,117 (7)	21,240,483	25.30%	163,581,224 (7)	17.39%
2004	7,476,928	29,906,771 (8)	22,429,843	25.00%	172,252,480 (8)	17.36%
2005	8,312,833	31,241,999 (9)	22,929,086	26.60%	177,745,949 (9)	17.58%

- Notes:
- (1) The Entry Age Actuarial Cost Method is used to determine the Plan's funding requirements.
  - (2) The percentage funded is derived by dividing the actuarial value of assets by the actuarial accrued liability.
  - (3) The unfunded actuarial accrued liability is the actuarial accrued liability minus the actuarial value of assets.
  - (4) Based on data from an actuarial valuation report as of July 1, 1999, dated July 1, 1999.
  - (5) Based on data from an actuarial valuation report as of July 1, 2000, dated April 30, 2001.
  - (6) Based on data from an actuarial valuation report as of July 1, 2001, dated December 4, 2001.
  - (7) Based on data from an actuarial valuation report as of July 1, 2002, dated February 28, 2003.
  - (8) Based on data from an actuarial valuation report as of July 1, 2003, dated July 1, 2003.
  - (9) Based on data from an actuarial valuation report as of July 1, 2004, dated July 1, 2004.

Isolated analysis of the dollar amounts of the actuarial value of assets, actuarial accrued liability, and unfunded actuarial accrued liability can be misleading.

Expressing the actuarial value of assets as a percentage of the actuarial accrued liability provides one indication of the Plan's funding status on a going-concern basis. Analysis of this percentage over time indicates whether the Plan is becoming financially stronger or weaker. Generally, the greater this percentage, the stronger the Plan.

Unaudited – see accompanying independent auditors' report.

THE SCHOOL BOARD OF HILLSBOROUGH COUNTY, FLORIDA  
SUPPLEMENTAL EARLY RETIREMENT PENSION TRUST  
REQUIRED SUPPLEMENTARY INFORMATION  
SCHEDULE OF EMPLOYER CONTRIBUTIONS  
June 30, 2005  
(UNAUDITED)

Schedule of Employer Contributions:

<u>Fiscal</u> <u>Year Ended</u> <u>June 30</u>	<u>Annual</u> <u>Required</u> <u>Contribution</u>	<u>Percentage</u> <u>Contributed</u>
2000	1,117,834	92.23%
2001	1,400,908	81.60%
2002	1,362,831	108.69%
2003	1,754,766	74.61%
2004	1,885,854	111.36%
2005	1,990,860	97.08%

Unaudited – see accompanying independent auditors' report.





## **COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES**

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## Nonmajor Governmental Funds

### Debt Service Funds

The Debt Service Funds account for the payment of interest and principal of the current portion of long-term debt, primarily from tax proceeds and earnings on temporary investments

- **State Board of Education Bond Funds** – Accounts for and reports on payments of principal, interest and related costs on various bond issues serviced by the State.
- **Special Act Bond Funds** - Accounts for and reports on the payment of principal, interest and related costs on bonds that are secured by the portion of the State racetrack funds.
- **Section 237.161 Loan Funds** - Accounts for and reports on the payment of principal and interest on notes issued under Section 237.161, Florida Statutes.
- **District Bond Funds** - Accounts for and reports on the repayment of general obligation debt.
- **Other Debt Service Funds** - Accounts for and reports on the payment of principal, interest and related costs for the Certificates of Participation and other debt.

### Capital Projects Funds

The Capital Projects Funds account for the financing and acquisition or construction of major capital facilities, such as new school buildings and additions to existing buildings, or for major renovation projects

- **Capital Outlay Bond Issue Funds** – Accounts for and reports on bond issue proceeds received from the State Board of Education and issued at the request of the District.
  - **Special Act Bond Racetrack Funds** - Accounts for and reports on funds received from racetrack funds.
  - **Public Education Capital Outlay Funds (PECO)** - Accounts for and reports on funds received from the State for the construction and maintenance of schools.
  - **Capital Outlay & Debt Service Funds** - Accounts for and reports on funds received from the State Board of Education Capital Outlay Bonds.
  - **Local Capital Improvement Funds** - Accounts for and reports on locally received funds, primarily ad valorem tax revenue.
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**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**COMBINING BALANCE SHEET  
NON MAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2005  
(amounts expressed in thousands)**

	<b>State Board of Education Bond Funds</b>	<b>Special Act Bond Funds</b>	<b>Debt Service District Bond Funds</b>
<b>ASSETS</b>			
Cash	\$ -	\$ -	\$ -
Investments	1,507	507	9,474
Accounts receivable	-	-	-
Due from other governmental agencies	-	-	233
Due from other funds	-	-	-
Total assets	<u>\$ 1,507</u>	<u>\$ 507</u>	<u>\$ 9,707</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Due to other funds	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:			
Reserved for:			
Encumbrances	-	-	-
Debt service	1,507	507	9,707
Unreserved, reported in:			
Capital projects funds	-	-	-
Total fund balances	<u>1,507</u>	<u>507</u>	<u>9,707</u>
Total liabilities and fund balance:	<u>\$ 1,507</u>	<u>\$ 507</u>	<u>\$ 9,707</u>

Other Debt Service Funds	Total
\$ 6	\$ 6
58,094	69,582
-	-
-	233
-	-
<u>\$ 58,100</u>	<u>\$ 69,821</u>

-	-
-	-

-	-
58,100	69,821
-	-
<u>58,100</u>	<u>69,821</u>
<u>\$ 58,100</u>	<u>\$ 69,821</u>

(Continued)

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**COMBINING BALANCE SHEET  
NON MAJOR GOVERNMENTAL FUNDS  
JUNE 30, 2005  
(amounts expressed in thousands)**

	<b>Capital Outlay Bond Issue Funds</b>	<b>Special Act Bond Racetrack Fund</b>	<b>Public Education Capital Outlay Funds</b>
<b>ASSETS</b>			
Cash	\$ 6	\$ -	\$ -
Investments	7,271	1,041	1,190
Accounts receivable	-	-	-
Due from other governmental agencies	-	-	38,369
Due from other funds	40	-	1,148
Total assets	<u>\$ 7,317</u>	<u>\$ 1,041</u>	<u>\$ 40,707</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Due to other funds	21	317	1,586
Total liabilities	<u>21</u>	<u>317</u>	<u>1,586</u>
Fund balances			
Reserved for:			
Encumbrances	318	14	15,528
Debt service	-	-	-
Unreserved, reported in:			
Capital projects funds	6,978	710	23,593
Total fund balances	<u>7,296</u>	<u>724</u>	<u>39,121</u>
Total liabilities and fund balance:	<u>\$ 7,317</u>	<u>\$ 1,041</u>	<u>\$ 40,707</u>

See accompanying independent auditors report.

<b>Capital Projects</b>			
<b>Capital Outlay and Debt Service Funds</b>	<b>Local Capital Improvement Funds</b>	<b>Total</b>	<b>Total Nonmajor Governmental Funds</b>
\$ -	\$ 2,311	\$ 2,317	\$ 2,323
536	37,594	47,632	117,214
-	3	3	3
1,021	3,317	42,707	42,940
-	6,441	7,629	7,629
<u>\$ 1,557</u>	<u>\$ 49,666</u>	<u>\$ 100,288</u>	<u>\$ 170,109</u>
<u>25</u>	<u>3,681</u>	<u>5,630</u>	<u>5,630</u>
25	3,681	5,630	5,630
124	11,656	27,640	27,640
-	-	-	69,821
<u>1,408</u>	<u>34,329</u>	<u>67,018</u>	<u>67,018</u>
<u>1,532</u>	<u>45,985</u>	<u>94,658</u>	<u>164,479</u>
<u>\$ 1,557</u>	<u>\$ 49,666</u>	<u>\$ 100,288</u>	<u>\$ 170,109</u>

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NON MAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005  
(amounts expressed in thousands)**

	State Board of Education Bond Funds	Special Act Bond Funds	Debt Service Section 237.161 Loan Funds
<b>REVENUES</b>			
Local sources:			
Ad valorem taxes	\$ -	\$ -	\$ -
Local sales tax	-	-	-
Interest income	-	4	-
Other	-	-	-
Total local sources	<u>-</u>	<u>4</u>	<u>-</u>
State sources:			
Public education capital outlay	-	-	-
Other	6,126	447	-
Total state sources	<u>6,126</u>	<u>447</u>	<u>-</u>
Total revenues	<u>6,126</u>	<u>451</u>	<u>-</u>
<b>EXPENDITURES</b>			
Debt Service:			
Principal retirement	3,080	375	853
Interest	3,044	61	55
Dues, fees and other	44	1	-
Capital outlay	<u>-</u>	<u>-</u>	<u>-</u>
Total expenditures	<u>6,168</u>	<u>437</u>	<u>908</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(42)</u>	<u>14</u>	<u>(908)</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Long term bonds issued	31	-	-
Premium on sale of bonds	7	-	-
Refunding bonds issued	-	-	-
Premium on sale of refunding bonds	-	-	-
Certificates of participation issued	-	-	-
Premium on sale of certificates of participation	-	-	-
Refunding certificates of participation	-	-	-
Payments to refunded bond escrow agent	-	-	-
Transfers in	-	344	908
Transfers out	-	(355)	-
Total other financing sources and uses	<u>38</u>	<u>(11)</u>	<u>908</u>
Net change in fund balances	(4)	3	-
Fund balances - beginning	<u>1,511</u>	<u>504</u>	<u>-</u>
Fund balances - ending	<u>\$ 1,507</u>	<u>\$ 507</u>	<u>\$ -</u>

<b>District Bond Funds</b>	<b>Other Debt Service Funds</b>	<b>Total</b>
\$ 9,966	\$ -	\$ 9,966
-	23,248	23,248
147	527	678
81	-	81
<u>10,194</u>	<u>23,775</u>	<u>33,973</u>
-	-	-
-	-	6,573
-	-	6,573
<u>10,194</u>	<u>23,775</u>	<u>40,546</u>
9,065	18,665	32,038
794	44,249	48,203
196	3,827	4,068
-	-	-
-	-	-
<u>10,055</u>	<u>66,741</u>	<u>84,309</u>
<u>139</u>	<u>(42,966)</u>	<u>(43,763)</u>
-	-	31
-	-	7
-	127,975	127,975
-	10,296	10,296
-	1,216	1,216
-	828	828
-	48,915	48,915
-	(187,871)	(187,871)
-	58,330	59,582
-	(6,940)	(7,295)
-	52,749	53,684
<u>139</u>	<u>9,783</u>	<u>9,921</u>
<u>9,568</u>	<u>48,317</u>	<u>59,900</u>
<u>\$ 9,707</u>	<u>\$ 58,100</u>	<u>\$ 69,821</u>

(Continued)

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
NON MAJOR GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005  
(amounts expressed in thousands)**

	<b>Capital Outlay Bond Issue Funds</b>	<b>Special Act Bond Racetrack Fund</b>	<b>Public Education Capital Outlay Funds</b>
<b>REVENUES</b>			
Local sources:			
Ad valorem taxes	\$ -	\$ -	\$ -
Local sales tax	-	-	-
Interest income	142	25	118
Other	-	-	114
Total local sources	<u>142</u>	<u>25</u>	<u>232</u>
State sources:			
Public education capital outlay	-	-	14,507
Other	-	-	-
Total state sources	<u>-</u>	<u>-</u>	<u>14,507</u>
Total revenues	<u>142</u>	<u>25</u>	<u>14,739</u>
<b>EXPENDITURES:</b>			
Debt Service:			
Principal retirement	-	-	-
Interest	-	-	-
Dues, fees and other	-	-	-
Capital outlay	<u>313</u>	<u>478</u>	<u>16,239</u>
Total expenditures	<u>313</u>	<u>478</u>	<u>16,239</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(171)</u>	<u>(453)</u>	<u>(1,500)</u>
<b>OTHER FINANCING SOURCES (USES):</b>			
Long term bonds issued	4,529	-	-
Premium on sale of bonds	40	-	-
Refunding bonds issued	-	-	-
Premium on sale of refunding bonds	-	-	-
Certificates of participation issued	-	-	-
Premium on sale of certificates of participation	-	-	-
Refunding certificates of participation	-	-	-
Payments to refunded bond escrow agent	-	-	-
Transfers in	-	-	-
Transfers out	-	-	-
Total other financing sources and uses	<u>4,569</u>	<u>-</u>	<u>-</u>
Net change in fund balances	4,398	(453)	(1,500)
Fund balances - beginning	<u>2,898</u>	<u>1,177</u>	<u>40,621</u>
Fund balances - ending	<u>\$ 7,296</u>	<u>\$ 724</u>	<u>\$ 39,121</u>

See accompanying independent auditors' report.

