

SCHOOL BOARD OF BREVARD COUNTY • VIERA, FLORIDA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED JUNE 30, 2017



WWW.BREVARDSCHOOLS.ORG





The School Board of Brevard County, Florida
Viera, Florida

Comprehensive Annual
Financial Report

For the
Fiscal Year Ended June 30, 2017

Prepared by:
Office of Accounting Services



**The School Board of Brevard County, Florida
Comprehensive Annual Financial Report
For the fiscal year ended June 30, 2017**

Table of Contents

INTRODUCTORY SECTION	<u>Page</u>
Letter of Transmittal	i
List of Principal Officials - Elected	vii
List of Principal Officials - Appointed	viii
Organizational Chart	ix
Certificate of Excellence in Financial Reporting (ASBO)	x
Certificate of Achievement for Excellence in Financial Reporting (GFOA).....	xi
 FINANCIAL SECTION	
Independent Auditor's Report.....	1
Management's Discussion and Analysis	5
 Basic Financial Statements	
Government-wide Financial Statements:	
Statement of Net Position	17
Statement of Activities	19
Fund Financial Statements:	
Balance Sheet - Governmental Funds	20
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	23
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds	24
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	28
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General Fund	29
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - Special Revenue Fund- Contracted Programs.....	33
Statement of Net Position - Proprietary Funds	36
Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds	37
Statement of Cash Flows - Proprietary Funds	38
Statement of Fiduciary Assets and Liabilities - Agency Funds	39
Notes to the Basic Financial Statements	41
 Required Supplementary Information	
Single-Employer Other Postemployment Benefits Plan	89
Proportionate Share of Net Pension Liability - Florida Retirement System	90
Proportionate Share of Net Pension Liability - Health Insurance Subsidy Program	91
Contributions - Florida Retirement System.....	92
Contributions - Health Insurance Subsidy Program.....	93

Other Supplementary Information

Page

Schedules of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual:

Major Funds:

Debt Service Fund - Other	97
Local Capital Improvement Capital Projects Fund	98
Local Sales Surtax Capital Projects Fund	99

Combining Financial Statements and Schedules:

Combining Balance Sheet - Nonmajor Governmental Funds	102
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds	104

Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual:

Nonmajor Funds:

Special Revenue Fund - Food Services.....	108
SBE / COBI Bonds Debt Service Fund	109
Section 1011.14/1011.15 Notes Capital Projects Fund	110
Capital Outlay and Debt Service Capital Projects Fund	111
Public Education Capital Outlay Capital Projects Fund	112
Impact Fees Fund	113
Other Capital Projects Fund	114
Combining Statement of Changes in Assets and Liabilities - School Internal Funds	117
Combining Statement of Net Position - Internal Service Funds	120
Combining Statement of Revenues, Expenses and Changes in Fund Net Position - Internal Service Funds	121
Combining Statement of Cash Flows - Internal Service Funds	122
Combining Statement of Net Position - Nonmajor Component Units	125
Combining Statement of Activities - Nonmajor Component Units	128

STATISTICAL SECTION

Financial Trend Information

Net Position by Component	133
Changes in Net Position	134
Governmental Activities Tax Revenues by Source	137
Fund Balances of Governmental Funds	138
Changes in Fund Balances of Governmental Funds	139
Summary of Revenues, Expenditures (by Major Object) and Changes in Fund Balances	
General Fund	142
Special Revenue Fund - Contracted Programs.....	144
Special Revenue Fund - Food Services	146
Debt Service Funds	148
Capital Project Funds	150

Revenue Capacity Information

Assessed and Estimated Actual Value of Taxable Property	153
Property Tax Rates Direct and Overlapping Governments	154
Principal Property Taxpayers	156
Property Tax Levies and Collections	157

STATISTICAL SECTION (continued)

Page

Debt Capacity Information

Ratios of Outstanding Debt by Type	158
Ratios of Certificates of Participation Debt Outstanding.....	159
Calculation of Legal Debt Margin	160
Computation of Direct and Overlapping Bonded Debt	162
Anticipated Capital Outlay Millage Levy Required to Cover Certificate of Participation Payments	163

Demographic and Economic Information

Demographic Statistics and Economic Statistics	164
Principal Employers - Melbourne-Titusville-Palm Bay	165

Operating Information

Capital Asset Information	166
Student Membership Enrollment Data by School	167
Number of Personnel	170
Teacher Base Salaries	171
Food Services Operating Data	172

COMPLIANCE SECTION

Schedule of Expenditures of Federal Awards.....	173
Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters based on an Audit of the Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	175
Independent Auditor's Report on Compliance for each Major Federal Program and Report on Internal Control Over Compliance and Report on the Schedule of Expenditures of Federal Awards required by OMB Circular A-133.....	177
Schedule of Findings and Questioned Costs	180
Summary Schedule of Prior Audit Findings	182
Independent Auditor's Management Letter	183
Independent Accountant's Report	185







School Board of Brevard County

2700 Judge Fran Jamieson Way • Viera, FL 32940-6601

Desmond K. Blackburn, Ph.D., Superintendent



October 30, 2017

Dear Chairman, Members of the Board, and Citizens of Brevard County:

State law requires that all local governments publish, after the close of each fiscal year, a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States of America (GAAP) and audited in accordance with auditing standards generally accepted in the United States of America (GAAS). Pursuant to this requirement, we are pleased to submit the Comprehensive Annual Financial Report (CAFR) of The School Board of Brevard County, Florida (the "School Board" or the "District") together with the audit opinion of Moore Stephens Lovelace P.A.

The accompanying report includes all funds of the District, the Brevard County School Board Leasing Corporation, the Brevard Schools Foundation, and the District's charter schools, which comprise the reporting entity. The Brevard County School Board Leasing Corporation was formed by the School Board to be the lessor in connection with financing the acquisition and/or construction of certain educational facilities. The Brevard County School Board Leasing Corporation is identified as a component unit, requiring blended presentation of the financial statements. The purpose of the Brevard Schools Foundation is exclusively educational and charitable for the constituents of Brevard County; District charter schools are public schools under the sponsorship of the School Board. The Brevard Schools Foundation and the District's charter schools are included as discretely presented component units.

Management assumes full responsibility for the completeness and reliability of the information presented in this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect 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 the benefits, the District's framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements are free from material misstatements. As management, we assert that, to the best of our knowledge and belief, the financial statements presented herewith are complete and reliable in all material respects.

Florida Statutes, section 218.39, requires each school district to complete an annual audit of its accounts and records by an independent certified public accountant. The District has engaged Moore Stephens Lovelace P.A. to conduct the District's audit for the fiscal year ending June 30, 2017. The goal of the independent audit is to provide reasonable assurance that the financial statements of the District are free of material misstatements. Based on their audit, Moore Stephens Lovelace P.A. has concluded that there is a reasonable basis for rendering an unmodified opinion on the District's financial statements, for the fiscal year ended June 30, 2017. The report of Moore Stephens Lovelace P.A. is presented as the first component of the financial section of this report. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996 and the United States Office of Management and Budget ("OMB") Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Information related to this single audit, including the schedule of expenditures of Federal awards, findings and questioned costs; and the independent auditor's report on internal controls and compliance with applicable requirements, are included in the single audit section.

Phone: (321) 633-1000, ext. 402 • Fax: (321) 633-3432

Generally accepted accounting principles used in the United States of America also require management to provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This introductory letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The MD&A can be found immediately following the report of the independent auditors in the financial section of this report.

PROFILE OF THE SCHOOL BOARD

The Brevard School District and its governing board were created pursuant to Section 4, Article IX of the Constitution of the State of Florida. The District is an independent taxing and reporting entity managed, controlled, and operated by District school officials in accordance with Chapter 1001, Florida Statutes. The Board consists of five elected officials responsible for the adoption of policies, which govern the operation of the District's public schools. The School Board appoints the Superintendent of Schools as the chief executive officer who is responsible for administration and management. The Superintendent is also specifically delegated the responsibility of maintaining a uniform system of records and accounts in the District pursuant to Section 1010.01, Florida Statutes.

During the 2016-17 fiscal year, the District operated ninety-three schools, including fifty-five elementary, eleven middle, four junior/senior, twelve high schools, and sponsored eleven charter schools. The District also operates four adult education centers. The majority of operating funds are received through a state funding formula that is intended to equalize funding, received from the state and local property taxes, between districts within the state. Charter schools operating through a contract with the District are provided with their proportionate share of these funds, based on the number of full-time equivalent students enrolled at the charter school. Student enrollment for fiscal year 2016-17 was 75,014 including 5,349 charter school students. Projected student enrollment for fiscal year 2017-18 is 75,630, including 5,961 charter school students. The average age of the District's schools is forty-two years. The School Board is the tenth largest of sixty-seven districts in the state of Florida, the forty-eighth largest district in the nation, and is the single largest employer in Brevard with over 9,300 employees.

The geographic boundaries of the District are consistent with the geographic boundaries of Brevard County, encompassing approximately 1,300 square miles along the Atlantic Ocean and is located near the center of Florida's east coast. The County is approximately seventy-two miles long, north to south, and is bordered on the north by Volusia County and on the south by Indian River County. The county extends about twenty miles inland from the Atlantic Ocean, with the St. Johns River forming its western boundary.

ECONOMIC CONDITIONS AND OUTLOOK

The county's current population is estimated at 568,919, and is projected to increase to 595,688 by calendar year 2020 and 625,483 by calendar year 2025. Unemployment has decreased from its high of 11 percent to 4.4 percent at the end of June, 2017. Unemployment for the same period for the state of Florida was at 4.4 percent, compared to the national average of 4.4 percent. The median age of the county's population is approximately 47.5 years.

Brevard County, also known as the "Space Coast", has a diverse economic base that includes high technology, aviation and aerospace, health care, agriculture and tourism. The Space Coast boasts the largest share of science, technology, and engineering jobs in Florida and is considered to be the home of the most concentrated high-tech economy in the State and the sixteenth most concentrated in the nation. The County is anchored by large high tech companies such as General Electric, Lockheed Martin, Northrop Grumman, Embraer, Harris Corporation and Space X, to name a few. Many of these companies have moved into the County or expanded existing facilities to take advantage of a well-trained and available workforce after the retirement of the space shuttle program.

The County is the home of Port Canaveral, the second busiest multi-day cruise embarkation port in the world, with goals to reach number one in the near future. The Port welcomed 4 million cruise passengers and handled 4 million tons of cargo in 2017 and continues to be a key economic leader in Brevard's economy, generating revenues and employment growth for the county. Port Canaveral is also home to U.S. Army, Navy, and Air Force facilities, including Surface Deployment and Distribution, and serves as an important export gateway for U.S. government cargo.