<b>Capital Projects</b>			
<b>Capital Outlay and Debt Service Funds</b>	<b>Local Capital Improvement Funds</b>	<b>Total</b>	<b>Total Nonmajor Governmental Funds</b>
\$ -	\$ 108,114	\$ 108,114	\$ 118,080
-	-	-	23,248
35	1,274	1,594	2,272
2	2,532	2,648	2,729
<u>37</u>	<u>111,920</u>	<u>112,356</u>	<u>146,329</u>
-	-	14,507	14,507
1,110	-	1,110	7,683
<u>1,110</u>	<u>-</u>	<u>15,617</u>	<u>22,190</u>
1,147	111,920	127,973	168,519
-	-	-	32,038
-	-	-	48,203
-	-	-	4,068
<u>342</u>	<u>54,782</u>	<u>72,154</u>	<u>72,154</u>
<u>342</u>	<u>54,782</u>	<u>72,154</u>	<u>156,463</u>
<u>805</u>	<u>57,138</u>	<u>55,819</u>	<u>12,056</u>
-	-	4,529	4,560
-	-	40	47
-	-	-	127,975
-	-	-	10,296
-	-	-	1,216
-	-	-	828
-	-	-	48,915
-	-	-	(187,871)
-	-	-	59,582
(344)	(51,784)	(52,128)	(59,423)
<u>(344)</u>	<u>(51,784)</u>	<u>(47,559)</u>	<u>6,125</u>
461	5,354	8,260	18,181
<u>1,071</u>	<u>40,631</u>	<u>86,398</u>	<u>146,298</u>
<u>\$ 1,532</u>	<u>\$ 45,985</u>	<u>\$ 94,658</u>	<u>\$ 164,479</u>

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**DEBT SERVICE FUNDS**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005  
(amounts expressed in thousands)**

	State Board of Education Bond Funds			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
<b>REVENUES:</b>				
Local sources:				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Local sales tax	-	-	-	-
Interest income	-	-	-	-
Other	-	-	-	-
Total local sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
State sources:				
Capital Outlay and debt service withheld for SBE/COBI bonds	5,951	6,112	6,112	-
SBE/COBI bond interest	-	14	14	-
Racing commission funds	-	-	-	-
Total state sources	<u>5,951</u>	<u>6,126</u>	<u>6,126</u>	<u>-</u>
Total revenues	<u>5,951</u>	<u>6,126</u>	<u>6,126</u>	<u>-</u>
<b>EXPENDITURES:</b>				
Principal retirement	2,970	3,080	3,080	-
Interest	2,981	3,044	3,044	-
Dues, fees and other	-	44	44	-
Total expenditures	<u>5,951</u>	<u>6,168</u>	<u>6,168</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>-</u>	<u>(42)</u>	<u>(42)</u>	<u>-</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Long term bonds issued	-	31	31	-
Premium on sale of bonds	-	7	7	-
Refunding bonds issued	-	-	-	-
Premium on sale of refunding bonds	-	-	-	-
Certificates of participation issued	-	-	-	-
Premium on sale of certificates of participation	-	-	-	-
Refunding certificates of participation	-	-	-	-
Payments to refunded bond escrow agent	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>38</u>	<u>38</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>(4)</u>	<u>(4)</u>	<u>-</u>
Fund balances - beginning	<u>-</u>	<u>1,511</u>	<u>1,511</u>	<u>-</u>
Fund balances - ending	<u>\$ -</u>	<u>\$ 1,507</u>	<u>\$ 1,507</u>	<u>\$ -</u>

Special Act Bond Funds				Section 237.161 Loan Funds			
Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
Original	Final			Original	Final		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-	-	-
1	5	4	(1)	-	-	-	-
-	-	-	-	-	-	-	-
<u>1</u>	<u>5</u>	<u>4</u>	<u>(1)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
447	447	447	-	-	-	-	-
<u>447</u>	<u>447</u>	<u>447</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
448	452	451	(1)	-	-	-	-
375	375	375	-	853	853	853	-
61	62	61	1	45	55	55	-
<u>1</u>	<u>1</u>	<u>1</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>437</u>	<u>438</u>	<u>437</u>	<u>1</u>	<u>898</u>	<u>908</u>	<u>908</u>	<u>-</u>
11	14	14	-	(898)	(908)	(908)	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
344	344	344	-	898	908	908	-
(355)	(355)	(355)	-	-	-	-	-
<u>(11)</u>	<u>(11)</u>	<u>(11)</u>	<u>-</u>	<u>898</u>	<u>908</u>	<u>908</u>	<u>-</u>
-	3	3	-	-	-	-	-
<u>503</u>	<u>504</u>	<u>504</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>\$ 503</u>	<u>\$ 507</u>	<u>\$ 507</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**DEBT SERVICE FUNDS**

**COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005  
(amounts expressed in thousands)**

	<b>District Bond Funds</b>			<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Budgeted Amounts</b>		<b>Actual</b>	
	<b>Original</b>	<b>Final</b>		
<b>REVENUES:</b>				
Local sources:				
Ad valorem taxes	\$ 10,513	\$ 10,518	\$ 9,966	\$ (552)
Local sales tax	-	-	-	-
Interest income	71	147	147	-
Other	60	81	81	-
Total local sources	<u>10,644</u>	<u>10,746</u>	<u>10,194</u>	<u>(552)</u>
State sources:				
Capital Outlay and debt service withheld for SBE/COBI bonds	-	-	-	-
SBE/COBI bond interest	-	-	-	-
Racing commission funds	-	-	-	-
Total state sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>10,644</u>	<u>10,746</u>	<u>10,194</u>	<u>(552)</u>
<b>EXPENDITURES:</b>				
Principal retirement	9,065	9,065	9,065	-
Interest	794	794	794	-
Dues, fees and other	200	200	196	4
Total expenditures	<u>10,059</u>	<u>10,059</u>	<u>10,055</u>	<u>4</u>
Excess (deficiency) of revenues over (under) expenditures	<u>585</u>	<u>687</u>	<u>139</u>	<u>(548)</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Long term bonds issued	-	-	-	-
Premium on sale of bonds	-	-	-	-
Refunding bonds issued	-	-	-	-
Premium on sale of refunding bonds	-	-	-	-
Certificates of participation issued	-	-	-	-
Premium on sale of certificates of participation	-	-	-	-
Refunding certificates of participation	-	-	-	-
Payments to refunded bond escrow agent	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	585	687	139	(548)
Fund balances - beginning	<u>9,294</u>	<u>9,568</u>	<u>9,568</u>	<u>-</u>
Fund balances - ending	<u>\$ 9,879</u>	<u>\$ 10,255</u>	<u>\$ 9,707</u>	<u>\$ (548)</u>

Other Debt Service Funds				Totals			
Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
Original	Final			Original	Final		
\$ -	\$ -	\$ -	\$ -	\$ 10,513	\$ 10,518	\$ 9,966	\$ (552)
22,000	23,248	23,248	-	22,000	23,248	23,248	-
227	547	527	(20)	299	699	678	(21)
-	-	-	-	60	81	81	-
<u>22,227</u>	<u>23,795</u>	<u>23,775</u>	<u>(20)</u>	<u>32,872</u>	<u>34,546</u>	<u>33,973</u>	<u>(573)</u>
-	-	-	-	5,951	6,112	6,112	-
-	-	-	-	-	14	14	-
-	-	-	-	447	447	447	-
-	-	-	-	<u>6,398</u>	<u>6,573</u>	<u>6,573</u>	-
<u>22,227</u>	<u>23,795</u>	<u>23,775</u>	<u>(20)</u>	<u>39,270</u>	<u>41,119</u>	<u>40,546</u>	<u>(573)</u>
19,551	19,551	18,665	886	32,814	32,924	32,038	886
46,767	47,574	44,249	3,325	50,648	51,529	48,203	3,326
141	3,892	3,827	65	342	4,137	4,068	69
<u>66,459</u>	<u>71,017</u>	<u>66,741</u>	<u>4,276</u>	<u>83,804</u>	<u>88,590</u>	<u>84,309</u>	<u>4,281</u>
<u>(44,232)</u>	<u>(47,222)</u>	<u>(42,966)</u>	<u>4,256</u>	<u>(44,534)</u>	<u>(47,471)</u>	<u>(43,763)</u>	<u>3,708</u>
-	-	-	-	-	31	31	-
-	-	-	-	-	7	7	-
-	127,975	127,975	-	-	127,975	127,975	-
-	10,296	10,296	-	-	10,296	10,296	-
-	1,216	1,216	-	-	1,216	1,216	-
-	828	828	-	-	828	828	-
-	48,915	48,915	-	-	48,915	48,915	-
-	(187,871)	(187,871)	-	-	(187,871)	(187,871)	-
52,053	58,916	58,330	(586)	53,295	60,169	59,582	(586)
<u>(3,807)</u>	<u>(7,049)</u>	<u>(6,940)</u>	<u>109</u>	<u>(4,162)</u>	<u>(7,404)</u>	<u>(7,295)</u>	<u>109</u>
<u>48,246</u>	<u>53,226</u>	<u>52,749</u>	<u>(477)</u>	<u>49,133</u>	<u>54,162</u>	<u>53,684</u>	<u>(477)</u>
4,014	6,004	9,783	3,779	4,599	6,691	9,921	3,231
<u>49,975</u>	<u>48,317</u>	<u>48,317</u>	-	<u>59,772</u>	<u>59,900</u>	<u>59,900</u>	-
<u>\$ 53,989</u>	<u>\$ 54,321</u>	<u>\$ 58,100</u>	<u>\$ 3,779</u>	<u>\$ 64,371</u>	<u>\$ 66,591</u>	<u>\$ 69,821</u>	<u>\$ 3,231</u>

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**CAPITAL PROJECTS FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005  
(amounts expressed in thousands)**

	Capital Outlay Bond Issue Funds			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
<b>REVENUES:</b>				
Local sources:				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Interest income	22	142	142	-
Other	-	1	-	(1)
Total local sources	22	143	142	(1)
State sources:				
Public education capital outlay	-	-	-	-
Capital outlay distributed to district	-	-	-	-
Interest on undistributed CO & DS	-	-	-	-
Classsize Reduction	-	-	-	-
Other	-	-	-	-
Total state sources	-	-	-	-
Total revenues	22	143	142	(1)
<b>EXPENDITURES:</b>				
Capital outlay	3,518	7,610	313	7,297
Total expenditures	3,518	7,610	313	7,297
Excess (deficiency) of revenues over (under) expenditures	(3,496)	(7,467)	(171)	7,296
<b>OTHER FINANCING SOURCES (USES):</b>				
Long term bonds issued	-	4,529	4,529	-
Premium on sale of bonds	-	40	40	-
Certificates of participation issued	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources and uses	-	4,569	4,569	-
Net change in fund balances	(3,496)	(2,898)	4,398	7,296
Fund balances - beginning	5,889	2,898	2,898	-
Fund balances - ending	\$ 2,393	\$ -	\$ 7,296	\$ 7,296

Special Act Bond Racetrack Fund				Public Education Capital Outlay Funds			
Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
Original	Final			Original	Final		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
10	25	25	-	32	118	118	-
-	-	-	-	-	114	114	-
10	25	25	-	32	232	232	-
-	-	-	-	14,208	14,507	14,507	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	14,208	14,507	14,507	-
10	25	25	-	14,240	14,739	14,739	-
-	1,202	478	724	31,175	55,360	16,239	39,121
-	1,202	478	724	31,175	55,360	16,239	39,121
10	(1,177)	(453)	724	(16,935)	(40,621)	(1,500)	39,121
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
10	(1,177)	(453)	724	(16,935)	(40,621)	(1,500)	39,121
1,177	1,177	1,177	-	41,369	40,621	40,621	-
\$ 1,187	\$ -	\$ 724	\$ 724	\$ 24,434	\$ -	\$ 39,121	\$ 39,121

(Continued)

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**CAPITAL PROJECTS FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
(amounts expressed in thousands)**

	Capital Outlay & Debt Service Funds			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
<b>REVENUES:</b>				
Local sources:				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Interest income	5	35	35	-
Other	-	2	2	-
Total local sources	<u>5</u>	<u>37</u>	<u>37</u>	<u>-</u>
State sources:				
Public education capital outlay	-	-	-	-
Capital outlay distributed to district	700	1,021	1,021	-
Interest on undistributed CO & DS	-	89	89	-
Classsize Reduction	-	-	-	-
Other	-	-	-	-
Total state sources	<u>700</u>	<u>1,110</u>	<u>1,110</u>	<u>-</u>
Total revenues	<u>705</u>	<u>1,147</u>	<u>1,147</u>	<u>-</u>
<b>EXPENDITURES:</b>				
Capital outlay	<u>709</u>	<u>873</u>	<u>342</u>	<u>531</u>
Total expenditures	<u>709</u>	<u>873</u>	<u>342</u>	<u>531</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4)</u>	<u>274</u>	<u>805</u>	<u>531</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Long term bonds issued	-	-	-	-
Premium on sale of bonds	-	-	-	-
Certificates of participation issued	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	<u>(344)</u>	<u>(344)</u>	<u>(344)</u>	<u>-</u>
Total other financing sources and uses	<u>(344)</u>	<u>(344)</u>	<u>(344)</u>	<u>-</u>
Net change in fund balances	<u>(348)</u>	<u>(70)</u>	<u>461</u>	<u>531</u>
Fund balances - beginning	<u>1,065</u>	<u>1,071</u>	<u>1,071</u>	<u>-</u>
Fund balances - ending	<u>\$ 717</u>	<u>\$ 1,001</u>	<u>\$ 1,532</u>	<u>\$ 531</u>

Local Capital Improvement Funds				Certificates of Participation Funds			
Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
Original	Final			Original	Final		
\$ 106,416	\$ 108,114	\$ 108,114	\$ -	\$ -	\$ -	\$ -	\$ -
450	1,274	1,274	-	2,327	5,670	5,122	(548)
-	2,532	2,532	-	-	2	2	-
<u>106,866</u>	<u>111,920</u>	<u>111,920</u>	<u>-</u>	<u>2,327</u>	<u>5,672</u>	<u>5,124</u>	<u>(548)</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
<u>106,866</u>	<u>111,920</u>	<u>111,920</u>	<u>-</u>	<u>2,327</u>	<u>5,672</u>	<u>5,124</u>	<u>(548)</u>
<u>78,071</u>	<u>99,835</u>	<u>54,782</u>	<u>45,053</u>	<u>77,312</u>	<u>282,424</u>	<u>72,813</u>	<u>209,611</u>
<u>78,071</u>	<u>99,835</u>	<u>54,782</u>	<u>45,053</u>	<u>77,312</u>	<u>282,424</u>	<u>72,813</u>	<u>209,611</u>
<u>28,795</u>	<u>12,085</u>	<u>57,138</u>	<u>45,053</u>	<u>(74,985)</u>	<u>(276,752)</u>	<u>(67,689)</u>	<u>209,063</u>
-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-
-	-	-	-	-	88,534	88,534	-
-	-	-	-	-	-	-	-
-	-	-	-	-	4	4	-
<u>(49,049)</u>	<u>(52,716)</u>	<u>(51,784)</u>	<u>932</u>	<u>(94)</u>	<u>(577)</u>	<u>(519)</u>	<u>58</u>
<u>(49,049)</u>	<u>(52,716)</u>	<u>(51,784)</u>	<u>932</u>	<u>(94)</u>	<u>87,961</u>	<u>88,019</u>	<u>58</u>
<u>(20,254)</u>	<u>(40,631)</u>	<u>5,354</u>	<u>45,985</u>	<u>(75,079)</u>	<u>(188,791)</u>	<u>20,330</u>	<u>209,121</u>
<u>35,224</u>	<u>40,631</u>	<u>40,631</u>	<u>-</u>	<u>197,116</u>	<u>189,565</u>	<u>189,565</u>	<u>-</u>
<u>\$ 14,970</u>	<u>\$ -</u>	<u>\$ 45,985</u>	<u>\$ 45,985</u>	<u>\$ 122,037</u>	<u>\$ 774</u>	<u>\$ 209,895</u>	<u>\$ 209,121</u>

(Continued)

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**CAPITAL PROJECTS FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
(amounts expressed in thousands)**

	Sales Tax Bond Revenue			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual	
	Original	Final		
<b>REVENUES:</b>				
Local sources:				
Ad valorem taxes	\$ -	\$ -	\$ -	\$ -
Interest income	1,005	1,011	1,011	-
Other	-	918	918	-
Total local sources	<u>1,005</u>	<u>1,929</u>	<u>1,929</u>	<u>-</u>
State sources:				
Public education capital outlay	-	-	-	-
Capital outlay distributed to district	-	-	-	-
Interest on undistributed CO & DS	-	-	-	-
Classsize Reduction	-	-	-	-
Other	-	-	-	-
Total state sources	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>1,005</u>	<u>1,929</u>	<u>1,929</u>	<u>-</u>
<b>EXPENDITURES:</b>				
Capital outlay	<u>48,532</u>	<u>97,077</u>	<u>66,629</u>	<u>30,448</u>
Total expenditures	<u>48,532</u>	<u>97,077</u>	<u>66,629</u>	<u>30,448</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(47,527)</u>	<u>(95,148)</u>	<u>(64,700)</u>	<u>30,448</u>
<b>OTHER FINANCING SOURCES (USES):</b>				
Long term bonds issued	-	-	-	-
Premium on sale of bonds	-	-	-	-
Certificates of participation issued	-	-	-	-
Proceeds from sale of capital assets	-	-	-	-
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>(47,527)</u>	<u>(95,148)</u>	<u>(64,700)</u>	<u>30,448</u>
Fund balances - beginning	<u>85,242</u>	<u>95,148</u>	<u>95,148</u>	<u>-</u>
Fund balances - ending	<u>\$ 37,715</u>	<u>\$ -</u>	<u>\$ 30,448</u>	<u>\$ 30,448</u>

See accompanying independent auditors' report.