Florida's Space Coast includes 72 miles of pristine beaches and an average temperature of 73 degrees and draws more than 2.5 million tourists annually. The county's economy continues to trend upward, showing signs of recovery and slight growth, and is expected to track closely with overall growth in the State of Florida.

MAJOR INITIATIVES

School Grades – Brevard is ranked as an A school district and is ranked number one among the 14 large Florida districts for college and career acceleration. In the 2016-17 school year, the percentage of A schools rose from 34 to 40 percent and the percentage of B schools rose from 26 to 30 percent. Ninety-three percent of Brevard's schools received an A, B, or C grade in the 2016-17 school year.

College and Career Readiness – The implementation of the College and Career Readiness initiative is a district-wide focus on increased rigor, relevance, and relationships for all secondary students. Career academies and collegiate high school programs include *Advanced International Certificate of Education (AICE)*, *Pre-Advanced International Certificate of Education (Pre-AICE)*, *Lower Secondary Programs and Middle Years Programs (MYP)*, and *International Baccalaureate Programs (IB)*. In addition, all secondary students have the opportunity to enroll in *Advanced Placement (AP)* courses for acceleration. For the eighth consecutive year, Brevard's mean SAT college entrance exam scores were above the state and national averages in Reading, Math, and Writing. The ACT college entrance exam covers English, Reading, Math and Science and is taken by all Brevard students in the eleventh grade. Average ACT scores have ranked above Florida averages for the past five years.

Career and Technical Education (CTE) – Career and Technical Education programs are a vital component of the District's initiative for all students to be college and career ready. Graduation requirements mandate that all graduates either complete three credits in accelerated programs or three credits in a sequential CTE program leading to a credential endorsed by industry. District-wide, there are twenty-two career academies currently in place.

Graduation Rate and Dropout Rate – Graduation rates for the 2015-16 school year were 87.5 percent, ranking Brevard as sixth in the state. For the 2015-16 school year, Brevard's dropout rate is at 1.7 percent, well below the state average of 3.8 percent. Information is not yet available for the 2016-17 school year.

Half-Cent Sales Surtax – In November 2014, Brevard County voters approved a half-cent sales surtax, effective January 1, 2015 through December 31, 2020. The district created the Independent Citizens Oversight Committee (ICOC) to maintain the highest levels of transparency and accountability to the citizens of Brevard County. With the additional revenue generated by this surtax, the district to date has upgraded or renovated projects at 42 locations throughout the District, totaling over \$88 million.

FINANCIAL INFORMATION

Budgetary Controls – The District maintains budgetary controls over all District funds. 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, Capital Projects Funds, Internal Service Funds, and the Enterprise Fund are included in the annual appropriated budget. Project-length financial plans are adopted for Capital Projects Funds; the funding is contingent upon the annual budget adoption.

Budgetary control is maintained for individual accounts or groups of accounts reported in the District's accounting system, which encumbers budget balances as purchase orders are issued. Appropriations lapse at year-end and encumbrances are re-appropriated as part of the subsequent year's budget.

In order to provide budgetary control for personnel costs, the District utilizes a centralized position control system. The School Board annually adopts a staffing plan for teaching positions based on student population. Support and administrative positions are also allocated based on criteria established by the Board.

Internal Controls – Management of the District is responsible for establishing and maintaining an internal control system designed to ensure that the assets of the District are protected from loss, theft, or misuse and to ensure that adequate accounting data for the preparation of financial statements is in conformity with generally accepted accounting principles. The internal control system is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that the cost of controls should not exceed the benefits likely to be derived, and the valuation of costs and benefits requires estimates and judgments by management. Management believes that the internal controls of the District adequately meet these objectives.

OTHER INFORMATION

Audit Committee – The School Board has created an Audit Committee, which includes five voting voluntary community members, each appointed by a respective Board member. The Board Chairman acts as an ex-officio member of the committee; the Superintendent and selected staff provide support to the committee and attend all meetings. The Audit Committee assists the District's management team in maintaining a high level of accountability and fiscal responsibility to the School Board and its citizenry. School Board policy 6700 provides the Audit Committee with oversight responsibility for the audit functions and also the authority to act in an advisory capacity to assist District management and the Board in implementing change through the audit process. School Board policy 6705 provides a charter which directs Audit Committee members through the audit process as needed.

The Audit Committee meets at least one time per quarter to review internal audit reports and to provide input related to operational improvement through a risk-based approach. The Board Chairman, Superintendent, members of senior staff, and Financial Services Division personnel also participate in the quarterly review process. The Audit Committee Chairman presents a public report to the Board regarding progress and findings at least once per fiscal year.

REPORTING ACHIEVEMENTS

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the School Board of Brevard County for its comprehensive annual financial report for the fiscal year ended June 30, 2016. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting

principles and applicable legal requirements. The Certificate of Achievement is valid for a period of one year.

The Association of School Business Officials International (ASBO) awarded the Certificate of Excellence in Financial Reporting for the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2016. This award is valid for one year, and certifies that the report substantially conforms to the principles and standards of financial reporting as recommended and adopted by the Association of School Business Officials International.

We believe that our current comprehensive annual financial report meets the requirements of the Certificate of Achievement Program and the Certificate of Excellence Program, and it will be submitted to both the GFOA and ASBO to determine its eligibility to receive these prestigious awards for the fiscal year ended June 30, 2017.

ACKNOWLEDGEMENT

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire staff of Accounting Services, which provided assistance and support throughout the preparation of this report.

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

Respectfully submitted,



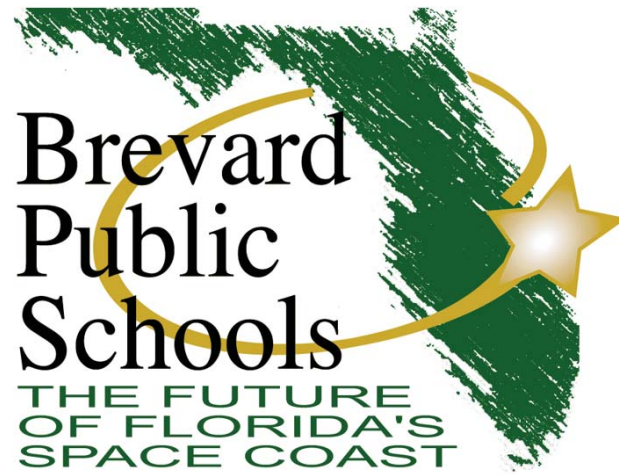
Desmond K. Blackburn, Ph.D.
Superintendent of Schools



Pennie L. Zuercher
Chief Financial Officer
Financial Services



JoAnn Clark, CPA
Director of Accounting Services



THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA

LIST OF PRINCIPAL OFFICIALS - ELECTED



Ms. Misty Belford, Chairman

Member from District 1
Member since November 2014
Current term expires November 2018

Mr. John Craig, Vice Chairman

Member from District 2
Member since November 2014
Current term expires November 2018



Ms. Tina Descovich

Member from District 3
Member since November 2016
Current term expires November 2020

Mr. Matt Susin

Member from District 4
Member since November 2016
Current term expires November 2020



Mr. Andy Ziegler

Member from District 5
Member since November 2008
Current term expires November 2018

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA

LIST OF PRINCIPAL OFFICIALS – APPOINTED

Dr. Desmond Blackburn	Superintendent
Dr. Carol Kindt	Deputy Superintendent Chief Human Resources Officer
Dr. Mark Mullins	Deputy Superintendent Chief Operating Officer
Pennie Zuercher	Chief Financial Officer
Dane Theodore	Assistant Superintendent Facilities Services
Dr. Beth Thedy	Assistant Superintendent Student Services
Russell Cheatham	Assistant Superintendent Educational Technology Services
Jane Cline	Assistant Superintendent Elementary Leading & Learning
Dr. Stephanie Soliven	Assistant Superintendent Secondary Leading & Learning
Stephanie Archer	Assistant Superintendent Equity, Innovation and Choice
Matt Reed	Assistant Superintendent Government & Community Relations
Amy D. Envall	General Counsel

School Board of Brevard County, Florida Organizational Chart





ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL

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

The School Board of Brevard County, Florida

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2016.**

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



A handwritten signature in black ink, appearing to read 'Anthony N. Dragona', written over a horizontal line.

Anthony N. Dragona, Ed.D., RSBA
President

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

John D. Musso, CAE
Executive Director



Government Finance Officers Association

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

Presented to

**The School Board of Brevard County
Florida**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2016

Executive Director/CEO









Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

Chairman and Members of
The District School Board of Brevard County, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District School Board of Brevard County, Florida (the "District") as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the Charter Schools or Brevard Schools Foundation, Inc., which comprises 100 percent of the assets, net position, and revenues of the discretely presented component units of the District. Those financial statements were audited by other auditors, whose reports have been furnished to us and, our opinion, insofar as it relates to the amounts included for the discretely presented component units, is based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

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

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

INDEPENDENT AUDITOR'S REPORT
(Continued)

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to in the first paragraph present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District as of June 30, 2017, and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparison for the general fund and major special revenue funds for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis, Schedule of Funding Progress – Other Postemployment Benefits Plan, and Pension Schedules, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

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

The combining and individual major and non-major fund financial statements and schedules are the responsibility of management and were derived from, and relate directly to, the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual major and non-major fund financial statements and schedules are fairly stated, in all material respects, in relation to the financial statements as a whole.

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

Chairman and Members of
The District School Board of Brevard County, Florida

INDEPENDENT AUDITOR'S REPORT
(Concluded)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 30, 2017, on our consideration of the District's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.



MOORE STEPHENS LOVELACE, P.A.

Certified Public Accountants

Orlando, Florida
October 30, 2017



MANAGEMENT'S DISCUSSION AND ANALYSIS

The Management of the School Board of Brevard County, Florida (the District) has prepared the following discussion and analysis to provide an overview of the District's financial activities for the fiscal year ended June 30, 2017. The information contained in the Management's Discussion and Analysis (MD&A) is intended to highlight significant transactions, events, and conditions and should be considered in conjunction with the District's financial statements and the notes to the financial statements, found on pages 41 through 86.

FINANCIAL HIGHLIGHTS

Key financial highlights for the 2017 fiscal year are as follows:

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows or resources for the governmental activities, at June 30, 2017, by \$251.6 million. Of this amount, \$336.9 million represents a net investment in capital assets and \$(85.2) million represents restricted and unrestricted net position of \$123.5 million and \$(208.7) million, respectively.
- The District's total net position for governmental activities increased by \$27.4 million, or 12.2 percent.
- Program revenues for governmental activities accounted for \$48.4 million, or 6.6 percent of total revenues. General revenues and transfers accounted for \$ 686.9 million, or 93.4 percent of the combined amount.
- The governmental funds reported combined fund balances of \$183.8 million, an increase of \$26.6 million, or 16.9 percent, in comparison to the prior fiscal year. The fund balances are comprised of \$2.7 million of non-spendable, \$125.6 million of restricted, \$7.9 million of assigned, and \$47.6 million in unassigned funds.
- At the end of the fiscal year, the fund balance for the general fund was \$57.6 million, or 10.7 percent, of the general fund revenues. This fund balance was comprised of \$.9 million of non-spendable, \$6.5 million of restricted, \$2.6 million assigned, and \$47.6 million of unassigned funds.

OVERVIEW OF THE FINANCIAL STATEMENTS

The basic financial statements consist of three components:

- Government-wide financial statements
- Fund financial statements
- Notes to financial statements

Government-Wide Financial Statements

The government-wide financial statements provide both short-term and long-term information about the District's overall financial condition in a manner similar to those of a private-sector business. The statements include a statement of net position and a statement of activities that are designed to provide consolidated financial information about the governmental and business-type activities of the primary government presented on the accrual basis of accounting. The statement of net position provides information about the government's financial position, its assets, deferred outflows, liabilities, and deferred inflows, using an economic resources measurement focus. Net position is a measurement of the financial health of the District. The statement of activities presents information about the change in the District's financial position or the results of operations, during the fiscal year.

An increase or decrease in net position is potential indication of whether the District's financial health is improving or deteriorating.

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

- Governmental activities – These activities represent most of the District's services, including educational programs such as basic, vocational, adult, and exceptional education. Support functions such as transportation and administration are also included. Local property taxes and the State's education finance program (FEFP) provide most of the resources that support these activities.
- Business-type activities – The District charges fees to cover the cost of the services it provides for its Extended Day Care program.
- Component units – The District has identified twelve separate legal entities which meet the criteria to be included as a component unit, including eleven charter schools and the Brevard Schools Foundation. Although legally separate organizations, the component units are included in this report because they meet the criteria for inclusion provided by generally accepted accounting principles. Financial information for these component units is reported separately from the financial information presented for the primary government. The Brevard County School Board Leasing Corporation, although a legally separate entity, was formed to facilitate financing for the acquisition of facilities and equipment for the District. Due to the substantive economic relationship between the District and the Leasing Corporation, the Leasing Corporation has been included as an integral part of the primary government.

Fund Financial Statements

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

Governmental Funds

Most of the District's activities are reported in governmental funds, which focus on how money flows into and out of those funds and the balances left at year-end available for spending in future periods. These funds are reported using the modified accrual accounting method, which measures cash and other financial assets that can readily be converted to cash. The governmental fund statements provide a detailed short-term view of the District's general governmental operations and the basic services it provides. Governmental fund information helps the reader determine whether there are more or less financial resources available to spend in the near future to finance the District's programs. The relationship (or differences) between governmental activities (reported in the Statement of Net Position and the Statement of Activities) and governmental funds is reconciled in the basic financial statements.

The District has the following governmental funds: general, debt service, special revenue (including the school food services) and capital projects. Within fund types, the District currently maintains twelve (12) major and non-major funds. Of those funds, the General Fund, Special Revenue Fund – Other Federal Programs fund, Debt Service – Other fund, Capital Projects – Local Capital Improvement fund and Capital Projects – Other Capital Projects fund are considered to be major funds. Data from the nonmajor governmental funds are combined into a single, aggregate presentation.

The District adopts an annual appropriated budget for its governmental funds. A budgetary comparison statement has been presented for the general fund and major special revenue fund to demonstrate compliance with the budget.

Proprietary Funds

Proprietary funds have been established to account for activities in which a fee is charged for services. Two types of proprietary funds are maintained:

- Enterprise funds are used to report the same functions as business-type activities in the government-wide financial statements. The District uses the enterprise funds to account for its Extended Day Care program through enterprise fund reporting.
- Internal service funds are used to report activities that provide goods and services to support the District's other programs and functions through user charges. The District uses the internal service funds to account for its self-insurance programs. Since these services predominately benefit governmental rather than business-type functions, the internal service funds have been included within governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. Conversely, the internal service funds are combined into a single, aggregated column in the proprietary fund statements.

Fiduciary Funds

Fiduciary funds are used to report assets held with a trustee, or in a fiduciary capacity for the benefit of external parties, such as student activity funds. Fiduciary funds are not reflected in the government-wide statements because the resources are not available to support the District's own programs. The District uses agency funds to account for resources held for student activities.

Notes to the Financial Statements

The notes to the financial statements contain additional information, which is intended to supplement and further explain the government-wide and fund financial statements.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. The following is a summary of the District's net position as of June 30, 2017, compared to net position as of June 30, 2016.

Condensed Statement of Net Position
June 30, 2017 and 2016
(amounts expressed in thousands)

	Governmental		Business-type		Total	
	2017	2016	2017	2016	2017	2016
Current and other assets	\$ 294,757	\$ 268,876	\$ 905	\$ 1,398	\$ 295,662	\$ 270,274
Capital assets, net	797,052	797,128	60	69	797,112	797,197
Total assets	<u>1,091,809</u>	<u>1,066,004</u>	<u>965</u>	<u>1,467</u>	<u>1,092,774</u>	<u>1,067,471</u>
Deferred Outflows of Resources	<u>152,847</u>	<u>73,708</u>	<u>1,349</u>	<u>551</u>	<u>154,196</u>	<u>74,259</u>
Current and other liabilities	71,852	70,790	114	112	71,966	70,902
Long-term liabilities	912,005	810,348	3,847	2,632	915,852	812,980
Total liabilities	<u>983,857</u>	<u>881,138</u>	<u>3,961</u>	<u>2,744</u>	<u>987,818</u>	<u>883,882</u>
Deferred Inflows of Resources	<u>9,179</u>	<u>34,340</u>	<u>92</u>	<u>349</u>	<u>9,271</u>	<u>34,689</u>
Net Position:						
Net investment in capital assets	336,903	322,929	60	69	336,963	322,998
Restricted	123,462	109,412	-	-	123,462	109,412
Unrestricted	(208,746)	(208,107)	(1,800)	(1,144)	(210,546)	(209,251)
Total net position	<u>\$ 251,619</u>	<u>\$ 224,234</u>	<u>\$ (1,740)</u>	<u>\$ (1,075)</u>	<u>\$ 249,879</u>	<u>\$ 223,159</u>

Within the District's governmental activities, the assets exceeded liabilities by \$251.6 million at the end of the fiscal year. The largest portion of the District's net position, \$336.9 million, reflects its investment in capital assets less any related debt used to acquire those assets. The District uses capital assets to provide services; 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 the capital assets themselves cannot be used to liquidate these liabilities. The remainder of net position is comprised of a restricted balance of \$123.5 million, which is externally restricted for specific uses and an unrestricted net position of \$(208.7) million.

The key elements of the changes in the District's net position for the fiscal years ended June 30, 2017, and June 30, 2016, are as follows:

The School Board of Brevard County, Florida - Changes in Net Position
June 30, 2017 and 2016
(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	2017	2016	2017	2016	2017	2016
Revenues:						
Program revenues:						
Charges for services	\$ 9,006	\$ 9,332	\$ 7,286	\$ 7,086	16,292	\$ 16,418
Operating grants and contributions	34,084	34,239			34,084	34,239
Capital grants and contributions	5,342	4,512			5,342	4,512
General revenues:						
Property taxes, levied for general purposes	187,637	185,146			187,637	185,146
Property taxes, levied for capital projects	51,961	48,092			51,961	48,092
Local sales taxes	44,914	41,642			44,914	41,642
Grants and contributions, non-restricted	389,939	388,034			389,939	388,034
Miscellaneous	8,643	6,659	6	6	8,649	6,665
Unrestricted investment earnings	1,527	1,494			1,527	1,494
Total revenues	<u>733,053</u>	<u>719,150</u>	<u>7,292</u>	<u>7,092</u>	<u>740,345</u>	<u>726,242</u>
Expenses:						
Instruction	384,378	363,326			384,378	363,326
Pupil personnel services	25,682	24,344			25,682	24,344
Instructional media services	7,530	7,361			7,530	7,361
Instruction and curriculum	27,238	24,362			27,238	24,362
Instructional staff training services	6,203	6,327			6,203	6,327
Instruction related technology	10,658	10,577			10,658	10,577
Board of education	1,159	1,006			1,159	1,006
General administration	3,322	3,811			3,322	3,811
School administration	39,813	36,628			39,813	36,628
Non-capital facilities acquisitions & construction	26,526	18,254			26,526	18,254
Fiscal services	2,809	2,618			2,809	2,618
Food services	30,441	29,315			30,441	29,315
Central services	6,756	6,308			6,756	6,308
Pupil transportation	19,953	19,498			19,953	19,498
Operation of plant	45,830	44,198			45,830	44,198
Maintenance of plant	10,280	10,816			10,280	10,816
Administrative technology services	3,733	3,678			3,733	3,678
Community services	1,634	1,397			1,634	1,397
Interest on long-term debt	18,264	19,186			18,264	19,186
Unallocated depreciation	35,758	35,952			35,758	35,952
Extended day program	-	-	5,658	5,499	5,658	5,499
Total expenses	<u>707,967</u>	<u>668,962</u>	<u>5,658</u>	<u>5,499</u>	<u>713,625</u>	<u>674,461</u>
Excess (deficiency) of revenues over (under) expenses before transfers	25,086	50,188	1,634	1,593	26,720	51,781
Transfers	2,299	2,299	(2,299)	(2,299)	-	-
Change in net position	27,385	52,487	(665)	(706)	26,720	51,781
Net position, beginning	224,234	171,747	(1,075)	(369)	223,159	171,378
Net position, ending	<u>\$ 251,619</u>	<u>\$ 224,234</u>	<u>\$ (1,740)</u>	<u>\$ (1,075)</u>	<u>249,879</u>	<u>\$ 223,159</u>

Governmental Activities

The District's governmental activities net position increased by \$27.3 million from fiscal year 2016. Key components of this increase are as follows:

- Property taxes for all governmental activities increased by \$6.4 million, or 2.7 percent over the previous year. This overall change is due to an increase in tax collections resulting from increases in property values and home ownership.
- In November 2014, the citizens of Brevard County authorized a half-cent sales tax surtax to fund capital needs of the District. The surtax was effective January 2015 and will continue through December 2020. Reported revenues were \$44.9 million in fiscal 2017, an increase of \$3.3 million from the prior year.
- Impact fee revenue was \$9.2 million, a decrease of \$3.2 million from the prior year.
- The District's State FEFP allocations increased by \$4.8 million, or 1.5% over the previous year.

Business-Type Activities

The Business-type activity net position decreased by \$.7 million from fiscal year 2016, due to an increase in operating costs for the District's daycare operations, and a transfer of \$2.3 million to the General fund as a repayment of shortfalls previously incurred in the business activities and funded by the General fund during prior years.