Other Capital Projects Funds				Totals			
Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)	Budgeted Amounts		Actual	Variance with Final Budget - Positive (Negative)
Original	Final			Original	Final		
\$ -	\$ -	\$ -	\$ -	\$ 106,416	\$ 108,114	\$ 108,114	\$ -
462	891	891	-	4,313	9,166	8,618	(548)
-	8,261	8,261	-	-	11,830	11,829	(1)
462	9,152	9,152	-	110,729	129,110	128,561	(549)
-	-	-	-	14,208	14,507	14,507	-
-	-	-	-	700	1,021	1,021	-
-	-	-	-	-	89	89	-
81,384	10,418	10,418	-	81,384	10,418	10,418	-
2,398	2,118	1,683	(435)	2,398	2,118	1,683	(435)
83,782	12,536	12,101	(435)	98,690	28,153	27,718	(435)
84,244	21,688	21,253	(435)	209,419	157,263	156,279	(984)
54,789	142,265	41,787	100,478	294,106	686,646	253,383	433,263
54,789	142,265	41,787	100,478	294,106	686,646	253,383	433,263
29,455	(120,577)	(20,534)	100,043	(84,687)	(529,383)	(97,104)	432,279
-	-	-	-	-	4,529	4,529	-
-	-	-	-	-	40	40	-
-	-	-	-	-	88,534	88,534	-
-	4,609	4,609	-	-	4,609	4,609	-
-	-	-	-	-	4	4	-
-	-	-	-	(49,487)	(53,637)	(52,647)	990
-	4,609	4,609	-	(49,487)	44,079	45,069	990
29,455	(115,968)	(15,925)	100,043	(134,174)	(485,304)	(52,035)	433,269
42,540	115,968	115,968	-	409,622	487,079	487,079	-
\$ 71,995	\$ -	\$ 100,043	\$ 100,043	\$ 275,448	\$ 1,775	\$ 435,044	\$ 433,269



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## Internal Service Funds

The Internal Service Funds account for the cost of the District's Insurance Funds

- **Workers Compensation Fund** - Accounts for and reports on the workers' compensation program.
  - **Liability Self-Insurance Liability Fund** - Accounts for and reports on the automobile and general liability programs.
  - **Group Health Insurance Fund** – Accounts for and reports on the health insurance program.
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***THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY***

**INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF NET ASSETS  
JUNE 30, 2005  
(amounts expressed in thousands)**

	<b>Workers Compensation Fund</b>	<b>Liability Self Insurance Fund</b>
<b>ASSETS</b>		
Current Assets:		
Cash and cash equivalents	\$ 137	\$ -
Investments	35,946	3,718
Accounts receivable	-	-
Due from other governmental agencies	-	-
Total current assets	<u>\$ 36,083</u>	<u>\$ 3,718</u>
<b>LIABILITIES</b>		
Current liabilities:		
Accounts payable	\$ -	\$ -
Deferred revenue	-	-
Estimated unpaid claims	21,273	3,718
Total liabilities	<u>21,273</u>	<u>3,718</u>
<b>NET ASSETS</b>		
Unrestricted	14,810	-
Total net assets	<u>14,810</u>	<u>-</u>
Total net assets and liabilities	<u>\$ 36,083</u>	<u>\$ 3,718</u>

See accompanying independent auditors' report.



<b>Group Health Insurance Fund</b>	<b>Totals</b>
\$ -	\$ 137
14,355	54,019
139	139
608	608
<u>\$ 15,102</u>	<u>\$ 54,903</u>

\$ 9,907	\$ 9,907
5,195	5,195
-	24,991
<u>15,102</u>	<u>40,093</u>

-	14,810
-	14,810
<u>\$ 15,102</u>	<u>\$ 54,903</u>

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

**INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF REVENUES, EXPENSES AND  
CHANGES IN FUND NET ASSETS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005  
(amounts expressed in thousands)**

	<b>Workers Compensation Fund</b>	<b>Liability Self Insurance Fund</b>
<b>OPERATING REVENUES:</b>		
Premium revenue from other funds	\$ 18,129	\$ -
Other revenue	1,292	61
Total operating revenues	<u>19,421</u>	<u>61</u>
<b>OPERATING EXPENSES:</b>		
Salaries	662	-
Benefits	220	-
Purchased services	2,003	34
Claims, premiums and other	6,569	1,588
Total operating expenses	<u>9,454</u>	<u>1,622</u>
Operating income (loss)	<u>9,967</u>	<u>(1,561)</u>
<b>NON-OPERATING REVENUE:</b>		
Interest	701	55
Total non-operating revenue	<u>701</u>	<u>55</u>
Income (loss) before transfers	10,668	(1,506)
<b>TRANSFERS IN</b>	-	1,207
<b>TRANSFERS OUT</b>	<u>-</u>	<u>-</u>
Change in net assets	10,668	(299)
Total net assets - beginning	<u>4,142</u>	<u>299</u>
Total net assets - ending	<u>\$ 14,810</u>	<u>\$ -</u>

See accompanying independent auditors' report.

<b>Group Health Insurance Fund</b>	<b>Totals</b>
\$ 114,075	\$ 132,204
-	1,353
<u>114,075</u>	<u>133,557</u>
-	662
-	220
-	2,037
114,075	122,232
<u>114,075</u>	<u>125,151</u>
-	8,406
126	882
<u>126</u>	<u>882</u>
126	9,288
-	1,207
<u>(126)</u>	<u>(126)</u>
-	10,369
-	4,441
<u>\$ -</u>	<u>\$ 14,810</u>

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**INTERNAL SERVICE FUNDS  
COMBINING STATEMENT OF CASH FLOWS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005  
(amounts expressed in thousands)**

	<b>Workers Compensation Fund</b>	<b>Liability Self Insurance Fund</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Receipts from interfund services provided	\$ 18,129	\$ -
Payment to suppliers	(10,208)	(1,333)
Payment to employees	(882)	-
Other receipts	1,292	61
Net cash provided by (used in) operating activities	<u>8,331</u>	<u>(1,272)</u>
<b>CASH FLOWS FROM NON CAPITAL AND RELATED FINANCING ACTIVITIES:</b>		
Transfers from other funds	-	1,207
Transfers to other funds	-	-
Net cash provided by (used in) noncapital and related financing activities	<u>-</u>	<u>1,207</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Proceeds from sales and maturities of investments	-	9
Purchase of investments	(9,025)	-
Interest and dividends earned on investments	701	55
Net cash provided by (used in) investing activities	<u>(8,324)</u>	<u>64</u>
Net increase (decrease) in cash	7	(1)
Cash and cash equivalents- Beginning of year	<u>130</u>	<u>1</u>
Cash and cash equivalents- End of year	<u>\$ 137</u>	<u>\$ -</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>		
Operating income (loss)	\$ 9,967	\$ (1,561)
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:		
Change in assets and liabilities:		
(Increase) decrease in accounts receivable	-	-
(Increase) decrease in due from other governmental agencies	-	-
(Increase) decrease in due from other funds	-	-
(Increase) decrease in accounts payable	-	-
Increase (decrease) in estimated unclaimed claims	(1,636)	289
Increase (decrease) in deferred revenue	-	-
Total adjustments	<u>(1,636)</u>	<u>289</u>
Net cash provided by (used in) operating activities	<u>\$ 8,331</u>	<u>\$ (1,272)</u>

See accompanying independent auditors' report.

Group Health Insurance Fund	Totals
\$ 115,260	\$ 133,389
(113,168)	(124,709)
-	(882)
(139)	1,214
<u>1,953</u>	<u>9,012</u>
-	1,207
(126)	(126)
(126)	1,081
-	9
(1,954)	(10,979)
126	882
(1,828)	(10,088)
(1)	5
1	132
<u>\$ -</u>	<u>\$ 137</u>
\$ -	\$ 8,406
(139)	(139)
(34)	(34)
1,600	1,600
941	941
-	(1,347)
(415)	(415)
<u>1,953</u>	<u>606</u>
<u>\$ 1,953</u>	<u>\$ 9,012</u>



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## Agency Funds

The Agency Funds account for resources held by the District as custodian for others

- **School Activity Fund** - Accounts for and reports on the schools activity funds.
  - **Extended Year Fund** - Accounts for and reports on funds withheld to be paid at a later date.
  - **Miscellaneous Depository Fund** – Accounts for and reports on the deposits held by the District on behalf of others.
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**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**

**AGENCY FUNDS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2005**

**(amounts expressed in thousands)**

	<b>School Activity Fund</b>			
	<b>Balances July 1, 2004</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balances June 30, 2005</b>
<b>ASSETS</b>				
Cash	\$ 9,693	\$ 10,703	\$ 9,693	\$ 10,703
Investments	3,355	262	51	3,566
Due from other funds	34	51	34	51
Inventory	310	305	310	305
Total assets	<u>\$ 13,392</u>	<u>\$ 11,321</u>	<u>\$ 10,088</u>	<u>\$ 14,625</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 49	\$ 9	\$ 48	\$ 10
Due to student organizations	12,452	13,464	12,453	13,463
Payroll deductions	-	-	-	-
Due to other funds	891	1,152	891	1,152
Total liabilities	<u>\$ 13,392</u>	<u>\$ 14,625</u>	<u>\$ 13,392</u>	<u>\$ 14,625</u>



**Extended Year Fund**

<b>Balances July 1, 2004</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balances June 30, 2005</b>
\$ -	\$ -	\$ -	\$ -
6,542	4,127	6,542	4,127
-	-	-	-
-	-	-	-
<u>\$ 6,542</u>	<u>\$ 4,127</u>	<u>\$ 6,542</u>	<u>\$ 4,127</u>
\$ -	\$ -	\$ -	\$ -
-	-	-	-
6,542	4,127	6,542	4,127
-	-	-	-
<u>\$ 6,542</u>	<u>\$ 4,127</u>	<u>\$ 6,542</u>	<u>\$ 4,127</u>

(Continued)

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**

**AGENCY FUNDS**

**FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

**(amounts expressed in thousands)**

	<b>Miscellaneous Depository Fund</b>			
	<b>Balances July 1, 2004</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balances June 30, 2005</b>
<b>ASSETS</b>				
Cash	\$ 31	\$ 1	\$ -	\$ 32
Investments	-	-	-	-
Due from other funds	-	-	-	-
Inventory	-	-	-	-
Total assets	<u>\$ 31</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 32</u>
<b>LIABILITIES</b>				
Accounts payable	\$ 31	\$ 1	\$ -	\$ 32
Due to student organizations	-	-	-	-
Payroll deductions	-	-	-	-
Due to other funds	-	-	-	-
Total liabilities	<u>\$ 31</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 32</u>

See accompanying independent auditors' report.



**Totals**

<b>Balances July 1, 2004</b>	<b>Additions</b>	<b>Deductions</b>	<b>Balances June 30, 2005</b>
\$ 9,724	\$ 10,704	\$ 9,693	\$ 10,735
9,897	4,389	6,593	7,693
34	51	34	51
310	305	310	305
<u>\$ 19,965</u>	<u>\$ 15,449</u>	<u>\$ 16,630</u>	<u>\$ 18,784</u>
\$ 80	\$ 10	\$ 48	\$ 42
12,452	13,464	12,453	13,463
6,542	4,127	6,542	4,127
891	1,152	891	1,152
<u>\$ 19,965</u>	<u>\$ 18,753</u>	<u>\$ 19,934</u>	<u>\$ 18,784</u>



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## Component Units

- **Discretely Presented Component Units** - Accounts for and reports on the Hillsborough Education Foundation and the various Charter Schools

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**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**STATEMENT OF NET ASSETS  
DISCRETELY PRESENTED COMPONENT UNITS  
JUNE 30, 2005  
(amounts expressed in thousands)**

	Anderson Academy Charter School	Central City Charter School	Learning Gate Charter School	Mount Pleasant Charter School	Pepin Charter School of Tampa	Prince Academy Charter School	ReBirth Academy Charter School	Richard Milburn Charter School
<b>ASSETS:</b>								
Cash	\$ 75	\$ 17	\$ 291	\$ 54	\$ 285	\$ 7	\$ 35	\$ 428
Investments	-	-	-	-	-	-	-	-
Accounts receivable, net	-	3	25	-	3	28	-	8
Due from other governmental agencies	-	-	-	11	-	-	-	34
Deferred charges	-	-	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-	-	-
Capital Assets (net of accumulated depreciation):								
Land	-	-	-	-	1,237	-	-	-
Land Improvements	-	-	-	-	-	-	-	-
Construction in progress	-	-	-	-	-	-	-	-
Buildings and systems	12	-	12	9	2,923	-	67	-
Furniture, fixtures and equipment	31	51	49	13	40	32	36	49
Motor vehicles	-	-	-	-	-	-	-	-
Property under capital leases	-	-	-	-	-	-	-	-
Audio visual materials	-	-	-	-	-	-	-	-
Computer software	-	-	-	-	-	-	-	-
Total assets	<u>\$ 118</u>	<u>\$ 71</u>	<u>\$ 377</u>	<u>\$ 87</u>	<u>\$ 4,488</u>	<u>\$ 67</u>	<u>\$ 138</u>	<u>\$ 519</u>
<b>LIABILITIES</b>								
Accounts payable	\$ 1	\$ 25	\$ 120	\$ 18	\$ 5	\$ 33	\$ 1	\$ 193
Salaries and wages payable	5	27	-	4	-	2	6	-
Accrued payroll taxes and withholdings	-	-	-	-	-	-	-	-
Due to other governmental agencies	-	-	-	-	174	-	-	40
Deferred revenue	-	-	-	-	-	-	-	-
Other liabilities	-	-	-	-	-	-	-	-
Noncurrent liabilities:								
Due within one year	-	1	-	-	120	-	-	11
Due in more than one year	-	2	-	-	3,755	-	-	15
Total Liabilities	<u>6</u>	<u>55</u>	<u>120</u>	<u>22</u>	<u>4,054</u>	<u>35</u>	<u>7</u>	<u>259</u>
<b>NET ASSETS</b>								
Invested in capital assets, net of related debt	43	48	61	22	325	32	103	23
Restricted for:								
Capital outlay	-	-	-	-	-	-	-	36
Other purposes	-	-	-	-	5	-	-	-
Unrestricted (deficit)	69	(32)	196	43	104	-	28	201
Total net assets	<u>112</u>	<u>16</u>	<u>257</u>	<u>65</u>	<u>434</u>	<u>32</u>	<u>131</u>	<u>260</u>
Total liabilities and net assets	<u>\$ 118</u>	<u>\$ 71</u>	<u>\$ 377</u>	<u>\$ 87</u>	<u>\$ 4,488</u>	<u>\$ 67</u>	<u>\$ 138</u>	<u>\$ 519</u>

See accompanying independent auditors' report.