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

The District's governmental funds reported a combined fund balance of \$183.8 million, which is a \$26.6 million increase from last year's combined governmental fund balances of \$157.2 million. The following schedule indicates the fund balances and the total change in fund balances by major fund and other governmental funds (non-major) as reported in the basic financial statements for the fiscal years ended June 30, 2017 and 2016. Net increases in fund balance were due in part to cost saving measures during the current year, combined with certain revenue source increases previously mentioned for governmental activities.

<i>Fund Balance</i> <i>(in thousands)</i>	2017	2016	Increase (Decrease)	Percentage Change
General Fund	\$ 57,638	\$ 48,236	\$ 9,402	19.49
Debt service fund - other	3,999	3,857	142	3.68
Capital projects funds:				
Local capital improvement	27,021	28,625	(1,604)	(5.60)
Local sales surtax	46,554	40,955	5,599	13.67
Other governmental funds (non-major)	48,612	35,516	13,096	36.87
Total	\$ 183,824	\$ 157,189	\$ 26,635	16.94

Governmental funds fund balances are further classified as nonspendable, restricted, assigned or unassigned to indicate limitations that affect the availability of fund resources for future use. Detailed information regarding fund balance is included in the notes to the financial statements (Note 20).

General Fund

Fund balance for the general fund had a net increase of \$9.4 million, compared to a net increase of \$.1 million in the prior year. The tables and data that follow illustrate the financial activities and changes in fund balance for the general fund.

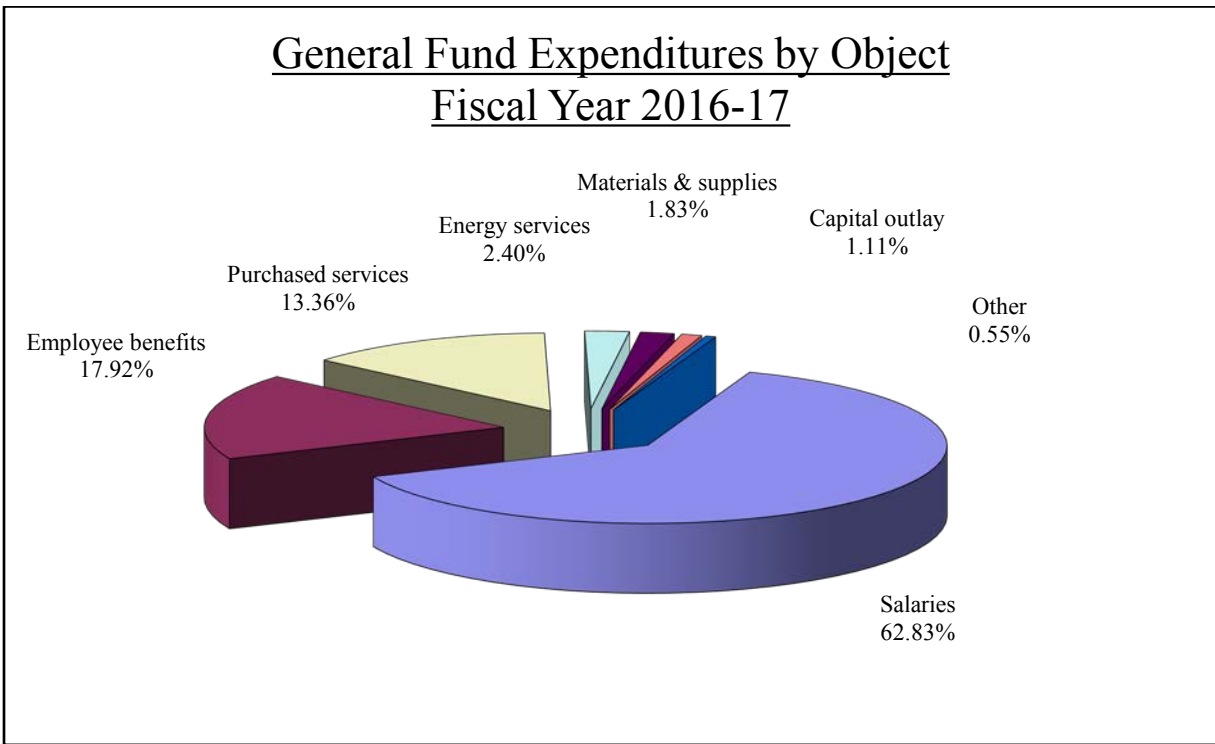
Revenues <i>(in thousands)</i>	2017	2016	Increase (Decrease)	Percentage Change
Taxes	\$ 187,637	\$ 185,146	\$ 2,491	1.35
Interest earnings	741	497	244	49.09
State revenues	336,200	330,326	5,874	1.78
Federal revenues	2,469	3,414	(945)	(27.68)
Other revenues	9,387	6,867	2,520	36.70
Total	\$ 536,434	\$ 526,250	\$ 10,184	1.94

General fund property tax revenues increased by \$2.5 million, or 1.4 percent. Other combined revenues increased overall by \$7.7 million. FEFP revenue was the largest contributor with a \$4.8 million increase which included revenue adjustments for state allocations such as: Workforce Development, Base Student, Virtual Education, Supplemental Academic Instruction, and ESE Guaranteed Allocation.

As the table below illustrates, the largest portions of general fund expenditures are for salaries and fringe benefits. The District is a service entity and as such is labor intensive.

Expenditures by Object <i>(in thousands)</i>	2017	2016	Increase (Decrease)	Percentage Change
Salaries	\$ 333,021	\$ 334,333	\$ (1,312)	(0.39)
Employee benefits	95,005	93,867	1,138	1.21
Purchased services	70,834	68,106	2,728	4.01
Energy services	12,730	12,445	285	2.29
Materials & supplies	9,712	11,343	(1,631)	(14.38)
Capital outlay	5,897	5,738	159	2.77
Other	2,898	3,342	(444)	(13.29)
Total	\$ 530,097	\$ 529,174	\$ 923	0.17

General Fund Expenditures by Object Fiscal Year 2016-17



The net decrease in labor and fringe benefits of \$1.7 million is primarily due to increases in health insurance costs being offset by a reduction in salaries. Purchased services increased \$2.7 million, primarily due to an increase in the number of charter schools and the funding amounts distributed to them. Materials and supplies decreased by \$1.6 million due to a reduction in instruction costs. Increases in Energy services and capital outlay of \$.4 million offset the reduction in other expenditures account of \$.4 million.

Special Revenue – Contracted Programs

The Special Revenue – Other Federal Projects fund revenues decreased by \$.5 million compared to fiscal year 2016. The change was due to a decreases in Federal Direct Grants.

Debt Service Fund - Other

The fund balance of the Debt Service Fund - Other was essentially unchanged, increasing only \$.1 million from the prior year, as transfers in from other funds kept pace with small increases in scheduled principal and interest payments on long-term debt.

Capital Projects - Local Capital Improvement Fund

The fund balance of the capital projects - local capital improvement fund decreased by \$1.6 million, or 5.6 percent. Revenues increased by \$ 3.9 million over fiscal year 2016 as property values continue to increase in Brevard County, but were offset by operating transfers of \$40.8 million, a decrease of \$.2 million from the prior year. The majority of the transfers were made to the debt service funds to cover a portion of principal and interest payments on long-term debt.

Capital Projects – Local Sales Surtax Fund

Changes in this fund are due primarily to the Local Sales Surtax fund, established in fiscal year 2015 to account for revenues generated by the sales surtax approved by voters in November 2014. Surtax collections during fiscal year 2017 were \$ 44.9 million, an increase of \$ 3.3 million from the prior year.

GENERAL FUND BUDGETARY HIGHLIGHTS

The District's budget is prepared in accordance with Florida Statutes and is based on the modified accrual basis of accounting, which is the same basis used to account for actual transactions. The most significant budgeted fund is the general fund.

The District amends its budget throughout the fiscal year to reflect changes in available revenues and anticipated expenditures. General fund expenditures were originally budgeted at \$543.4 million and actual expenditures were lower than the original budget by \$13.3 million, and \$29.3 million under the amended budget. The amended budget increased expenditures \$16.0 million over the original budget. This increase was offset thru \$1.8 million decrease in other financing uses, \$2.9 million reduction in total revenues and a \$19.9 million reduction in budgeted fund balance primarily for contingency purposes of Policy 6120. During the fiscal year ended June 30, 2017, all governmental fund types were amended to reflect adjustments to appropriations due to changes in student counts, the addition of new education programs, adherence to policy directives, management initiatives, etc. These amendments were made as part of the routine budget process of the District, none of which were deemed to be significant by management.

CAPITAL ASSETS AND LONG-TERM LIABILITIES

Capital Assets

The District has \$797.1 million invested in capital assets net of depreciation, with virtually all of it attributed to governmental activities. This investment in capital assets includes: land; construction in process; software in process; improvements other than buildings; buildings and fixed equipment; furniture, fixtures and equipment; motor vehicles; audio-visual materials; computer software and property under capital lease.

The District placed \$16.0 million in new capital assets into service during fiscal year 2017. The majority of the acquisitions were capital improvements, furniture, computer equipment and software replacement throughout the District. The District also incurred \$29.9 million on construction and renovation projects that it expects to complete in the next fiscal year. Depreciation of existing assets totaled \$37.4 million, with \$1.6 million directly charged to the Transportation function. The District also retired \$10.8 million of unusable or obsolete furniture, equipment, motor vehicles; and computer software. Detailed information regarding capital asset activity is included in the notes to the financial statements (Note 5).

Long-Term Liabilities

At June 30, 2017, the District had a total of \$ 471.1 million in outstanding long-term debt, comprised of \$2.9 million of State Board of Education bonds issued on behalf of the District, and \$468.2 million in outstanding certificates of participation. Other significant long term liabilities are self-insurance claims of \$17.4 million; other post-employment benefit obligations of \$36.6 million, and compensated absences for District employees of \$41.0 million. The District also reported a net pension liability of \$349.8 million, representing the District's proportionate share of the Florida Retirement System pension plan.

The portion of all these obligations estimated to be due within one year is \$33.7 million. Detailed information regarding long-term debt activity can be found in the notes to the financial statements (Note 10).

OTHER MATTERS OF SIGNIFICANCE

The District adopted millage rates for the 2018 fiscal year in September, 2017. The adopted rate for required local effort (RLE) was 4.320 mills, a decrease of .348 mills from the 2016 fiscal year. The adopted local levy of .748 mills and the capital outlay millage of 1.5 mills are unchanged from the 2017 fiscal year. The District also adopted its budget for fiscal year 2018 in September 2017. Budgeted General fund revenues are \$548.2 million and budgeted expenditures are \$555.1 million.

The State of Florida and the District experienced gradual improvement in the economy over the past year. The District has a long-standing practice of conservative spending and diligent monitoring of actual vs. budgeted expenditures. The District's strategic plan, approved in July 2016, reinforces this practice with objectives related to review of cost-saving measures and operational efficiency districtwide on a continual basis.