Richardson Academy Charter School	Tampa Bay Academy Charter School	Tampa Charter School	Terrace Community Charter School	Trinity Charter School	Trinity Upper Charter School	USF Charter School	The Village of Excellence Charter School	Walton Academy Charter School	Wilbesan Academy Charter School	Hillsborough Education Foundation	TOTALS Component Units
\$ 78	\$ 150	\$ 41	\$ 170	\$ 150	\$ -	\$ 324	\$ 25	\$ 19	\$ 10	\$ 296	\$ 2,455
-	-	-	-	-	-	-	-	-	-	3,019	3,019
25	-	17	-	90	-	-	-	1	-	337	537
-	429	-	-	-	-	6	13	-	-	-	493
-	-	-	-	201	-	-	-	-	-	-	201
-	-	-	-	-	-	9	4	-	-	2,685	2,698
208	-	-	-	1,532	-	-	-	-	-	-	2,977
12	-	-	-	16	-	-	-	-	-	-	28
-	-	-	-	-	-	-	-	-	-	1,630	1,630
-	108	21	3	6,230	-	-	-	-	-	-	9,385
46	92	9	48	235	-	59	3	16	61	58	928
-	189	-	-	-	-	-	-	-	-	-	189
-	-	-	-	107	-	682	-	24	-	-	813
-	-	-	102	-	-	-	-	-	-	-	102
-	-	-	130	-	-	-	-	-	-	-	130
<u>\$ 369</u>	<u>\$ 968</u>	<u>\$ 88</u>	<u>\$ 453</u>	<u>\$ 8,561</u>	<u>\$ -</u>	<u>\$ 1,080</u>	<u>\$ 45</u>	<u>\$ 60</u>	<u>\$ 71</u>	<u>\$ 8,025</u>	<u>\$ 25,585</u>
\$ 5	\$ 433	\$ 28	\$ -	\$ 194	\$ 37	\$ 59	\$ 4	\$ 10	\$ -	\$ 107	\$ 1,273
2	-	-	-	166	32	-	-	-	-	-	244
-	-	-	12	-	-	-	-	-	-	-	12
-	-	-	-	-	-	114	-	-	-	-	328
-	-	-	-	102	-	-	-	11	-	13	126
-	-	-	-	-	-	-	-	-	-	446	446
1	-	-	-	269	-	-	-	8	-	-	410
-	-	-	-	6,583	-	-	-	4	-	-	10,359
<u>8</u>	<u>433</u>	<u>28</u>	<u>12</u>	<u>7,314</u>	<u>69</u>	<u>173</u>	<u>4</u>	<u>33</u>	<u>-</u>	<u>566</u>	<u>13,198</u>
265	389	30	283	1,217	-	59	3	40	61	1,688	4,692
(15)	-	-	-	14	-	-	-	-	-	-	35
-	-	-	-	-	-	682	-	-	-	5,654	6,341
111	146	30	158	16	(69)	166	38	(13)	10	117	1,319
361	535	60	441	1,247	(69)	907	41	27	71	7,459	12,387
<u>\$ 369</u>	<u>\$ 968</u>	<u>\$ 88</u>	<u>\$ 453</u>	<u>\$ 8,561</u>	<u>\$ -</u>	<u>\$ 1,080</u>	<u>\$ 45</u>	<u>\$ 60</u>	<u>\$ 71</u>	<u>\$ 8,025</u>	<u>\$ 25,585</u>

**THE SCHOOL DISTRICT OF HILLSBOROUGH COUNTY**

**STATEMENT OF ACTIVITIES  
DISCRETELY PRESENTED COMPONENT UNITS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2005  
(amounts expressed in thousands)**

	Anderson Academy Charter School	Central City Charter School	Learning Gate Charter School	Mount Pleasant Charter School	Pepin Charter School of Tampa	Prince Academy Charter School	ReBirth Academy Charter School	Richard Milburn Charter School
<b>EXPENSES</b>								
Instructional services	\$ 120	\$ 376	\$ 1,205	\$ 309	\$ 1,012	\$ 96	\$ 328	\$ 471
Instructional support services	38	25	-	22	376	76	24	21
Pupil transportation services	1	1	-	25	5	1	-	60
Operation and maintenance of plant	52	92	563	104	377	23	82	197
Facilities acquisition and construction	19	-	-	-	32	37	-	-
School administration	172	185	313	139	776	78	139	241
General administration	33	19	53	28	190	44	26	273
Food services	7	31	18	5	137	4	11	10
Community services and other	-	-	-	-	-	-	-	129
Interest on long term debt	-	-	-	-	175	-	-	-
Unallocated depreciation/amortization expense	6	-	-	5	-	4	16	-
Total expenses	\$ 448	\$ 729	\$ 2,152	\$ 637	\$ 3,080	\$ 363	\$ 626	\$ 1,402
<b>PROGRAM REVENUES</b>								
Charges for services	\$ 1	\$ -	\$ 17	\$ -	\$ 82	\$ -	\$ -	\$ -
Operating grants and contributions	24	60	-	108	137	16	42	85
Capital grants and contributions	-	-	144	-	112	-	-	111
Net program expenses	(423)	(669)	(1,991)	(529)	(2,749)	(347)	(584)	(1,206)
<b>GENERAL REVENUES</b>								
Grants and contributions not restricted to specific programs	448	625	1,985	567	2,379	416	565	1,380
Investment earnings	-	-	-	-	1	-	-	-
Miscellaneous	34	8	126	-	160	-	-	-
Total general revenues	482	633	2,111	567	2,540	416	565	1,380
Change in net assets	59	(36)	120	38	(209)	69	(19)	174
Net assets (deficit) - beginning	53	52	137	27	643	(37)	150	86
Net assets (deficit) - ending	\$ 112	\$ 16	\$ 257	\$ 65	\$ 434	\$ 32	\$ 131	\$ 260

See accompanying independent auditors' report

Richardson Academy Charter School	Tampa Bay Academy Charter School	Tampa Charter School	Terrace Community Charter School	Trinity Charter School	Trinity Upper Charter School	USF Charter School	The Village of Excellence Charter School	Walton Academy Charter School	Wilbesan Academy Charter School	Hillsborough Education Foundation	TOTALS Component Units
\$ 233	\$ 1,972	\$ 339	\$ 1,143	\$ 2,230	\$ 935	\$ 636	\$ 332	\$ 136	\$ 169	\$ -	\$ 12,042
11	942	11	-	-	-	-	37	3	31	-	1,617
-	155	-	17	-	-	27	-	-	-	-	292
110	231	46	302	369	198	147	122	138	18	-	3,171
-	-	92	-	-	-	-	-	-	57	-	237
113	9	198	231	-	-	128	196	117	-	-	3,035
46	1,211	35	198	465	189	121	33	79	214	512	3,769
15	188	-	8	-	-	18	10	7	9	-	478
-	15	-	-	-	-	57	-	6	-	-	207
1	-	-	-	359	-	-	-	-	-	2,135	2,670
9	116	-	73	296	-	33	-	-	6	-	564
<u>\$ 538</u>	<u>\$ 4,839</u>	<u>\$ 721</u>	<u>\$ 1,972</u>	<u>\$ 3,719</u>	<u>\$ 1,322</u>	<u>\$ 1,167</u>	<u>\$ 730</u>	<u>\$ 486</u>	<u>\$ 504</u>	<u>\$ 2,647</u>	<u>\$ 28,082</u>
\$ -	\$ 226	\$ -	\$ -	\$ 1,004	\$ 192	\$ 10	\$ 5	\$ 10	\$ -	\$ -	\$ 1,547
20	83	-	-	-	-	172	46	26	25	-	844
33	-	-	-	-	-	-	44	-	-	-	444
<u>(485)</u>	<u>(4,530)</u>	<u>(721)</u>	<u>(1,972)</u>	<u>(2,715)</u>	<u>(1,130)</u>	<u>(985)</u>	<u>(635)</u>	<u>(450)</u>	<u>(479)</u>	<u>(2,647)</u>	<u>(25,247)</u>
387	4,487	744	1,861	2,879	1,054	923	613	430	477	3,082	25,302
-	1	-	-	-	-	1	-	-	-	352	355
-	-	-	33	18	7	2	7	-	10	-	405
<u>387</u>	<u>4,488</u>	<u>744</u>	<u>1,894</u>	<u>2,897</u>	<u>1,061</u>	<u>926</u>	<u>620</u>	<u>430</u>	<u>487</u>	<u>3,434</u>	<u>26,062</u>
(98)	(42)	23	(78)	182	(69)	(59)	(15)	(20)	8	787	815
459	577	37	519	1,065	-	966	56	47	63	6,672	11,572
<u>\$ 361</u>	<u>\$ 535</u>	<u>\$ 60</u>	<u>\$ 441</u>	<u>\$ 1,247</u>	<u>\$ (69)</u>	<u>\$ 907</u>	<u>\$ 41</u>	<u>\$ 27</u>	<u>\$ 71</u>	<u>\$ 7,459</u>	<u>\$ 12,387</u>



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# Statistical Section

(UNAUDITED)





## **District Statistics**

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**SCHOOL DISTRICT OF HILLSBOROUGH COUNTY GENERAL FUND  
RESULTS OF OPERATIONS FOR FISCAL YEARS ENDING JUNE 30**  
(Amounts in Thousands)

	Actual Fiscal 2004-05	Actual Fiscal 2003-04	Actual Fiscal 2002-03	Actual Fiscal 2001-02
Beginning Fund Balance:				
Designated (1)	\$ 46,043	\$ 26,097	\$ 24,561	\$ 17,263
Undesignated	50,686	45,427	19,018	20,479
<b>TOTAL BEGINNING FUND BALANCE</b>	<b>96,729</b>	<b>71,524</b>	<b>43,579</b>	<b>37,742</b>
Revenues:				
Federal	1,471	1,571	877	1,068
Federal Through State	5,863	4,863	3,923	5,705
State	762,503	714,637	651,127	617,267
Local	367,358	329,830	314,145	288,692
Non-Revenue and Transfers	481	394	12,771	10,699
<b>TOTAL REVENUES AND OTHER     FINANCING SOURCES</b>	<b>1,137,676</b>	<b>1,051,295</b>	<b>982,843</b>	<b>923,431</b>
Expenditures:				
Instruction	699,729	652,011	593,962	569,275
Pupil Personnel Services	45,671	43,383	42,645	42,344
Instructional Media Services	20,400	20,191	19,389	18,604
Instruction & Curriculum Development Services	17,710	17,954	18,360	20,074
Instructional Staff Training	3,396	3,039	3,829	3,502
Board of Education	4,227	2,701	4,686	4,170
General Administration	7,071	14,844	5,058	7,205
School Administration	77,042	72,871	69,931	64,195
Fiscal Services	4,829	4,609	4,664	4,668
Food Services	381	423	438	244
Central Services	22,240	22,843	22,910	27,120
Pupil Transportation Services	55,026	51,248	49,533	46,871
Operation of Plant	84,637	79,706	78,762	64,935
Maintenance of Plant	27,267	23,281	22,940	22,791
Community Services	7,438	6,557	7,515	8,407
Facilities, Acquisitions and Construction and Capital Outlay	4,888	9,368	9,202	11,645
Remittance and Transfers to Other Funds	2,940	1,061	1,074	1,544
<b>TOTAL EXPENDITURES AND     OTHER USES</b>	<b>1,084,892</b>	<b>1,026,090</b>	<b>954,898</b>	<b>917,594</b>
Ending Fund Balance:				
Designated (1)	54,809	46,043	26,097	24,561
Undesignated	94,704	50,686	45,427	19,018
<b>TOTAL ENDING FUND BALANCE</b>	<b>\$ 149,513</b>	<b>\$ 96,729</b>	<b>\$ 71,524</b>	<b>\$ 43,579</b>

(1) Amounts set aside to meet obligations created by the School District in a prior fiscal year.