REQUESTS FOR INFORMATION

This comprehensive annual financial report is designed to provide a general financial overview of the School Board of Brevard County, Florida. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the School Board of Brevard County, Florida, Attn: Chief Financial Officer, or Director of Accounting Services at 2700 Judge Fran Jamieson Way, Viera, FL 32940.

BASIC FINANCIAL STATEMENTS



The School Board of Brevard County, Florida
Statement of Net Position
June 30, 2017

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
ASSETS				
Cash and cash equivalents	\$ 60,567,800	\$ 890,563	\$ 61,458,363	\$ 7,609,627
Investments	168,198,654	-	168,198,654	3,157,151
Receivables	389,950	-	389,950	303,773
Prepaid items	-	-	-	2,867,054
Due from other agencies	19,017,804	13,578	19,031,382	733,350
Inventories	2,694,616	-	2,694,616	248,585
Deposits	-	-	-	189,796
Cash with Fiscal/Service agents	43,888,521	-	43,888,521	2,310,149
Capital assets:				
Non-depreciable	83,529,482	-	83,529,482	5,108,584
Depreciable (net)	713,522,388	60,390	713,582,778	24,974,639
Total assets	<u>1,091,809,215</u>	<u>964,531</u>	<u>1,092,773,746</u>	<u>47,502,708</u>
DEFERRED OUTFLOWS OF RESOURCES				
Net carrying amount of debt refunding	17,626,401	-	17,626,401	2,908,125
Pension	135,220,587	1,348,588	136,569,175	-
Total deferred outflows of resources	<u>152,846,988</u>	<u>1,348,588</u>	<u>154,195,576</u>	<u>2,908,125</u>
LIABILITIES				
Accounts, contracts, and retainage payable	21,185,801	3,156	21,188,957	445,769
Accrued salaries and benefits	26,885,687	111,051	26,996,738	1,714,102
Due to other agencies	489,490	-	489,490	99,284
Matured bonds payable	13,295,000	-	13,295,000	-
Matured interest payable	8,957,279	-	8,957,279	-
Accrued interest payable	6,242	-	6,242	15,614
Unearned revenue	1,032,959	-	1,032,959	73,377
Other current liabilities	-	-	-	5,820
Noncurrent liabilities:				
Due within one year	33,728,826	14,868	33,743,694	447,886
Due in more than one year	878,276,199	3,832,292	882,108,491	35,644,640
Total liabilities	<u>983,857,483</u>	<u>3,961,367</u>	<u>987,818,850</u>	<u>38,446,492</u>
DEFERRED INFLOWS OF RESOURCES				
Pension	9,179,273	91,546	9,270,819	-
Total deferred inflows of resources	<u>9,179,273</u>	<u>91,546</u>	<u>9,270,819</u>	<u>-</u>
NET POSITION				
Net investment in capital assets	336,902,661	60,390	336,963,051	(2,595,768)
Restricted for:				
State required carryover programs	6,519,283	-	6,519,283	-
Food Service	14,357,056	-	14,357,056	74,890
Debt service	4,050,910	-	4,050,910	3,026,967
Capital projects	98,535,544	-	98,535,544	-
Other purposes	-	-	-	4,651,388
Unrestricted (deficit)	<u>(208,746,007)</u>	<u>(1,800,184)</u>	<u>(210,546,191)</u>	<u>6,806,864</u>
Total net position	<u>\$ 251,619,447</u>	<u>\$ (1,739,794)</u>	<u>\$ 249,879,653</u>	<u>\$ 11,964,341</u>

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



The School Board of Brevard County, Florida
Statement of Activities
For the Fiscal Year Ended June 30, 2017

Functions/Programs	Program Revenues			Net (Expense) Revenue and Changes in Net Assets				
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	Component Units
Primary government:								
Governmental activities:								
Instruction	\$ 384,378,001	\$ 197,620	\$ -	\$ -	\$ (384,180,381)	\$ -	\$ (384,180,381)	\$ -
Pupil personnel services	25,682,172	-	-	-	(25,682,172)	-	(25,682,172)	-
Instructional media services	7,530,275	-	-	-	(7,530,275)	-	(7,530,275)	-
Instruction and curriculum development	27,238,431	-	-	-	(27,238,431)	-	(27,238,431)	-
Instructional staff training services	6,202,478	-	-	-	(6,202,478)	-	(6,202,478)	-
Instruction related technology	10,658,000	-	-	-	(10,658,000)	-	(10,658,000)	-
School board	1,158,801	-	-	-	(1,158,801)	-	(1,158,801)	-
General administration	3,322,276	-	-	-	(3,322,276)	-	(3,322,276)	-
School administration	39,813,243	-	-	-	(39,813,243)	-	(39,813,243)	-
Non-capitalizable facilities acquisition & construction	26,525,908	-	-	1,975,658	(24,550,250)	-	(24,550,250)	-
Fiscal services	2,808,978	-	-	-	(2,808,978)	-	(2,808,978)	-
Food services	30,441,341	8,808,210	23,541,673	-	1,908,542	-	1,908,542	-
Central services	6,755,719	-	-	-	(6,755,719)	-	(6,755,719)	-
Pupil transportation services	19,953,219	-	10,542,824	-	(9,410,395)	-	(9,410,395)	-
Operation of plant	45,829,671	-	-	-	(45,829,671)	-	(45,829,671)	-
Maintenance of plant	10,279,572	-	-	2,616,664	(7,662,908)	-	(7,662,908)	-
Administrative technology services	3,733,104	-	-	-	(3,733,104)	-	(3,733,104)	-
Community services	1,634,036	-	-	-	(1,634,036)	-	(1,634,036)	-
Interest on long-term debt	18,263,731	-	-	749,731	(17,514,000)	-	(17,514,000)	-
Depreciation - unallocated (Note 5)*	35,758,360	-	-	-	(35,758,360)	-	(35,758,360)	-
Total governmental activities	707,967,316	9,005,830	34,084,497	5,342,053	(659,534,936)	-	(659,534,936)	-
Business-type activities:								
Extended day program	5,658,383	7,286,422	-	-	-	1,628,039	1,628,039	-
Total business-type activities	5,658,383	7,286,422	-	-	-	1,628,039	1,628,039	-
Total primary government	\$ 713,625,699	\$ 16,292,252	\$ 34,084,497	\$ 5,342,053	(659,534,936)	1,628,039	(657,906,897)	-
Component units	\$ 49,022,623	\$ 1,372,013	\$ 4,262,763	\$ 561,108				(42,826,739)
General revenues:								
Taxes:								
Property taxes, levied for general purposes					187,636,629	-	187,636,629	-
Property taxes, levied for capital projects					51,960,851	-	51,960,851	-
Local sales surtax					44,914,836	-	44,914,836	-
Grants and contributions not restricted to specific programs					389,939,301	-	389,939,301	42,682,798
Miscellaneous					8,642,393	6,315	8,648,708	1,411,881
Unrestricted investment earnings					1,526,815	-	1,526,815	134,595
Transfers					2,299,035	(2,299,035)	-	-
Total general revenues and transfers					686,919,860	(2,292,720)	684,627,140	44,229,274
Changes in net position					27,384,924	(664,681)	26,720,243	1,402,535
Net position - beginning					224,234,523	(1,075,113)	223,159,410	10,700,370
Adjustments to net position					-	-	-	(138,564)
Net position - beginning as restated					224,234,523	(1,075,113)	223,159,410	10,561,806
Net position - ending					\$ 251,619,447	\$ (1,739,794)	\$ 249,879,653	\$ 11,964,341

* This amount excludes the depreciation that is included in the direct expenses of the various functions.

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

The School Board of Brevard County, Florida
Balance Sheet - Governmental Funds
June 30, 2017

	<u>General</u>	<u>Contracted Programs</u>	<u>Debt Service Fund - Other</u>
ASSETS			
Cash and cash equivalents	\$ 29,290,208	\$ -	\$ 833
Cash with fiscal agent	-	-	22,252,377
Investments	51,722,911	-	3,960,044
Accounts and interest receivable	107,026	-	38,136
Due from other agencies	1,705,855	7,637,183	-
Due from budgetary funds	5,157,583	-	-
Inventory	884,684	-	-
Total assets	<u>\$ 88,868,267</u>	<u>\$ 7,637,183</u>	<u>\$ 26,251,390</u>
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES			
Liabilities:			
Accounts, contracts and retainage payable	\$ 4,959,364	\$ 667,169	\$ -
Accrued salaries and benefits	25,320,654	1,564,642	-
Due to other agencies	240,642	247,789	-
Due to budgetary funds	-	5,157,583	-
Unearned revenue	709,304	-	-
Matured bonds and certificates payable	-	-	13,295,000
Matured interest payable	-	-	8,957,279
Total liabilities	<u>31,229,964</u>	<u>7,637,183</u>	<u>22,252,279</u>
Fund balances:			
Nonspendable	884,684	-	-
Restricted	6,519,283	-	3,999,111
Assigned	2,591,483	-	-
Unassigned	47,642,853	-	-
Total fund balances	<u>57,638,303</u>	<u>-</u>	<u>3,999,111</u>
Total liabilities and fund balances	<u>\$ 88,868,267</u>	<u>\$ 7,637,183</u>	<u>\$ 26,251,390</u>

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

Capital Projects - Local Capital Improvement	Capital Projects - Local Sales Surtax	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ 891,192	\$ 16,506,267	\$ 46,688,500
-	-	21,636,144	43,888,521
27,892,080	49,279,420	9,230,196	142,084,651
76,220	61,784	11,240	294,406
21,073	7,824,675	1,829,018	19,017,804
145,319	-	-	5,302,902
-	-	1,809,932	2,694,616
<u>\$ 28,134,692</u>	<u>\$ 58,057,071</u>	<u>\$ 51,022,797</u>	<u>\$ 259,971,400</u>
\$ 1,113,671	\$ 11,503,162	\$ 1,940,825	\$ 20,184,191
-	-	391	26,885,687
-	-	1,059	489,490
-	-	145,319	5,302,902
-	-	323,655	1,032,959
-	-	-	13,295,000
-	-	-	8,957,279
<u>1,113,671</u>	<u>11,503,162</u>	<u>2,411,249</u>	<u>76,147,508</u>
-	-	1,809,932	2,694,616
27,021,021	46,553,909	41,519,581	125,612,905
-	-	5,282,035	7,873,518
-	-	-	47,642,853
<u>27,021,021</u>	<u>46,553,909</u>	<u>48,611,548</u>	<u>183,823,892</u>
<u>\$ 28,134,692</u>	<u>\$ 58,057,071</u>	<u>\$ 51,022,797</u>	<u>\$ 259,971,400</u>



**The School Board of Brevard County, Florida
Reconciliation of the Governmental Funds
Balance Sheet to the Statement of Net Position
June 30, 2017**

Total Fund Balances - Governmental Funds \$ 183,823,892

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

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

Total capital assets not being depreciated	\$ 83,529,482	
Total capital assets being depreciated	1,633,720,878	
Net capital assets presented in internal service funds	(1,332,875)	
Total accumulated depreciation	<u>(920,198,490)</u>	795,718,995

The difference between the reacquisition price and the net carrying amount of refunded debt is reported as a deferred outflow of resources in the government-wide statements and amortized over the life of the debt, but is not reported in governmental funds.