	Actual Fiscal 2000-01	Actual Fiscal 1999-00	Actual Fiscal 1998-99	Actual Fiscal 1997-98	Actual Fiscal 1996-97	Actual Fiscal 1995-96
\$	16,336	\$ 14,501	\$ 16,313	\$ 18,014	\$ 14,564	\$ 16,798
	11,318	11,172	17,290	24,339	8,994	891
	27,654	25,673	33,603	42,353	23,558	17,689
	1,016	890	1,153	1,045	789	1,973
	4,076	4,893	5,702	702	483	181
	623,763	571,705	571,618	532,384	503,345	467,940
	263,837	254,089	245,743	222,824	212,519	202,447
	10,170	12,084	5,081	9,235	15,027	25,219
	902,862	843,661	829,297	766,190	732,163	697,760
	553,748	518,855	512,919	475,980	439,449	423,968
	40,812	37,630	36,330	32,342	28,700	28,419
	17,880	16,057	16,392	15,397	14,746	13,902
	24,546	23,218	22,817	20,747	19,927	20,349
	4,002	3,437	3,160	2,700	2,954	2,620
	2,983	2,543	5,603	4,678	4,429	3,215
	8,234	5,067	6,652	5,102	4,064	4,042
	63,146	60,165	61,016	58,838	55,841	54,058
	4,473	4,718	4,375	4,018	3,718	3,727
	224	-	-	-	-	-
	22,471	24,135	21,339	18,417	17,105	17,771
	45,840	44,776	45,127	44,658	40,206	38,572
	63,033	63,263	61,953	59,929	55,273	55,836
	23,788	23,351	22,977	19,992	20,196	18,080
	9,058	6,932	6,420	5,665	5,655	5,933
	8,839	6,488	7,528	2,595	896	1,227
	36	1,045	2,619	3,882	209	172
	893,113	841,680	837,227	774,940	713,368	691,891
	17,263	16,336	14,501	16,313	18,014	14,564
	20,141	11,318	11,172	17,290	24,339	8,994
\$	37,404	\$ 27,654	\$ 25,673	\$ 33,603	\$ 42,353	\$ 23,558

**SCHOOL DISTRICT OF HILLSBOROUGH COUNTY  
TAX LEVIES AND TAX COLLECTION**

<u>FISCAL YEAR</u>	<u>FINAL SCHOOL TAXABLE VALUE (1)</u>	<u>BASE MILLAGE (2)</u>	<u>TAXES LEVIED</u>
2004-05	\$ 56,122,473,628	6.177	\$ 344,707,666
2003-04	50,374,394,070	6.27	315,847,451
2002-03	46,355,925,135	6.385	295,982,582
2001-02	42,891,979,683	6.376	273,479,262
2000-01	37,965,047,068	6.465	245,444,029
1999-00	34,671,753,793	6.771	234,762,445
1998-99	31,893,302,579	7.208	229,886,925
1997-98	29,349,684,182	7.152	209,908,941
1996-97	27,154,169,011	7.518	204,145,043
1995-96	26,222,578,128	7.431	194,859,978

(1) Less Development Exemptions

(2) Excludes Capital Improvement and Debt Service Levies.

(3) The District is limited by statute to budget 95% of the tax levy for its revenue estimate.

Source: Hillsborough County, Tax Collector's Office and Property Appraiser's Office

DISCOUNTS FOR EARLY PAYMENTS		CURRENT YEAR COLLECTIONS		% OF CURRENT TAX COLLECTIONS AND DISCOUNT TO TAXES LEVIED (3)
\$	11,957,411	\$	332,009,938	99.79%
	10,544,518		303,824,989	99.53%
	9,759,605		283,650,249	99.10%
	9,242,432		262,305,780	99.27%
	8,273,771		234,005,931	98.67%
	7,933,541		218,145,700	96.30%
	7,842,260		215,446,681	97.13%
	7,172,313		201,667,762	99.49%
	6,964,607		196,119,407	99.46%
	6,640,946		187,605,019	99.68%

**HILLSBOROUGH COUNTY, FLORIDA**  
**COUNTY-WIDE AD VALOREM TAX COLLECTIONS**  
(In Thousands)

	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
Taxes Levied (1)	\$ 1,335,944	\$ 1,215,100	\$ 1,125,127	\$ 1,052,314
Discounts Allowed	45,990	40,281	36,826	35,170
Taxes Collected with respect to above levies	<u>1,277,430</u>	<u>1,160,495</u>	<u>1,070,259</u>	<u>998,438</u>
Taxes Collected & Discounts	<u>\$ 1,323,419</u>	<u>\$ 1,200,776</u>	<u>\$ 1,107,085</u>	<u>\$ 1,033,608</u>
Taxes Collected and Discounts Allowed Representing a Percentage of Taxes Levied	99.06%	98.82%	98.40%	98.22%

(1) Includes insolvencies, injunctions by court order and claims filed in bankruptcy.

Source: Hillsborough County Tax Collector

<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>
\$ 937,067	\$ 873,048	\$ 824,724	\$ 761,828	\$ 716,343	\$ 671,974
31,380	29,308	27,845	25,817	24,310	22,707
<u>887,725</u>	<u>806,160</u>	<u>765,165</u>	<u>708,144</u>	<u>666,830</u>	<u>641,772</u>
<u>\$ 919,105</u>	<u>\$ 835,468</u>	<u>\$ 793,010</u>	<u>\$ 733,961</u>	<u>\$ 691,140</u>	<u>\$ 664,479</u>
98.02%	95.70%	96.15%	96.34%	96.48%	98.88%

**HILLSBOROUGH COUNTY, FLORIDA**  
**SCHOOL TAXABLE VALUE**  
(In thousands)

	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
ASSESSED PROPERTY VALUE				
Just Value	\$ 81,135,780	\$ 72,263,339	\$ 66,579,217	\$ 60,706,431
Classified Agricultural	285,460	227,209	236,783	228,225
Classified Pollution Control Devices	57,314	58,775	59,325	62,672
Just Value Agricultural	(1,678,918)	(1,372,552)	(1,437,811)	(1,465,623)
Just Value Pollution Control Devices	(57,314)	(58,775)	(59,325)	(62,672)
Governmental Exemptions	(6,547,774)	(6,112,797)	(5,825,883)	(5,044,515)
Institutional Exemptions	(2,480,645)	(2,332,610)	(2,187,132)	(1,965,237)
NET ASSESSED VALUE	70,713,903	62,672,589	57,365,174	52,459,281
Lands Available for Taxes	(1,851)	(3,102)	(5,120)	(5,417)
Widow/Widower Exemptions	(9,237)	(9,338)	(9,496)	(9,649)
Disability / Blind Exemptions	(226,642)	(199,735)	(160,933)	(148,931)
Homestead Exemptions	(6,222,221)	(6,092,780)	(5,931,381)	(5,708,122)
Just Value - Capped Value	(8,131,478)	(5,993,240)	(4,902,319)	(3,695,182)
SCHOOL TAXABLE VALUE	<u>\$ 56,122,474</u>	<u>\$ 50,374,394</u>	<u>\$ 46,355,925</u>	<u>\$ 42,891,980</u>

Source: Hillsborough County Property Appraiser

2000	1999	1998	1997	1996	1995
\$ 53,356,474	\$ 49,254,441	\$ 45,885,695	\$ 42,519,275	\$ 39,905,926	\$ 38,316,415
220,473	287,459	301,194	273,702	246,390	296,011
65,485	55,741	54,768	53,058	57,217	52,371
(1,473,622)	(1,503,733)	(1,611,649)	(1,663,818)	(1,729,216)	(1,772,513)
(65,485)	(557,408)	(547,679)	(530,582)	(572,167)	(523,707)
(4,420,706)	(4,296,699)	(4,289,307)	(4,067,873)	(3,892,222)	(3,567,721)
(1,670,396)	(1,745,031)	(1,632,099)	(1,569,769)	(1,570,863)	(1,451,466)
46,012,223	41,494,770	38,160,923	35,013,993	32,445,065	31,349,390
(5,902)	(7,275)	(7,739)	(7,073)	(6,768)	-----
(9,860)	(9,112)	(9,096)	(8,892)	(8,614)	(8,383)
(151,120)	(123,109)	(113,435)	(102,738)	(94,247)	(90,835)
(5,542,718)	(5,377,084)	(5,199,336)	(5,066,281)	(4,941,799)	(4,825,563)
(2,337,576)	(1,306,436)	(938,014)	(479,325)	(239,468)	(202,031)
<u>\$ 37,965,047</u>	<u>\$ 34,671,754</u>	<u>\$ 31,893,303</u>	<u>\$ 29,349,684</u>	<u>\$ 27,154,169</u>	<u>\$ 26,222,578</u>

**HILLSBOROUGH COUNTY, FLORIDA  
PROPERTY TAX MILLAGES  
COUNTY AND OVERLAPPING GOVERNMENTAL ENTITIES  
RATES PER \$1,000 ASSESSED VALUATION**

	<u>2004</u>	<u>2003</u>	<u>2002</u>
County Wide:			
Board of County Commissioners			
General Revenue	7.1757	7.1877	7.1982
Environmentally Sensitive Lands	0.0965	0.1045	0.1140
Criminal Justice	-----	-----	-----
Parks and Recreation	-----	-----	-----
School District	8.3609	8.4800	8.5950
Tampa Port Authority	0.2600	0.2900	0.2900
Children's Board of Hillsborough Cty	0.5000	0.5000	0.5000
S.W. Florida Water Management	0.4220	0.4220	0.4220
	<u>16.8151</u>	<u>16.9842</u>	<u>17.1192</u>
TOTAL COUNTY WIDE	<u>16.8151</u>	<u>16.9842</u>	<u>17.1192</u>
Non-County Wide:			
Board of County Commissioners			
Public Library Service (1)	0.6423	0.6423	0.6423
Municipal Service Tax	5.0621	5.0621	5.0621
Parks & Recreation (unincorporated)	0.0398	0.0455	0.0500
Independent Special Districts			
SWFWMD Watershed Basins (2)			
Alafia River Basin	0.2400	0.2400	0.2400
Hillsborough River Basin	0.2850	0.2850	0.2850
N.W. Hillsborough Basin	0.2680	0.2680	0.2680
Transit Authority	0.5000	0.5000	0.5000
Tampa Palms C.D.D.	2.6000	2.6000	2.6000
Municipalities:			
Tampa	6.5390	6.5390	6.5390
Plant City	4.7000	4.7000	4.7000
Temple Terrace	4.9100	4.9100	4.9100

(1) This levy is assessed on all property outside Plant City and Temple Terrace, i.e., Tampa and unincorporated areas.

(2) Dependent on its location, property within Tampa may be in either the Alafia River, the Hillsborough River or the NW Hillsborough Basins.  
The City of Temple Terrace is entirely within the Hillsborough River Basin.  
The City of Plant City is within the Alafia and Hillsborough River Basins.

Source: Hillsborough County Tax Collector

<u>2001</u>	<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>
7.4349	7.5336	7.5968	7.7500	7.8065	7.9163	7.9048
0.1273	0.1486	0.1854	0.1573	0.1880	0.1880	0.2100
-----	-----	-----	-----	-----	0.0212	0.0222
-----	-----	-----	-----	-----	0.0297	0.0320
8.5860	8.7150	9.0710	9.5310	9.5880	9.9542	9.8672
0.2900	0.2950	0.3100	0.3100	0.3100	0.3100	0.3300
0.4170	0.4170	0.4170	0.4170	0.4170	0.4170	0.4210
0.4220	0.4220	0.4220	0.4220	0.4220	0.4220	0.4220
<u>17.2772</u>	<u>17.5312</u>	<u>18.0022</u>	<u>18.5873</u>	<u>18.7315</u>	<u>19.2584</u>	<u>19.2092</u>
0.6423	0.6423	0.6423	0.6423	0.6423	0.6423	0.6423
5.0621	5.0621	5.0621	5.0621	5.0621	5.0621	5.0621
0.0584	0.0675	0.0734	0.0890	0.0890	0.0456	0.0485
0.2400	0.2400	0.2400	0.2400	0.2400	0.2400	0.2400
0.2850	0.2850	0.2850	0.2850	0.2850	0.2850	0.2850
0.2680	0.2680	0.2680	0.2680	0.2680	0.2680	0.2680
0.5000	0.5000	0.5000	0.5000	0.5000	0.5000	0.5000
2.6000	2.6000	2.6000	2.6000	2.6000	2.6000	2.6000
6.5390	6.5390	6.5390	6.5390	6.5390	6.5390	6.5390
4.7000	4.7000	4.7000	4.7000	4.7000	4.7000	4.7000
4.9100	4.9100	4.9100	4.4100	4.4100	4.4100	4.4100

**HILLSBOROUGH COUNTY, FLORIDA  
COMPARATIVE RATIOS OF BONDED DEBT TO TAXABLE  
VALUES AND BONDED DEBT PER CAPITA**

	<u>2004</u>	<u>2003</u>	<u>2002</u>	<u>2001</u>
Population (1)	1,147,120	1,115,960	1,078,809	1,026,906
School Taxable Value (2) (In Thousands)	\$ 56,122,474	\$ 50,374,394	\$ 46,335,925	\$ 42,782,759
General Bonded Debt (In Thousands) (3)	\$ 9,520	\$ 18,585	\$ 27,245	\$ 35,510
Ratio of Bonded Debt to Taxable Value	0.0002	0.0004	0.0005	0.0008
Bonded Debt Per Capita	\$ 8.30	\$ 16.65	\$ 25.25	\$ 34.58

(1) Revised Estimates from University of Florida, Bureau of Economic and Business Research.

(2) Gross assessed valuation less exemptions for: Homestead, Institutional, Disability, Widows, Widowers and Governmental Property.

(3) Includes only bonded debt that is the direct obligation of the School District of Hillsborough County and will be payable from and secured by ad valorem taxes levied on the assessed value of all taxable property in the County.

Sources: Hillsborough County Budget Department and Property Appraiser  
School District of Hillsborough County, Accounting Department  
City / County Planning Commission

<u>2000</u>	<u>1999</u>	<u>1998</u>	<u>1997</u>	<u>1996</u>	<u>1995</u>
998,948	967,511	942,322	928,731	910,855	892,874
\$ 37,965,047	\$ 34,671,754	\$ 31,893,303	\$ 29,349,684	\$ 27,154,169	\$ 26,222,578
\$ 43,410	\$ 50,900	\$ 57,945	\$ 64,580	\$ 72,225	\$ 79,450
0.0011	0.0014	0.0018	0.0022	0.0027	0.0030
\$ 43.46	\$ 52.61	\$ 61.49	\$ 69.54	\$ 79.29	\$ 88.98

**SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
LEGAL DEBT MARGIN  
JUNE 30, 2005**

Net Assessed Value 2004 Tax Roll		<u>\$ 70,713,902,248</u>
Debt Limit - 10% of Net Assessed Valuation		\$ 7,071,390,225
General Obligation Bonds	\$ 9,520,000	
Deduct Amount Available in Debt Service Fund	<u>9,706,720</u>	
Less Net Applicable Debt		<u>\$ (186,720)</u>
Legal Debt Margin		<u><u>\$ 7,071,576,945</u></u>

Sources: Hillsborough County Property Appraiser  
School District of Hillsborough County, Accounting Department  
School District of Hillsborough County, Accounts Control Department

**HILLSBOROUGH COUNTY, FLORIDA  
COMPUTATION OF DIRECT AND OVERLAPPING GENERAL OBLIGATION DEBT  
JUNE 30, 2005**

<u>Governmental Unit</u>	<u>Outstanding Gross Debt</u>	Percentage Applicable to this <u>Governmental Unit</u>	<u>Overlapping Gross Debt</u>
Hillsborough County, Florida			
1998 ELAPP Refunding	\$ 21,795,000	100%	\$ 21,795,000
2002 Parks and Recreation Refunding	17,245,000	100%	17,245,000
2003 ELAPP Refunding	<u>9,025,000</u>	100%	<u>9,025,000</u>
	<u>\$ 48,065,000</u>		<u>\$ 48,065,000</u>
School District of Hillsborough County			
1994 Refunding Bonds	<u>9,520,000</u>	100%	<u>9,520,000</u>
	<u>\$ 9,520,000</u>		<u>\$ 9,520,000</u>
TOTAL Direct and Overlapping General Obligation Debt			<u>\$ 57,585,000 (1)</u>

(1) Constitutes total county-wide debt payable from ad valorem tax revenues.  
No other governmental entity in Hillsborough County has General obligation Debt.

Sources: Hillsborough County Clerk of the Circuit Court  
School District of Hillsborough County, Accounting Department

**SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA**  
**RATIO OF ANNUAL GENERAL BONDED DEBT TO TOTAL**  
**GENERAL FUND EXPENDITURES AND OTHER USES**  
(In Thousands)

Year Ended June 30	Principal	Interest	Total Debt Service	Total General Fund Expenditures And Other Uses	Ratio of Debt Service to General Fund Expenditures And Other Uses
2005	\$ 9,065	\$ 794	\$ 9,859	\$ 1,084,892	0.91%
2004	8,660	1,259	9,919	1,026,090	0.97%
2003	8,265	1,703	9,968	953,824	1.05%
2002	7,900	2,128	10,028	916,049	1.09%
2001	7,490	2,590	10,080	893,076	1.13%
2000	7,045	3,081	10,126	841,680	1.20%
1999	6,635	3,540	10,175	837,227	1.22%
1998	7,645	3,987	11,632	774,940	1.50%
1997	7,225	4,439	11,664	713,368	1.64%
1996	6,820	4,876	11,696	691,891	1.69%

Sources: School District of Hillsborough County, Accounting Department

## **DEMOGRAPHIC STATISTICS - HILLSBOROUGH COUNTY, FLORIDA**

### **THE COUNTY**

Hillsborough County, established on June 25, 1834, encompasses 1,051 square miles. In area it is the twelfth largest county in the state of Florida. It is located approximately half-way down the west coast of Florida with Tampa as the county seat. The incorporated cities of Temple Terrace and Plant City are also located within the County. The County enjoys an excellent climate with temperatures ranging from an average of 65 degrees in January to about 84 degrees in August.

Source: Department of Business and Economic Research, University of Florida

### **GOVERNMENT**

Hillsborough County is governed by a seven-member Board of County Commissioners (the "Board"). Four commissioners are elected from single-member districts and three from an at-large basis to serve a four year staggered term. Annually a chairperson is elected by the Board. A County Administrator is appointed to implement policy.

The City of Tampa, the county seat, has a strong mayor-council form of government. In a non-partisan election the mayor is elected to a four-year term and is the chief administrator in charge of the City's departments, bureaus and commissions.

Source: Tampa Chamber of Commerce, Committee of One Hundred

### **POPULATION**

The County's population increased from approximately 490,000 in 1970 to approximately 999,000 in 2000, an increase of 100.3 percent. This compares to a 50.4 percent increase in the nation and a 135.33 percent increase for the state.

The 1990 population as estimated by the Bureau of Economic and Business Research at the University of Florida shows a 35.4 percent gain for the State and a 30.3 percent gain for the county over the census of 1980. This made Hillsborough County the fourth largest county in population in the state of Florida.

By the year 2000, the County's population had increased an additional 18.5 percent which is a faster growth rate than the United States. Furthermore, population is expected to grow at a rate of 30,000 per year, for the next 20 years.

According to the U.S. Census of 2000, the age group from 25 through 64 years, the primary working ages, comprises 53.5 percent of the County's population compared to 51.7 percent in 1990. The 2000 group represents 51.3 percent of the State's population and 52.1 percent of the United States population. The County's largest population growth from 1990 to 2000 occurred in the 45 to 64 age group which showed an increase of 30.0 percent.

Source: Department of Business and Economic Research, University of Florida

**HILLSBOROUGH COUNTY, FLORIDA  
POPULATION COMPARISON  
1970 - 2000**

	<u>2000</u>	<u>1990</u>	<u>1980</u>	<u>1970</u>
Hillsborough County	998,948	843,059	646,960	490,265
Florida	15,982,378	13,193,432	9,746,424	6,791,418
United States	285,288,292	248,709,873	225,505,000	203,236,000

	<u>1990-2000</u>		<u>1980-1990</u>		<u>1970-1980</u>	
	<u>POPULATION GROWTH</u>	<u>% INCR.</u>	<u>POPULATION GROWTH</u>	<u>% INCR.</u>	<u>POPULATION GROWTH</u>	<u>% INCR.</u>
Hillsborough County	155,889	18.49	196,099	30.3	156,695	32.0
Florida	2,788,946	21.13	2,447,008	35.4	2,955,006	43.5
United States	36,578,419	14.70	23,204,873	10.3	22,269,000	11.0

Sources: U.S. Department of Commerce, Bureau of the Census  
Department of Business and Economic Research, University of Florida

**HILLSBOROUGH COUNTY, FLORIDA  
POPULATION BY AGE  
1990 - 2000  
(Amounts in Thousands)**

	Hillsborough County		Florida		United States	
	<u>2000</u>	<u>1990</u>	<u>2000</u>	<u>1990</u>	<u>2000</u>	<u>1990</u>
0 - 14 .....	210	184	2,973	2,412	58,643	53,914
15 - 24 .....	135	130	1,998	1,670	38,587	36,733
25 - 44 .....	317	284	4,571	3,927	82,003	80,632
45 - 64 .....	217	167	3,628	2,559	61,894	46,498
65 and over .....	120	107	2,813	2,369	34,932	30,984
Total .....	<u>999</u>	<u>872</u>	<u>15,983</u>	<u>12,937</u>	<u>276,059</u>	<u>#####</u>
Median Age .....	35	33	39	36	36	33

Sources: U.S. Department of Commerce, Bureau of the Census  
Department of Business and Economic Research, University of Florida

**HOUSING CHARACTERISTICS  
1970, 1980, 1990 and 2000**

	<u>2000</u>	<u>1990</u>	<u>1980</u>	<u>1970</u>
Single-Family	261,062	216,451	171,516	128,137
Mobile Homes (1)	42,063	45,559	27,233	11,405
Multi-Family	122,837	105,830	64,870	29,013
	<u>425,962</u>	<u>367,840</u>	<u>263,619</u>	<u>168,555</u>

(1) Does not include campers, houseboats, automobiles and railroad cars.  
The number of housing units in the County increased 152.7 percent from 1970 to 2000.

HOUSING (New Units)

Building Permits activity in Hillsborough County reflects a steady growth pattern in single family homes.  
Figures include unincorporated Hillsborough County and the cities of Tampa, Temple Terrace and Plant City.

**HILLSBOROUGH COUNTY, FLORIDA  
NEW RESIDENTIAL UNITS  
1995 - 2004**

<u>YEAR</u>	<u>SINGLE FAMILY</u>	<u>MULTI FAMILY (1)</u>	<u>MOBILE HOMES</u>	<u>TOTAL</u>
2004	11,455	2,112	252	13,819
2003	10,268	3,396	579	14,243
2002	9,275	2,941	286	12,502
2001	8,193	2,821	356	11,370
2000	7,149	4,330	375	11,854
1999	7,215	7,359	377	14,951
1998	6,176	5,751	349	12,276
1997	5,595	2,821	364	8,780
1996	4,890	4,426	304	9,620
1995	4,545	2,910	304	7,759

(1) Includes Duplexes

Source: Hillsborough County City-County Planning Commission

**BANKING**

The county has a total of two hundred twenty-four (224) banking offices, including branches, with total deposits of over 15 billion dollars.

The county also has twenty-seven (27) offices of federal savings and loan associations with total deposits of approximately 620 million dollars.

Growth in bank deposits over the last ten years, shown below, demonstrates a 88% increase. The lower table indicates the largest banks in terms of total deposits.

HILLSBOROUGH COUNTY, FLORIDA  
TOTAL BANK DEPOSITS  
IN THOUSANDS

<u>Calendar Year</u>	<u>Total Deposits</u>
2004 -----	\$ 15,737,134
2003 -----	11,923,127
2002 -----	11,978,826
2001 -----	11,828,458
2000 -----	10,696,423
1999 -----	9,446,838
1998 -----	8,664,836
1997 -----	8,430,807
1996 -----	8,159,428
1995 -----	8,348,799

HILLSBOROUGH COUNTY, FLORIDA  
LEADING BANKS CALENDAR 2004  
IN THOUSANDS

	<u>Bank</u>	<u>Branches</u>	<u>Total Deposits</u>
1.	Bank of America	40	\$ 4,841,028
2.	Wachovia	18	3,445,698
3.	SunTrust	36	2,236,937
4.	Amsouth	25	1,107,759
5.	Colonial	10	632,176
6.	Tampa BC	9	616,118
7.	Southtrust	18	444,226
8.	Carolina First	9	379,719
9.	First National (FNB Corp)	12	219,359
10.	Bay Cities	2	167,047
11.	Regions Financial	5	164,913
12.	Sunshine Federal	4	142,470
13.	Platinum	3	129,554
14.	First City	3	124,745
15.	First Commerce	1	123,474

Sources: "Banking and Thrift Institutions Market Share, Hillsborough County"  
Florida Bankers Association

**HILLSBOROUGH COUNTY, FLORIDA  
MAJOR PROPERTY TAXPAYERS  
2004**

<b>ORIGINAL AMOUNTS CHARGED TO COLLECT-TAX ROLL</b>	<b>1,432,532,952</b>	
	2004 Taxes Levied	% of Total Taxes Levied
1. Tampa Electric Company	\$ 34,256,914	2.39%
2. Verizon	22,822,862	1.59%
3. Hillsborough County Aviation Authority	9,711,357	0.68%
4. Mosaic Phosphates Company	7,378,766	0.52%
5. Highwoods/Florida Holding LP	6,945,379	0.48%
6. Camden Property Trust	5,074,313	0.35%
7. Post Apartments Homes LP	4,825,592	0.34%
8. Glimcher LTD Partnership	4,579,282	0.32%
9. Walmart	4,112,945	0.29%
10. Busch Entertainment	2,955,486	0.21%
<b>TOTAL</b>	\$ 102,662,896	7.17%

Source: Hillsborough County Tax Collector, August 26, 2005

**SCHOOL DISTRICT OF HILLSBOROUGH COUNTY  
PUBLIC SCHOOL FACILITIES (1)  
1996-2005**

	<u>2004-05</u>	<u>2003-04</u>	<u>2002-03</u>
Elementary	126	123	119
Junior High/Middle	40	39	39
Senior High	23	23	22
Adult and Career Centers	10	9	8
Total	<u>199</u>	<u>194</u>	<u>188</u>

(1) Does not include Special School Centers, Alternative Centers or Charter Schools

(2) Career Centers Were Initiated During 2001-02

Source: School District of Hillsborough County, Administrative Division

**SCHOOL DISTRICT OF HILLSBOROUGH COUNTY  
CLASSIFICATION OF PERSONNEL  
1996-2005**

	<u>2004-05</u>	<u>2003-04</u>	<u>2002-03</u>
Teachers:			
Elementary	5,048	4,903	4,675
Secondary	4,944	4,270	4,052
Exceptional Ed	2,423	2,049	1,964
Voc/Adult/Other-Instructional	1,544	1,644	1,649
Sub Total	13,959	12,866	12,340
Other Non-Administrative, Non-Instructional (1)	391	492	554
Teacher Aides	2,324	1,920	1,989
Principals & Asst. Prin.	616	393	387
Administration & Mgmt.	183	192	189
Support Staff	6,128	6,328	6,165
Total Full-Time Staff	<u>23,601</u>	<u>22,191</u>	<u>21,624</u>
Total Part-Time Staff	<u>7,579</u>	<u>3,642</u>	<u>4,162</u>
Grand Total	<u>31,180</u>	<u>25,833</u>	<u>25,786</u>

(1) "Other" category divided into instructional and non-instructional.

Source: District Equal Employment Opportunity Report, Fall Surveys, 1995-2004

<u>2001-02</u>	<u>2000-01</u>	<u>1999-00</u>	<u>1998-99</u>	<u>1997-98</u>	<u>1996-97</u>	<u>1995-96</u>
114	109	107	106	105	104	106
36	36	34	34	33	30	27
20	19	19	19	18	15	15
7(2)	5	5	5	5	5	4
<u>177</u>	<u>169</u>	<u>165</u>	<u>164</u>	<u>161</u>	<u>154</u>	<u>152</u>

<u>2001-02</u>	<u>2000-01</u>	<u>1999-00</u>	<u>1998-99</u>	<u>1997-98</u>	<u>1996-97</u>	<u>1995-96</u>
4,426	4,531	4,278	4,168	4,148	4,080	4,057
3,691	3,755	3,647	3,591	3,375	2,999	2,808
1,724	1,804	1,647	1,574	1,539	1,501	1,650
1,520	1,514	1,885	1,876	1,706	1,675	1,707
11,361	11,604	11,457	11,209	10,768	10,255	10,222
654	663	0	0	0	0	0
2,010	2,101	1,885	1,780	1,837	1,780	1,985
393	358	342	343	342	333	333
201	199	305	302	310	297	296
<u>5,524</u>	<u>5,826</u>	<u>5,580</u>	<u>5,432</u>	<u>5,389</u>	<u>5,045</u>	<u>5,056</u>
<u>20,143</u>	<u>20,751</u>	<u>19,569</u>	<u>19,066</u>	<u>18,646</u>	<u>17,710</u>	<u>17,892</u>
<u>3,421</u>	<u>6,618</u>	<u>2,672</u>	<u>3,442</u>	<u>3,165</u>	<u>3,243</u>	<u>3,283</u>
<u>23,564</u>	<u>27,369</u>	<u>22,241</u>	<u>22,508</u>	<u>21,811</u>	<u>20,953</u>	<u>21,175</u>

**COMPARATIVE ENROLLMENT TREND  
LARGEST UNITED STATES SCHOOL DISTRICTS (1)  
1994-2005**

	2004-05	2003-04	2002-03	2001-02
1. New York, NY . . . . .	1,086,886	1,063,609	1,077,381	1,049,831
2. Los Angeles, CA . . . . .	742,090	746,610	746,852	735,058
3. Chicago, IL . . . . .	434,419	438,589	436,048	437,418
4. Dade Co., FL (Miami). . . . .	358,953	362,319	373,395	375,836
5. Clark Co., NV (Las Vegas). . . . .	280,834	267,894	256,574	245,659
6. Broward Co., FL . . . . .	272,691	271,339	267,925	262,055
7. Philadelphia, PA . . . . .	214,350	211,003	192,683	197,083
8. Houston, TX . . . . .	211,499	212,099	212,099	210,950
<b>9. Hillsborough Co., FL . . . . .</b>	<b>187,694</b>	<b>179,466</b>	<b>175,454</b>	<b>169,789</b>
10. Hawaii (Entire State) . . . . .	182,434	182,434	183,829	184,546
11. Detroit, MI . . . . .	NA	NA	173,742	166,675
12. Palm Beach County, FL . . . . .	NA	NA	164,896	160,223
13. Dallas, TX . . . . .	NA	NA	163,347	163,562
14. Fairfax Co., VA . . . . .	NA	NA	162,585	160,584
15. Orange County, FL . . . . .	NA	NA	158,718	157,433

(1) Enrollments reported by ERS are based on the number of students enrolled in grades kindergarten through twelve at a fixed time during the fall.