17,626,401

Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.

23,058,816

Deferred inflows and outflows of resources related to the net pension liability are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.

Deferred outflows related to pensions	135,220,587	
Deferred inflows related to pensions	<u>(9,179,273)</u>	126,041,314

Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of:

Bonds payable	(2,904,987)	
Certificates of participation	(468,228,748)	
Compensated absences	(40,776,141)	
Other post-employment benefits	(36,183,247)	
Net pension liability	<u>(346,556,848)</u>	
Total long-term liabilities		<u>(894,649,971)</u>

Total Net Position - Governmental Activities \$ 251,619,447

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

The School Board of Brevard County, Florida
Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds
For the Fiscal Year ended June 30, 2017

	<u>General</u>	<u>Contracted Programs</u>	<u>Debt Service Fund - Other</u>
Revenues:			
Local sources:			
Ad valorem taxes	\$ 187,636,629	\$ -	\$ -
Local sales tax	-	-	-
Food service sales	-	-	-
Investment income	740,949	-	141,862
Impact fees	-	-	-
Other	9,387,579	11,910	-
Total local sources	<u>197,765,157</u>	<u>11,910</u>	<u>141,862</u>
State sources:			
Florida education finance program	241,604,325	-	-
Workforce development	3,809,489	-	-
Categorical programs	85,015,255	-	-
Public education capital outlay	-	-	-
Food services	-	-	-
Other	5,770,905	464,184	-
Total state sources	<u>336,199,974</u>	<u>464,184</u>	<u>-</u>
Federal sources:			
Federal direct	403,202	8,002,819	-
Other federal grants	2,065,939	42,767,663	-
Food services	-	-	-
Total federal sources	<u>2,469,141</u>	<u>50,770,482</u>	<u>-</u>
Total revenues	<u>536,434,272</u>	<u>51,246,576</u>	<u>141,862</u>

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

Capital Projects - Local Capital Improvement	Capital Projects - Local Sales Surtax	Nonmajor Governmental Funds	Total Governmental Funds
\$ 51,960,851	\$ -	\$ -	\$ 239,597,480
-	44,914,836	-	44,914,836
-	-	8,808,688	8,808,688
360,243	205,322	22,757	1,471,133
-	-	9,186,001	9,186,001
6,445	8,482	603,719	10,018,135
<u>52,327,539</u>	<u>45,128,640</u>	<u>18,621,165</u>	<u>313,996,273</u>
-	-	-	241,604,325
-	-	-	3,809,489
-	-	-	85,015,255
-	-	2,616,664	2,616,664
-	-	343,807	343,807
-	-	2,856,277	9,091,366
-	-	5,816,748	342,480,906
-	-	-	8,406,021
-	-	-	44,833,602
-	-	23,197,866	23,197,866
-	-	23,197,866	76,437,489
<u>52,327,539</u>	<u>45,128,640</u>	<u>47,635,779</u>	<u>732,914,668</u>

Continued on next page.

The School Board of Brevard County, Florida
Statement of Revenues, Expenditures and
Changes in Fund Balances - Governmental Funds
For the Fiscal Year ended June 30, 2017

	<u>General</u>	<u>Contracted Programs</u>	<u>Debt Service Fund - Other</u>
Expenditures:			
Current operating:			
Instructional services	\$ 349,883,024	\$ 22,568,388	\$ -
Pupil personnel services	19,121,374	5,920,852	-
Instructional media services	7,218,900	53,958	-
Instructional and curriculum development services	14,153,827	12,093,522	-
Instructional staff training services	2,276,407	3,777,450	-
Instruction related technology	8,796,174	1,560,344	-
School board	1,140,604	676	-
General administration	1,161,302	2,125,232	-
School administration	38,124,791	253,507	-
Facilities acquisition and construction	648,221	220,308	-
Fiscal services	2,661,265	38,137	-
Food services	233,867	38,851	-
Central services	6,512,060	22,807	-
Pupil transportation services	17,525,480	315,257	-
Operation of plant	44,924,733	94,722	-
Maintenance of plant	9,984,539	1,829	-
Administrative technology services	3,561,068	44,235	-
Community services	382,308	1,197,066	-
Capital outlay:			
Facilities	246,318	418,169	-
Other capital outlay	1,540,969	501,266	-
Debt service:			
Principal	-	-	16,175,000
Interest and fiscal charges	-	-	19,696,998
Total expenditures	<u>530,097,231</u>	<u>51,246,576</u>	<u>35,871,998</u>
Excess (deficiency) of revenues over (under) expenditures	<u>6,337,041</u>	<u>-</u>	<u>(35,730,136)</u>
Other financing sources (uses):			
Transfers in	6,977,756	-	36,092,542
Transfers out	(4,013,185)	-	-
Refunding COPs issued	-	-	82,385,000
Refunding bonds issued	-	-	-
Premium on refunding bonds	-	-	6,982,377
Payments to refunding bond escrow agent	-	-	(89,587,515)
Loss recoveries	100,805	-	-
Total other financing sources (uses)	<u>3,065,376</u>	<u>-</u>	<u>35,872,404</u>
Net change in fund balances	9,402,417	-	142,268
Fund balances, beginning of year	48,235,886	-	3,856,843
Fund balances, end of year	<u>\$ 57,638,303</u>	<u>\$ -</u>	<u>\$ 3,999,111</u>

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

Capital Projects - Local Capital Improvement	Capital Projects - Local Sales Surtax	Nonmajor Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ -	\$ 372,451,412
-	-	-	25,042,226
-	-	-	7,272,858
-	-	-	26,247,349
-	-	-	6,053,857
-	-	-	10,356,518
-	-	-	1,141,280
-	-	-	3,286,534
-	-	-	38,378,298
8,427,850	14,200,080	3,048,789	26,545,248
-	-	-	2,699,402
-	-	29,726,042	29,998,760
-	-	-	6,534,867
-	-	-	17,840,737
-	-	-	45,019,455
-	-	-	9,986,368
-	-	-	3,605,303
-	-	-	1,579,374
2,191,319	23,560,377	2,275,630	28,691,813
2,541,143	1,769,311	730,674	7,083,363
-	-	619,000	16,794,000
-	-	149,861	19,846,859
<u>13,160,312</u>	<u>39,529,768</u>	<u>36,549,996</u>	<u>706,455,881</u>
<u>39,167,227</u>	<u>5,598,872</u>	<u>11,085,783</u>	<u>26,458,787</u>
-	-	3,733,605	46,803,903
(40,771,263)	-	(1,720,420)	(46,504,868)
-	-	-	82,385,000
-	-	362,000	362,000
-	-	54,828	7,037,205
-	-	(421,030)	(90,008,545)
-	-	-	100,805
<u>(40,771,263)</u>	<u>-</u>	<u>2,008,983</u>	<u>175,500</u>
(1,604,036)	5,598,872	13,094,766	26,634,287
28,625,057	40,955,037	35,516,782	157,189,605
<u>\$ 27,021,021</u>	<u>\$ 46,553,909</u>	<u>\$ 48,611,548</u>	<u>\$ 183,823,892</u>

The School Board of Brevard County, Florida
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, 2017

Net Change in Fund Balances - Total Governmental Funds \$ 26,634,287

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 outlay depreciation exceeded expenditures in the current period.

Capital outlay - facilities, acquisition and construction	\$ 28,597,450	
Capital outlay - other	7,391,725	
Less, depreciation expense	<u>(37,398,037)</u>	(1,408,862)

Certain issuance costs and premiums for new debt issues are reported when issued as expenditures and other financing sources in the governmental funds, but are deferred and amortized over the life of the debt in the statement of activities.

Prepaid Insurance		
Current year	-	
Prior year	<u>475,774</u>	(475,774)
Deferred Outflow		
Current year	17,626,401	
Prior year	<u>18,828,351</u>	(1,201,950)
Unamortized Premiums		
Current Year	(43,456,735)	
Prior Year	<u>(41,593,927)</u>	(1,862,808)

Government-wide statements are affected only to the extent these amounts differ. Long-term debt proceeds provide current financial resources to the governmental funds, but issuing debt increases long-term liabilities in the statement of net position. Repayment of long-term debt is an expenditure in the governmental fund, but the repayment reduces long-term liabilities in the statement of net position. This is the net effect of these transactions.

Payment of principal - COP	16,175,000	
Payment of principal - Bonds	619,000	
Refunding COPs issued	(82,385,000)	
COPs refunded	87,680,000	
Refunding bonds issued	(362,000)	
Bonds refunded	<u>415,000</u>	22,142,000

In the statement of activities, revenues are recorded when earned. In governmental funds, revenues are recognized when measurable and available. This is the change in unearned revenue from CO & DS. (17,949)

In the statement of activities, the cost of compensated absences is measured by the amounts earned during the year, while in the governmental funds expenditures are recognized based on the amounts actually paid for compensated absences. This is the net amount of compensated absences used in excess of the amount earned in the current year. (1,411,396)

In the statement of activities, the cost of other post employment benefits is a measurement of the amortized unfunded actuarial accrued liability based on accrual basis of accounting, while in the governmental funds expenditures are recognized only when amounts are actually paid for other post employment benefits. This is the net amount of other post employment benefits expensed in excess of the amount paid in the current year. 1,501,235

Contributions to the Florida Retirement System are recorded as expenditures in the funds when paid. In the statement of activities, pension contributions are included in the Plan's actuarial calculation of deferred inflows and deferred outflows until benefits are paid to plan participants. This is the amount of deferred inflows and outflows related to pension activity for the District.

Deferred outflows related to pensions - current year	135,220,587	
Deferred outflows related to pensions - prior year	<u>54,879,460</u>	80,341,127
Pension liability - current year	(346,556,848)	
Pension liability - prior year	<u>(225,909,686)</u>	(120,647,162)
Deferred inflows related to pensions - current year	(9,179,273)	
Deferred inflows related to pensions - prior year	<u>(34,340,224)</u>	25,160,951

Internal service funds are used by management to charge the cost of certain activities, such as insurance, to individual funds. The change in net position of internal service funds is reported with governmental activities. (1,368,775)

Change in Net Position of Governmental Activities \$ 27,384,924

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

The School Board of Brevard County, Florida
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues				
Local sources:				
Ad valorem taxes	\$ 186,520,191	\$ 187,636,629	\$ 187,636,629	\$ -
Investment income	278,893	740,949	740,949	-
Other	6,275,498	9,387,579	9,387,579	-
Total local sources	<u>193,074,582</u>	<u>197,765,157</u>	<u>197,765,157</u>	<u>-</u>
State sources:				
Florida education finance program	251,377,699	241,604,325	241,604,325	-
Categorical programs	87,218,240	85,015,255	85,015,255	-
Workforce development	3,809,489	3,809,489	3,809,489	-
Other	1,288,116	5,770,905	5,770,905	-
Total state sources	<u>343,693,544</u>	<u>336,199,974</u>	<u>336,199,974</u>	<u>-</u>
Federal sources:				
Federal direct	694,794	403,202	403,202	-
Other	1,889,592	2,065,939	2,065,939	-
Total federal sources	<u>2,584,386</u>	<u>2,469,141</u>	<u>2,469,141</u>	<u>-</u>
Total revenues	<u>539,352,512</u>	<u>536,434,272</u>	<u>536,434,272</u>	<u>-</u>
Expenditures				
Current operating:				
Instructional services:				
Salaries	236,065,149	229,677,343	225,780,412	3,896,931
Employee benefits	63,392,755	62,287,638	61,614,546	673,092
Purchased services	49,222,439	52,884,884	51,256,542	1,628,342
Energy services	4,475	4,728	253	4,475
Materials and supplies	10,166,523	14,318,494	5,982,982	8,335,512
Capital outlay	2,121,211	4,226,218	3,009,651	1,216,567
Other expenditures	2,138,816	3,702,119	2,238,638	1,463,481
Total instructional services	<u>363,111,368</u>	<u>367,101,424</u>	<u>349,883,024</u>	<u>17,218,400</u>
Pupil personnel services:				
Salaries	11,949,773	12,477,182	12,507,967	(30,785)
Employee benefits	3,141,394	3,230,284	3,324,398	(94,114)
Purchased services	3,394,670	3,406,138	3,078,299	327,839
Materials and supplies	171,843	278,506	188,858	89,648
Capital outlay	2,270	37,125	18,177	18,948
Other expenditures	1,619	5,526	3,675	1,851
Total pupil personnel services	<u>18,661,569</u>	<u>19,434,761</u>	<u>19,121,374</u>	<u>313,387</u>
Instructional media services:				
Salaries	5,194,758	5,231,936	5,229,249	2,687
Employee benefits	1,549,083	1,557,754	1,587,087	(29,333)
Purchased services	3,506	41,669	44,038	(2,369)
Materials and supplies	47,075	96,123	67,488	28,635
Capital outlay	369,210	370,424	289,331	81,093
Other expenditures	450	2,663	1,707	956
Total instructional media services	<u>7,164,082</u>	<u>7,300,569</u>	<u>7,218,900</u>	<u>81,669</u>
Instruction and curriculum development services:				
Salaries	9,995,535	10,962,016	10,933,028	28,988
Employee benefits	2,637,014	2,760,611	2,840,293	(79,682)
Purchased services	108,127	224,691	162,195	62,496
Materials and supplies	45,519	67,926	47,109	20,817
Capital outlay	17,406	143,653	127,455	16,198
Other expenditures	13,035	46,744	43,747	2,997
Total instruction and curriculum development	<u>12,816,636</u>	<u>14,205,641</u>	<u>14,153,827</u>	<u>51,814</u>

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

Continued on next page.

The School Board of Brevard County, Florida
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Instructional staff training services:				
Salaries	1,190,384	1,739,390	1,297,303	442,087
Employee benefits	247,026	285,251	241,436	43,815
Purchased services	62,583	807,687	537,854	269,833
Materials and supplies	33,283	132,743	70,715	62,028
Capital outlay	4,143	39,979	18,631	21,348
Other expenditures	405	143,478	110,468	33,010
Total instructional staff training services	<u>1,537,824</u>	<u>3,148,528</u>	<u>2,276,407</u>	<u>872,121</u>
Instruction related technology:				
Salaries	5,754,389	5,870,446	5,856,880	13,566
Employee benefits	1,539,785	1,550,500	1,581,389	(30,889)
Purchased services	1,342,089	1,572,966	1,357,850	215,116
Materials and supplies	-	188,679	55	188,624
Capital outlay	657	656	-	656
Total instruction related technology	<u>8,636,920</u>	<u>9,183,247</u>	<u>8,796,174</u>	<u>387,073</u>
School board:				
Salaries	248,323	337,252	276,640	60,612
Employee benefits	415,692	277,919	227,834	50,085
Purchased services	437,805	625,360	604,304	21,056
Materials and supplies	3,000	3,137	417	2,720
Capital outlay	250	2,628	2,098	530
Other expenditures	25,466	32,677	29,311	3,366
Total School Board	<u>1,130,536</u>	<u>1,278,973</u>	<u>1,140,604</u>	<u>138,369</u>
General administration:				
Salaries	590,236	645,386	631,487	13,899
Employee benefits	178,072	189,188	178,929	10,259
Purchased services	345,330	318,275	256,669	61,606
Materials and supplies	12,946	22,566	15,083	7,483
Capital outlay	11,926	22,828	19,737	3,091
Other expenditures	27,950	70,590	59,397	11,193
Total general administration	<u>1,166,460</u>	<u>1,268,833</u>	<u>1,161,302</u>	<u>107,531</u>
School administration:				
Salaries	28,436,088	28,995,021	29,037,211	(42,190)
Employee benefits	8,581,345	8,531,976	8,778,881	(246,905)
Purchased services	156,967	285,822	164,789	121,033
Materials and supplies	92,598	190,565	80,793	109,772
Capital outlay	12,800	65,836	51,158	14,678
Other expenditures	25,125	15,537	11,959	3,578
Total school administration	<u>37,304,923</u>	<u>38,084,757</u>	<u>38,124,791</u>	<u>(40,034)</u>
Facilities acquisition and construction:				
Salaries	520,991	554,600	358,025	196,575
Employee benefits	138,333	125,042	78,963	46,079
Purchased services	36,500	62,328	48,617	13,711
Materials and supplies	10,007	9,811	12,245	(2,434)
Capital outlay	22,300	1,604,036	145,269	1,458,767
Other expenditures	5,200	4,100	5,102	(1,002)
Total facilities acquisition and construction	<u>733,331</u>	<u>2,359,917</u>	<u>648,221</u>	<u>1,711,696</u>
Fiscal services:				
Salaries	1,818,675	1,887,683	1,886,607	1,076
Employee benefits	509,415	515,424	526,915	(11,491)
Purchased services	194,931	210,492	181,687	28,805
Materials and supplies	82,507	166,040	-	166,040
Capital outlay	4,500	17,446	16,729	717
Other expenditures	64,975	82,673	49,327	33,346
Total fiscal services	<u>2,675,003</u>	<u>2,879,758</u>	<u>2,661,265</u>	<u>218,493</u>

Continued on next page.

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

The School Board of Brevard County, Florida
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Food services:				
Salaries	159,423	212,252	212,252	-
Employee benefits	13,085	21,615	21,615	-
Total food services	<u>172,508</u>	<u>233,867</u>	<u>233,867</u>	<u>-</u>
Central services:				
Salaries	3,985,877	4,207,230	3,979,043	228,187
Employee benefits	1,177,971	1,240,045	1,162,005	78,040
Purchased services	130,683	1,101,997	689,596	412,401
Materials and supplies	482,776	442,969	324,319	118,650
Capital outlay	22,150	108,292	75,888	32,404
Other expenditures	304,825	512,978	281,209	231,769
Total central services	<u>6,104,282</u>	<u>7,613,511</u>	<u>6,512,060</u>	<u>1,101,451</u>
Pupil transportation services:				
Salaries	9,900,899	10,085,917	10,216,825	(130,908)
Employee benefits	4,351,331	4,168,952	3,945,788	223,164
Purchased services	871,772	1,009,811	980,065	29,746
Energy services	2,611,748	2,171,353	1,277,865	893,488
Materials and supplies	1,027,790	1,115,450	1,034,573	80,877
Capital outlay	56,367	79,138	61,184	17,954
Other expenditures	7,200	12,272	9,180	3,092
Total pupil transportation services	<u>18,827,107</u>	<u>18,642,893</u>	<u>17,525,480</u>	<u>1,117,413</u>
Operation of plant:				
Salaries	16,443,796	16,610,354	16,514,896	95,458
Employee benefits	6,488,107	6,434,450	6,333,755	100,695
Purchased services	10,165,580	10,606,759	9,771,252	835,507
Energy services	11,851,578	12,620,001	11,167,408	1,452,593
Materials and supplies	1,186,211	1,201,366	1,019,036	182,330
Capital outlay	11,733	144,210	107,390	36,820
Other expenditures	2,900	11,729	10,996	733
Total operation of plant	<u>46,149,905</u>	<u>47,628,869</u>	<u>44,924,733</u>	<u>2,704,136</u>
Maintenance of plant:				
Salaries	6,027,759	6,118,927	5,865,912	253,015
Employee benefits	1,992,549	1,993,513	1,936,677	56,836
Purchased services	1,754,997	1,820,385	911,976	908,409
Energy services	912,873	652,446	284,153	368,293
Materials and supplies	1,166,774	1,343,847	822,190	521,657
Capital outlay	99,916	185,366	135,636	49,730
Other expenditures	10,175	32,810	27,995	4,815
Total maintenance of plant	<u>11,965,043</u>	<u>12,147,294</u>	<u>9,984,539</u>	<u>2,162,755</u>

Continued on next page.