\* 1996 and 2000 Data was not compiled and since 1999 Educational Research Services (ERS) has stopped compiling this list

\*\* Beginning with the 2000-01 school year the American School & University is the new data source

NA Not available at the time of printing

Source: ERS Spectrum, Educational Research Services, Inc., Arlington, VA.  
American School & University, Top 10

2000-01**	Fall 1999 *	Fall 1998	Fall 1997	Fall 1995 *	Fall 1994
1,066,516	1,066,473	1,068,231	1,075,638	1,050,993	1,027,732
721,346	681,422	667,203	651,075	618,275	608,172
435,261	405,092	403,310	409,162	387,224	387,224
368,625	350,603	343,285	345,861	321,000	305,566
231,655	207,169	194,303	181,835	158,659	148,998
251,129	235,563	226,284	218,907	207,345	194,477
201,190	205,413	207,702	214,037	209,425	204,653
208,462	198,397	199,291	199,949	196,039	192,315
<b>164,311</b>	<b>156,246</b>	<b>152,809</b>	<b>149,658</b>	<b>140,747</b>	<b>135,902</b>
184,360	185,036	187,395	189,887	186,581	183,164
162,194	164,433	170,394	177,151	170,449	173,122
153,871	147,051	143,593	139,771	130,000	125,537
161,548	153,917	153,230	151,135	149,405	145,270
156,412	150,027	145,021	145,995	142,808	134,221
150,681	141,936	137,697	131,584	NA	NA

**SCHOOL DISTRICT OF HILLSBOROUGH COUNTY, FLORIDA  
 PROFILE OF ENROLLMENTS  
 Full-Time Equivalent Students (1)  
 1996-2005**

	<u>2004-05</u>	<u>2003-04</u>	<u>2002-03</u>	<u>2001-02</u>
Pre-K & Kindergarten. . . .	10,834	10,256	9,715	9,424
Grades 1-3. . . . .	44,627	42,753	40,267	40,731
Grades 4-8. . . . .	52,283	50,274	47,283	45,413
Grades 9-12. . . . .	34,924	32,935	31,254	30,054
Exceptional Ed . . . . .	36,983	36,497	34,895	33,377
Vocational Ed . . . . .	7,588	7,218	8,625	7,873
Post Secondary. . . . .	-----	-----	-----	-----
<b>Total</b>	<u><u>187,239</u></u>	<u><u>179,933</u></u>	<u><u>172,039</u></u>	<u><u>166,872</u></u>

(1) Enrollments are calculated on a full-time equivalent student basis for adults and on the basis of the number of students in grades kindergarten through twelve for the regular and summer school terms. A full-time equivalent student is defined as equal to 900 hours of instruction time.

(2) The State of Florida changed the funding parameters for Exceptional Programs

(3) The State of Florida eliminated funding for post secondary.

Sources: School District of Hillsborough County, Information Services (IS) Department, FTE by Program by Grade  
 School District of Hillsborough County, Business Division

<u>2000-01</u>	<u>1999-00</u>	<u>1998-99</u>	<u>1997-98</u>	<u>1996-97</u>	<u>1995-96</u>
9,824	9,986	9,721	9,886	10,485	10,479
40,266	40,078	40,751	40,021	38,384	36,286
43,747	41,892	38,301	35,787	46,250	44,692
30,100	29,495	34,743	33,452	35,715	33,503
31,899	30,952	30,487	29,659 [2]	12,891	13,197
7,641	7,710	7,071	7,448	7,368	6,868
-----	511 [3]	6,848	7,978	8,856	8,424
<u>163,477</u>	<u>160,624</u>	<u>167,922</u>	<u>164,231</u>	<u>159,949</u>	<u>153,449</u>

**HILLSBOROUGH COUNTY AGRICULTURE**

Hillsborough County has 2,969 farms, the 2nd largest number of any county in the state and 20th highest in the country. Diversity is one of the keys to the success of Hillsborough County agriculture. In addition to eight major commodities, a variety of specialty crops contributed to the sale of \$655 million of products in 2004. Hillsborough County ranks as the 3rd largest producer of agricultural products in the state (out of 67 counties) and 45th in the United States (out of 3,078 counties). Hillsborough County is in the top 2% of agricultural counties in the country. Approximately 33% of the county's land is in agricultural production. Urban development and rising land values influence the agricultural sector, encouraging production of high-value commodities such as strawberries, tropical fish, ornamental plants and enterprises for niche markets. Consequently Hillsborough County produces the most tropical fish and strawberries of all counties in the state.

Annual commodity sales are estimated as follows:

<u>Commodity</u>	<u>Annual Sales</u>	<u>Acreage</u>
Aquaculture	\$ 40,143,000	1,450
Beef Cattle	13,965,000	70,000
Blueberries	2,000,000	115
Citrus	20,513,982	19,187
Dairy	10,975,000	2,000
Forestry	1,100,000	97,500
Ornamental Plants	185,575,566	3,641
Poultry	15,260,400	42
Sod	22,558,865	7,189
Strawberries	211,380,000	7,900
Vegetables	90,000,000	13,500
Miscellaneous	52,000,000	2,000
	<b><u>\$ 665,471,813</u></b>	<b><u>224,524</u></b>

NOTE: These figures are the best current estimates from the "expert opinion" of various extension agents and should be cited as such.

Local agriculture generates additional local economic impact by supporting related businesses such as banking, real estate, legal services, transportation, packaging, equipment, seed and agriculture suppliers and services, and marketing firms. The majority of agricultural goods produced in Hillsborough County are sold outside the county. According to a study completed in 2005, for every dollar sold outside of the county an estimated \$1.86 is added to the local economy as a result of indirect and induced benefits. This study also calculated that agriculturist in Hillsborough effectively subsidize the urban residential population by contributing four times more in local taxes than they use in county services. Each year, agriculture and its related businesses in Hillsborough County generate an economic impact of more than \$1.4 billion and employ 20,100 people with \$293 million in annual earnings.

Source: Hillsborough County Cooperative Extension Service and Hillsborough County Economic Development Department.

## **EMPLOYMENT**

The resident labor force in the County increased 82% between 1980 and 2000. Annualized unemployment rates for that period compare favorably with those of the State and the United States as presented below.

**HILLSBOROUGH COUNTY, STATE OF FLORIDA  
AND THE UNITED STATES  
RESIDENT LABOR FORCE, EMPLOYMENT, UNEMPLOYMENT  
NOT SEASONALLY ADJUSTED  
1980-2005**

	<u>June</u> <u>2005</u>	<u>2000</u>	<u>1990</u>	<u>1980</u>
Hillsborough County				
Labor Force	589,260	572,743	446,230	313,737
Employment	565,671	555,635	443,789	298,015
Unemployment	23,589	17,108	22,441	15,722
Unemployment Rate	4.0%	3.0%	4.8%	5.0%
Florida				
Labor Force	8,698,000	7,649,884	6,365,000	4,271,000
Employment	832,000	7,336,454	5,987,000	4,020,000
Unemployment	369,000	313,430	378,000	251,000
Unemployment Rate	4.2%	4.1%	5.9%	5.9%
United States				
Labor Force	150,327,000	142,132,000	124,787,000	106,946,000
Employment	142,456,000	136,192,000	117,914,000	99,303,000
Unemployment	7,870,000	5,940,000	6,873,000	7,643,000
Unemployment Rate	5.2%	4.2%	5.5%	7.1%

Hillsborough County's labor force is comprised of 589,260 civilians - or 6.77% of the state's 8.6 million workers.

Employment in the Southeastern United States is projected to grow at a faster rate than the national average through 2010. Florida is projected to have the greatest increase in employment of all eight (8) southeastern states. The expected surge in Florida's employment during the nineties has increased the Tampa area's share of the state's labor force. This will continue to make the area one of the fastest growing for employment opportunities in the south.

Sources: State of Florida, Department of Labor and Employment Statistics

**MAJOR EMPLOYERS**

**JUNE 2004**

<u>ENTITY</u>	<u>TYPE OF ENTITY</u>	<u>NUMBER OF EMPLOYEES</u>
1. School District of Hillsborough County	Public Education	31,180 (1)
2. Hillsborough County Government	Government Service	10,498
3. University of South Florida	Education Service	7,794
4. Tampa International Airport	International Airport	7,626
5. Verizon	Telecommunications	7,000
6. MacDill Air Force Base	Military Service	5,756
7. Publix Food Centers	Supermarket	4,672
8. City of Tampa	Government Service	4,525
9. St. Joseph's Hospital / Baker Health Systems	Medical Facility	3,907
10. Tampa Electric Company/Peoples Gas	Electric Service	3,543
11. U. S. Postal Service	Postal Service	3,525
12. Tampa General Hospital	Medical Facility	3,432
13. Bank of America	Banking Service	3,120
14. James A Haley Veteran's Hospital	Medical Facility	2,751
15. Busch Entertainment Corporation	Tourist Attraction	2,710

(1) Equal Employment Opportunity Commission, Fall Survey, 2004

Source: Hillsborough County City-County Planning Commission

## PERSONAL INCOME

The following financial indices are presented to compare personal income in Hillsborough County with the State of Florida and the United States.

### PER CAPITA PERSONAL INCOME PLACE OF RESIDENCE BASIS 1994 - 2003

YEAR	UNITED STATES	FLORIDA	HILLSBOROUGH COUNTY	COUNTY/U.S. PERCENTAGE
2003	\$ 31,632	\$ 30,446	\$ 29,881	94.46%
2002	30,906	29,758	29,602	95.78%
2001	30,527	29,247	29,055	95.18%
2000	29,469	27,764	27,458	93.18%
1999	28,546	27,781	27,304	95.65%
1998	27,203	26,845	26,355	96.88%
1997	25,288	24,799	23,719	93.80%
1996	24,436	24,198	22,872	93.60%
1995	23,196	23,031	21,509	92.73%
1994	21,696	21,767	20,058	92.45%

Sources: 2004 Florida Statistical Abstract, University of Florida  
U.S. Department of Commerce, Bureau of Economic Analysis

### MEDIAN HOUSEHOLD EFFECTIVE BUYING INCOME (EBI) 1994-2003

YEAR	UNITED STATES	FLORIDA	HILLSBOROUGH COUNTY	COUNTY/U.S. PERCENTAGE
2003	\$ 38,201	\$ 365,117	\$ 38,285	100.22%
2002	38,035	36,599	38,827	102.08%
2001	38,365	35,363	39,567	103.13%
2000	39,129	34,937	38,480	98.34%
1999	37,233	33,581	36,809	98.86%
1998	35,377	32,109	34,970	98.85%
1997	34,618	31,573	34,490	99.63%
1996	33,482	30,830	33,556	100.22%
1995	32,238	29,664	31,683	98.28%
1994	37,070	32,883	33,985	91.68%

Sources: Sales and Marketing Management, 2004 Survey of Buying Power  
U.S. Department of Commerce, Bureau of Economic Analysis

### EFFECTIVE BUYING INCOME (EBI) PERCENTAGE 2003

	Total EBI (\$000)	Median Household EBI	... Percent of Household by EBI ...		
			\$20,000-\$34,999	\$35,000-\$49,999	\$50,000 and over
Hillsborough County	\$ 22,049,965	\$ 38,285	22.0	18.6	35.9
Florida	340,743,628	36,517	24.8	18.5	33.5
United States	5,466,880,008	38,201	25.6	20.9	38.9

Sources: Sales and Marketing Management, 2004 Survey of Buying Power  
U.S. Department of Commerce, Bureau of Economic Analysis

## TRANSPORTATION

Tampa is the transportation hub of the west coast of Florida.

Tampa International Airport (TPA) is ranked third in Florida and twenty-ninth in the United States in terms of total passengers, serving over 17.3 million in 2004. The airport is the regional facility for the west central section of Florida, serving primarily the counties of Hillsborough and Pinellas (including the cities of Tampa, St. Petersburg and Clearwater) in addition to Manatee, Pasco, Citrus, Hernando, and Polk Counties. It serves these surrounding counties on a secondary basis.

Tampa International Airport (TPA) is continuously voted "America's Favorite Airport" because of its revolutionary landside / airside design, which places passenger convenience first. As a result of this passenger-friendly design, TPA continues to rank as the country's best airport in the categories of: clear signage, available ground transportation, ease of reaching gates, closeness of parking and quickness of baggage delivery.

The March 2003 issue of "Conde Nast Traveler" magazine conducted a survey of world travelers and the editors wrote the following:

"The winners, according to our recent poll, are those airports that do the best job on several fronts, from making it easy to arrive and get around to hosting high-quality retail stores and restaurants. Singapore's Changi and Amsterdam's Schiphol held their own as the top two airports in the world - - with overall scores of 75.5 and 62.5 percent, respectively, out of a possible 100 percent. **Third place goes to Tampa.**"

Tampa International Airport is presently served by twenty-two domestic and international carriers. There are a total of fifty-four active gates. In 2004 the airport handled 164.6 million pounds of cargo and 36 million pounds of mail.

Seaboard Coastline Railroad Company serves six domestic carriers and eight all-cargo carriers.

Tampa is the trucking center of the west coast of Florida with major trucking firms maintaining terminals in the City and County. The County is served by interstate and intrastate motor common carriers moving goods throughout the United States.

Intercity bus service is supplied by two lines, which offer frequent daily schedules throughout Florida as well as to the principal cities of the United States.

The county is served by three interstate, three U.S. and several Florida highways. All parts of Florida and bordering states to the north and west can be reached within one day by truck or automobile. Interstate 75 Tampa by-pass and interstate 275 links St. Petersburg, Sarasota continues down to the Florida Keys. This effectively connects Hillsborough, Pinellas and Manatee counties.

Source: Hillsborough County Aviation Authority  
"Conde Nast Traveler", March 2003, Page 68

## **PORT OF TAMPA**

The Port of Tampa is the largest tonnage port in Florida, handling as much cargo as Jacksonville, Port Everglades and Miami's combined. It is one of the largest ports in the United States and it is also the closest full-service deep water port to the Panama Canal. Tampa provides port services and facilities to shippers and consignees throughout Florida, the Gulf of Mexico, the Southeastern United States and beyond.

Historically known as a bulk port, Tampa's deep water and aggressive infrastructure investment program have helped it gain favor as a general cargo hub.

### **FACILITIES:**

The Port of Tampa includes public and private facilities:

- \*\*\* 29,818 linear feet of berth space
- \*\*\* 9 general cargo facilities
- \*\*\* 43 dry and liquid bulk facilities
- \*\*\* 3 cruise terminals
- \*\*\* 3 scrap facilities
- \*\*\* shrimp docks
- \*\*\* 4 ship repair yards with 4 dry-docks

The Tampa Port Authority owns and / or operates more than 100 buildings and more than 2,500 acres of land.

### **DESCRIPTION OF BUSINESS:**

The Tampa Port Authority was created in 1945. It is a "special district of the state", responsible for administering docks, terminal buildings and waterways. It also leases special purpose waterfront facilities to private enterprises. The Authority is responsible for channel and port maintenance. The port's bulk cargo, composing 97% of port traffic, is primarily phosphate and related cargo, and petroleum products.

### **INFRASTRUCTURE PROGRAM:**

The Tampa Port Authority's infrastructure improvement campaign is designed to better serve existing customers and maximize attractiveness to future customers.

The Port is continuing to deepen channels and berths, maintaining Tampa's status as Florida's deepest port, and is undertaking a large number of truck and rail access and staging improvements. A project to extend berth 213 at Hooker's Point Container Terminal was completed in 2005. The terminal equipped with three gantry cranes, will expedite turnaround of container ships. The Port Authority is continuing to invest in security infrastructure helping keep port business and the region safe and secure.

Source: Tampa Port Authority, Public Information

## COLLEGES AND UNIVERSITIES

The University of South Florida (USF), one of the largest universities in the Southeast United States, is a comprehensive metropolitan research institution that was founded by the State Legislature in 1956. The university opened its doors to 1,997 students in 1960 in Tampa, its first and largest campus.

Since then, USF has added three (3) branch campuses and has expanded to over 43,000 students. The university offers 202 undergraduate and advanced degrees, including the M.D. The average SAT score for entering freshmen is roughly 1,134, the average ACT is approximately 24 and the mean high school grade point average is 3.6. USF has the State University System's first four-year Honors College and recently introduced an honors program for community college students. USF students come from all 50 states and more than 100 foreign nations. About one out of every four USF students is a racial or ethnic minority. The university has almost 300 affiliated student organizations and clubs, including 30 fraternities and sororities.

Approximately 1,800 instructional full and part-time faculty and 12,000 total full and part-time staff work at USF. About 90 percent of the faculty hold doctorate or terminal degrees. USF ranks among the top 50 public research universities in the country, with over \$267 million in sponsored research. Faculty work has gained national and international recognition in the areas of accounting, education, engineering, marine science, performing arts and medical research including Alzheimer's disease, immunology, cancer and nutrition. USF also has 55 Eminent Chairs in a variety of disciplines ranging from architecture to swallowing disorders. Faculty serve in Ten colleges and schools: Arts and Science, Business Administration, Education, Engineering, Medicine, Architecture and Community Design, Nursing, Public Health, Marine Science and Visual and Performing Arts.

### TAMPA'S COLLEGES AND UNIVERSITIES

<u>School</u>	<u>Established</u>	<u>2004 Unduplicated Fall Term Enrollment</u>	<u>Highest Degree Offered</u>	<u>Programs</u>
University of South Florida	1956	42,556	Doctorate	Liberal Arts, General; Technical Preparatory; Professional
University of Tampa	1931	4,855	Masters	Same as Above
Tampa College (Florida Metropolitan University)	1890	1,487	Masters	Business, Technical Professional
Florida College	1944	478	B. A.	Liberal Studies, Biblical Studies & Elem. Education
Hillsborough Community College	1968	26,103	A.A. / A.S.	Same as Above

Sources: University of South Florida, Fact Book  
Listed Individual Institutions

## **MILITARY FACILITIES**

MacDill Air Force Base, one of the nation's major installations, is located in the county. It houses the 6th Air Mobility Wing. It is the home of the headquarters for the United States Special Operations Command, United States Central Command and the Joint Communications Support element. MacDill also houses the aircraft operations center for the National Oceanic and Atmospheric Administration (NOAA) which tracks and analyzes atmospheric condition (hurricanes) for the National Hurricane Center in Miami.

Source: MacDill Air Force Base Public Affairs Office

## **MEDICAL FACILITIES**

Hillsborough County has 13 general/specialty hospitals with approximately 3,910 beds. Not included in this count are the Shriner's Hospital for Children, James A. Haley Veteran's Hospital and the USAF 6th Medical Group at MacDill Air Force Base.

One hospital, Vencor Hospital- Central Tampa, is a long-term acute care facility. Tampa General is the county's only civilian teaching hospital.

Services offered at the community hospitals include:

- \*\* Adult cardiac catheterization
  - Brandon Regional Hospital
  - Memorial Hospital of Tampa
  - St. Joseph's Hospital
  - Tampa General Hospital
  - University Community Hospital
- \*\* Pediatric cardiac catheterization
  - St. Joseph's Hospital
- \*\* Adult open heart surgery
  - St. Joseph's Hospital
  - Tampa General Hospital
  - University Community Hospital
- \*\* Pediatric open heart surgery
  - St. Joseph's Hospital
- \*\* Burn unit
  - Tampa General Hospital
- \*\* Transplants
  - H. Lee Moffitt - adult bone marrow
  - St. Joseph's Hospital - adult bone marrow
  - Tampa General Hospital - adult and pediatric kidney, adult heart adult liver & adult lung
- \*\* Trauma facilities
  - St. Joseph's Hospital - level 2 and PRTC (Pediatric Referral Trauma Center) provisional
  - Tampa General Hospital - level 1 and PRTC
- \*\* Neonatal intensive care unit
  - Brandon Regional Hospital - level 2 & 3
  - St. Joseph's Hospital - level 2 & 3
  - Tampa General Hospital - level 2 & 3
  - University Community Hospital - Medical Center - level 2 only

## **NURSING HOMES AND HOSPICES**

- \*\* Hospices  
    Life Path Hospice
  
- \*\* Nursing homes  
    8 hospital - based skilled nursing facilities with a total of 151 skilled nursing beds  
    28 nursing homes with community beds only totaling 3,789 beds  
    5 nursing homes with both community and sheltered beds totaling 625 beds

All totaled there are 33 skilled nursing facilities in Hillsborough County containing 4,193 community beds and 221 sheltered beds. This total excludes hospital based skilled nursing facilities.

Tampa was ranked number 23 out of 100 cities surveyed in Child Magazine's ranking of the "Best Cities for Families". Criteria were: number of pediatricians per capita; proximity of Children's Hospitals; immunization rates; infant mortality rate; air quality; water quality; school spending; pupil-teacher ratio; availability of parks / green space; nearby recreational opportunities; average commute time; number of sunny days; average cost of a 3 bedroom home; unemployment rate; future job growth; crime rate; percentage of children under 5 and mandated minimum child care ratios.

The County's human medical resources include more than 2,781 practicing physicians and surgeons with specialists in all fields of medicine and surgery, in addition to 12,395 practicing registered and practical nurses. The University of South Florida's Colleges of Medicine and Nursing now enroll 420 medical students and 803 nursing students. Hillsborough Community College has 1,266 students in nursing and 71 students in nuclear medicine technology.

Sources: Tampa General Hospital  
University of South Florida, Colleges of Medicine and Nursing  
Hillsborough Community College, Registrar  
City County Planning Commission

## **COMMUNICATIONS**

Fifteen television stations serve the county: six (6) independent stations, six (6) network affiliated stations and three (3) educational stations. In addition, there is one cable television system serving the county.

Thirty-six radio stations are located in the county.

The Tampa Tribune, a morning newspaper, is published daily. There are several weekly newspapers and monthly magazines published in the county. Among these publications is the weekly publication of La Gaceta which serves the growing Hispanic community.

The St. Petersburg Times has a daily circulation of 30,269 and a Sunday circulation of 38,453 in Hillsborough County. The Tampa Tribune has a daily circulation of 238,743 and a Sunday circulation of 315,407.

Sources: Tampa Tribune Market Development Department and TRIBTV  
St. Petersburg Times web site

## **RECREATIONAL FACILITIES AND EVENTS**

Recreational facilities that appeal to both residents and visitors to the county are either located within the county limits or are only a short drive away. Walt Disney World and Sea World are slightly over an hour's drive to the East and many of the state's major attractions are within a 100-mile radius.

Busch Gardens Tampa Bay, is the ultimate family adventure park offering an array of fascinating attractions based on exotic encounters with the African continent. A unique blend of thrilling rides, one of the country's premier zoos featuring more than 2,700 animals, live shows, restaurants, shops and games, Busch Gardens provides unrivaled "real" excitement for guests of every age. The park was recently rated the most popular theme park in Florida among bay area residents.

Raymond James Stadium, managed by the Tampa Sports Authority, has often been referred to as "the jewel of the National Football League". The stadium, which opened September 20, 1998, has one NFL's largest video boards, an animated pirate ship and cove as well as picnic tables and palm trees in the end zone plazas for the enjoyment of the fans. The seating capacity for non-concert events is 65,657. The Tampa Bay Buccaneers and the USF Bulls call Raymond James Stadium home along with other annual events such as the Outback Bowl. Also numerous community, high school and youth events, motor and equestrian events and concerts are held annually at the stadium.

The Florida State Fair is a feast for the senses, and a showcase of the best our state has to offer. On a 319 acre site in eastern Hillsborough County, it's a family friendly, clean and safe tradition for more than half a million people each year. With daily parades, horse shows, livestock competitions, concerts and fabulous Fair food, it's a time when family and friends gather and memories are made. In 2004 the new Ford Amphitheater, with a seating capacity of 20,000, opened on fair grounds property. This covered open-air facility hosts concerts year round.

Whatever your interests, the Florida Strawberry Festival has it all. Exhibits of agriculture, commerce, livestock, fine arts, horticulture and crafts await you. The festival includes social events, competitive contests, youth development programs, top-name entertainment and parades with scores of glorious floats and high-stepping marching bands.

Gasparilla, Tampa's version of Mardi Gras, a bead-and-beer fest that celebrates the city's mythical invasion by a gang of seafaring blokes led by Jose Gaspar. Each February, hundreds of thousands of people turn out along Bayshore Boulevard and downtown Tampa to celebrate the pirate takeover, to watch more than 35 crews in their colorful garb on parade floats, to drink beer and party into the night. A second parade is held at night, with the same cast of characters. through the historic Ybor city section of Tampa.

## **RECREATIONAL FACILITIES AND EVENTS (continued)**

*"OK The first thing you need to know is that Lowry Park Zoo is mega cool. So what if it doesn't have roller coasters or video games? You can pet a kangaroo, see a bald eagle up close and get soaked in the eater fountains. Plus, it just opened an awesome Safari Africa exhibit where you can ride a camel and feed a giraffe.*

*If you don't believe it, just ask Child magazine. It named Lowry Park Zoo the No. 1 zoo for kids, beating out more than 150 others across the country. Check it out in the July (2004) issue, on newsstands now"*  
(1)

Lowry Park Zoo features 41 acres of lush, natural habitats comprising five (5) main exhibit areas: The David A. Straz, Jr. Manatee Hospital, Native Florida Wildlife Center, Asian Domain, Primate World, Free-Flight Aviary and Children's Zoo. Located within a 100 acre city owned park, the zoo is fully accredited by the American Zoo and Aquarium Association (AZA), which supports excellence in conservation education, science and recreation.

Recreational activities, events and facilities located in the Hillsborough County area include:

Adventure Island Water Park	New York Yankees Spring Training
Busch Gardens	Outback Bowl
Equestrian World Cup	Raymond James Stadium
Ford Amphitheater	Seminole Indian Casino
Florida Aquarium	Strawberry Festival
Florida State Fair	Tampa Bay Buccaneers, NFL Football
Gasparilla Distance Classic	Tampa Bay Devil Rays, Major League Baseball
Gasparilla Invasion Festival	Tampa Bay Downs, Horse Racing
GTE Suncoast Seniors Golf Classic	Tampa Bay Lightning, NHL Hockey
Golf Courses (35)	Tampa Bay Storm, Arena Football
Guavaween	Tampa Greyhound Track
Legends Baseball Field	USF & UT Collegiate Sports
Lowry Park Zoo	

Sources: Busch, Gardens, Tampa Bay  
Tampa Sports Authority  
Lowry Park Zoological Garden

(1) "The Tampa Tribune, Baylife Section", Page 1, Karla Jackson, May 31, 2004.

## **CULTURAL PROGRAMS AND FACILITIES**

### Programs

The Arts Council of Hillsborough County and the School District of Hillsborough County have been collaborating on providing arts in education programming since 1976. The mission and driving force of this vital program is to integrate music, visual, performing and literal arts into K - 12 daily instruction through the Artists in Schools Program and the Visual and Performing Arts field trip program. These comprehensive programs provide a variety of arts experiences for hundreds of thousands of students and teachers in every Hillsborough County school each year.

The Arts Council also collaborates with School District personnel to design and implement special projects in the arts, such as the Arts Media Center for music and art specialists, the Water Conservation Theater Project, Arts for Alternative and Magnet Schools, Lasting Legacy installations of public art at school sites and long-term artist residencies at school sites provided through State of Florida Division of Cultural Affairs, grants.

Through the Visual and Performing Arts Field Trips, students and teachers attend high quality, professional performances and exhibitions at venues throughout the Tampa Bay area, including the Tampa Theater, the Tampa Bay Performing Arts Center, Ruth Eckerd Hall, Center Place in Brandon, USF, the Tampa Museum of Art, the Dali Museum and many others.

### Facilities

The Tampa Bay area is rich in cultural, historic and educational facilities. The Tampa Bay Performing Arts Center presents a popular Broadway series, produces original productions and provides educational programming for both the public and the schools. Dynamic and diverse local cultural groups, such as The Florida Orchestra, Spanish Lyric Theater, Stageworks Theater Company, Tampa Oratorio, Masterworks Chorale and Tampa Bay Youth Orchestra perform at the Performing Arts Center and other venues throughout the Bay area.

Museums and historical / educational venues include the Museum of Science and Industry, the Florida Aquarium, Lowry Park Zoo and Bandshell, the Tampa Bay History Center, H.B. Plant Museum, Tampa Museum of Art and the Ybor City State Museum. One of Tampa's jewels is the historic 1926 Tampa Theater, an atmosphere movie palace listed on the National Register of Historic Places. The Theater presents foreign and classic films, concerts, special events and tours.

Source: Arts Council of Hillsborough County