The School Board of Brevard County, Florida
General Fund
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Administrative technology services:				
Salaries	2,342,415	2,405,759	2,285,491	120,268
Employee benefits	642,755	616,791	591,234	25,557
Purchased services	659,354	840,685	630,588	210,097
Materials and supplies	46,614	29,702	20,345	9,357
Capital outlay	193,311	43,290	31,469	11,821
Other expenditures	2,495	1,795	1,941	(146)
Total administrative technology services	<u>3,886,944</u>	<u>3,938,022</u>	<u>3,561,068</u>	<u>376,954</u>
Community services:				
Salaries	77,668	154,707	152,011	2,696
Employee benefits	15,634	29,931	33,211	(3,280)
Purchased services	100,000	168,662	157,520	11,142
Energy services	-	54,812	-	54,812
Materials and supplies	-	36,213	26,118	10,095
Capital outlay	-	2,493	-	2,493
Other expenditures	-	89,960	13,448	76,512
Total community services	<u>193,302</u>	<u>536,778</u>	<u>382,308</u>	<u>154,470</u>
Total current operating	<u>542,237,743</u>	<u>556,987,642</u>	<u>528,309,944</u>	<u>28,677,698</u>
Capital outlay:				
Facilities	97,692	237,940	246,318	(8,378)
Other capital outlay	1,037,851	2,175,992	1,540,969	635,023
Total capital outlay	<u>1,135,543</u>	<u>2,413,932</u>	<u>1,787,287</u>	<u>626,645</u>
Total expenditures	<u>543,373,286</u>	<u>559,401,574</u>	<u>530,097,231</u>	<u>29,304,343</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(4,020,774)</u>	<u>(22,967,302)</u>	<u>6,337,041</u>	<u>29,304,343</u>
Other financing sources (uses):				
Transfers in(out)	4,951,537	2,964,571	2,964,571	-
Loss recoveries	-	100,805	100,805	-
Total other financing sources (uses)	<u>4,951,537</u>	<u>3,065,376</u>	<u>3,065,376</u>	<u>-</u>
Net change in fund balance	930,763	(19,901,926)	9,402,417	29,304,343
Fund balance, beginning of year	48,235,886	48,235,886	48,235,886	-
Fund balance, end of year	<u>\$ 49,166,649</u>	<u>\$ 28,333,960</u>	<u>\$ 57,638,303</u>	<u>\$ 29,304,343</u>

The School Board of Brevard County, Florida
Special Revenue Fund - Contracted Programs
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local sources:				
Other	\$ -	\$ 11,910	\$ 11,910	\$ -
State sources:				
State grants and other	43,520	464,184	464,184	-
Federal sources:				
Federal direct	9,922,254	8,002,819	8,002,819	-
Other Federal grants	48,988,790	42,767,663	42,767,663	-
Total revenues	<u>58,954,564</u>	<u>51,246,576</u>	<u>51,246,576</u>	<u>-</u>
Expenditures:				
Instructional services:				
Salaries	15,299,038	14,407,581	14,407,581	-
Employee benefits	5,799,567	4,351,001	4,351,001	-
Purchased services	2,047,128	1,487,680	1,487,680	-
Energy services	-	-	-	-
Materials and supplies	2,337,124	1,293,638	1,293,638	-
Capital outlay	2,341,100	973,836	973,836	-
Other expenditures	102,053	54,652	54,652	-
Total instructional services	<u>27,926,010</u>	<u>22,568,388</u>	<u>22,568,388</u>	<u>-</u>
Pupil personnel services:				
Salaries	3,427,043	3,599,189	3,599,189	-
Employee benefits	995,765	953,814	953,814	-
Purchased services	2,231,226	1,061,907	1,061,907	-
Materials and supplies	384,754	290,454	290,454	-
Capital outlay	1,786	275	275	-
Other expenditures	12,705	15,213	15,213	-
Total pupil personnel services	<u>7,053,279</u>	<u>5,920,852</u>	<u>5,920,852</u>	<u>-</u>
Instructional media services:				
Capital outlay	-	53,958	53,958	-
Total instructional media services	<u>-</u>	<u>53,958</u>	<u>53,958</u>	<u>-</u>
Instruction and curriculum development services:				
Salaries	9,640,815	9,034,140	9,034,140	-
Employee benefits	2,730,667	2,291,100	2,291,100	-
Purchased services	607,671	469,849	469,849	-
Materials and supplies	249,222	188,463	188,463	-
Capital outlay	93,968	77,336	77,336	-
Other expenditures	28,304	32,634	32,634	-
Total instruction and curriculum development services:	<u>13,350,647</u>	<u>12,093,522</u>	<u>12,093,522</u>	<u>-</u>

Continued on next page.

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

The School Board of Brevard County, Florida
Special Revenue Fund - Contracted Programs
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Expenditures (continued):				
Instructional staff training services:				
Salaries	2,173,146	1,861,532	1,861,532	-
Employee benefits	570,717	413,809	413,809	-
Purchased services	1,167,323	865,691	865,691	-
Materials and supplies	348,912	321,404	321,404	-
Capital outlay	22,854	21,953	21,953	-
Other expenditures	321,278	293,061	293,061	-
Total instructional staff training services	<u>4,604,230</u>	<u>3,777,450</u>	<u>3,777,450</u>	<u>-</u>
Instructional Related Technology:				
Salaries	40,190	52,337	52,337	-
Employee benefits	3,476	15,934	15,934	-
Purchased services	284,873	567,942	567,942	-
Materials and supplies	-	-	-	-
Capital outlay	528,438	924,131	924,131	-
Total instructional related technology	<u>856,977</u>	<u>1,560,344</u>	<u>1,560,344</u>	<u>-</u>
Board:				
Purchased services	31	236	236	-
Other expenditures	120	440	440	-
Total board	<u>151</u>	<u>676</u>	<u>676</u>	<u>-</u>
General administration:				
Purchased services	1,400	1,488	1,488	-
Materials and supplies	2,809	-	-	-
Capital outlay	-	784	784	-
Other expenditures	2,256,040	2,122,960	2,122,960	-
Total general administration	<u>2,260,249</u>	<u>2,125,232</u>	<u>2,125,232</u>	<u>-</u>
School administration:				
Salaries	121,138	182,416	182,416	-
Employee benefits	51,877	55,116	55,116	-
Purchased services	3,994	4,635	4,635	-
Materials and supplies	7,200	8,889	8,889	-
Capital outlay	1,701	2,331	2,331	-
Other expenditures	-	120	120	-
Total school administration	<u>185,910</u>	<u>253,507</u>	<u>253,507</u>	<u>-</u>
Facilities acquisition and construction:				
Purchased services	-	1,400	1,400	-
Capital outlay	187	218,908	218,908	-
Total facilities acquisition and construction	<u>187</u>	<u>220,308</u>	<u>220,308</u>	<u>-</u>
Fiscal Services:				
Salaries	33,033	32,926	32,926	-
Employee benefits	5,136	5,211	5,211	-
Total fiscal services	<u>38,169</u>	<u>38,137</u>	<u>38,137</u>	<u>-</u>
Food Services:				
Salaries	24,907	25,654	25,654	-
Employee benefits	3,873	7,242	7,242	-
Materials and supplies	-	2,850	2,850	-
Capital outlay	-	3,105	3,105	-
Total food services	<u>28,780</u>	<u>38,851</u>	<u>38,851</u>	<u>-</u>

Continued on next page.

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

The School Board of Brevard County, Florida
Special Revenue Fund - Contracted Programs
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2017

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Original	Final		
Expenditures (continued):				
Central services:				
Salaries	600	-	-	-
Purchased services	17,567	21,202	21,202	-
Capital outlay	77	-	-	-
Other expenditures	4,600	1,605	1,605	-
Total central services	<u>22,844</u>	<u>22,807</u>	<u>22,807</u>	<u>-</u>
Pupil transportation services:				
Purchased services	81,067	147,779	147,779	-
Energy services	281,620	114,738	114,738	-
Capital outlay	-	-	-	-
Other expenditures	118,465	52,740	52,740	-
Total pupil transportation services	<u>481,152</u>	<u>315,257</u>	<u>315,257</u>	<u>-</u>
Operation of plant:				
Salaries	55,225	53,075	53,075	-
Employee benefits	23,330	18,983	18,983	-
Purchased services	28,652	16,942	16,942	-
Energy services	4,850	5,490	5,490	-
Materials and supplies	-	232	232	-
Total operation of plant	<u>112,057</u>	<u>94,722</u>	<u>94,722</u>	<u>-</u>
Maintenance of plant:				
Energy services	6,000	525	525	-
Materials and supplies	5,752	1,304	1,304	-
Total maintenance of plant	<u>11,752</u>	<u>1,829</u>	<u>1,829</u>	<u>-</u>
Administrative technology services:				
Salaries	-	34,067	34,067	-
Employee benefits	-	10,168	10,168	-
Total administrative technology services	<u>-</u>	<u>44,235</u>	<u>44,235</u>	<u>-</u>
Community services:				
Salaries	796,062	912,572	912,572	-
Employee benefits	202,362	225,765	225,765	-
Purchased services	-	58,729	58,729	-
Total community services	<u>998,424</u>	<u>1,197,066</u>	<u>1,197,066</u>	<u>-</u>
Capital outlay:				
Facilities	257,524	418,169	418,169	-
Other capital outlay	766,222	501,266	501,266	-
Total capital outlay	<u>1,023,746</u>	<u>919,435</u>	<u>919,435</u>	<u>-</u>
Total expenditures	<u>58,954,564</u>	<u>51,246,576</u>	<u>51,246,576</u>	<u>-</u>
Net change in fund balance	<u>\$ 0</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balances, beginning of year			-	
Fund balances, end of year			<u>\$ -</u>	

The School Board of Brevard County, Florida
Statement of Net Position
Proprietary Funds
June 30, 2017

	Business-type Activities	Governmental Activities
	Enterprise Funds	Internal Service Funds
	Extended Day Program	Self Insurance
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 890,563	\$ 13,969,028
Investments	-	26,023,893
Accounts receivable	-	17,737
Due from other agencies	13,578	-
Other receivables	-	78,189
Total current assets	904,141	40,088,847
Noncurrent assets:		
Furniture, fixtures and equipment, net	5,057	-
Non-building improvements, net	42,607	-
Building & fixed equipment, net	12,726	1,332,875
Total noncurrent assets	60,390	1,332,875
Total assets	964,531	41,421,722
DEFERRED OUTFLOWS		
Pension	1,348,588	-
LIABILITIES		
Current liabilities:		
Salaries and wages payable	111,051	-
Accounts payable	3,156	1,007,852
Compensated absences payable	14,868	-
Estimated insurance claims payable	-	8,674,892
Total current liabilities	129,075	9,682,744
Long-term liabilities:		
Portion due after one year:		
Compensated absences payable	221,814	-
Net OPEB obligation	389,562	-
Net Pension Liability	3,220,916	-
Estimated insurance claims payable	-	8,680,162
Total long-term liabilities	3,832,292	8,680,162
Total liabilities	3,961,367	18,362,906
DEFERRED INFLOWS		
Pension	91,546	-
NET POSITION		
Net Investment in capital assets	60,390	1,332,875
Unrestricted	(1,800,184)	21,725,941
Total net position	\$ (1,739,794)	\$ 23,058,816

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

The School Board of Brevard County, Florida
Statement of Revenues, Expenses and Changes in Fund Net Position
Proprietary Funds
For the Fiscal Year Ended June 30, 2017

	Business-type Activities	Governmental Activities
	Enterprise Funds	Internal Service Funds
	Extended Day Program	Self Insurance
OPERATING REVENUES		
Charges for services	\$ 7,286,422	\$ -
Premium revenues	-	71,005,868
Other operating revenue	6,315	4
Total operating revenues	<u>7,292,737</u>	<u>71,005,872</u>
OPERATING EXPENSES		
Salaries	3,720,478	724,924
Employee benefits	1,058,619	200,185
Purchased services	360,067	1,093,646
Energy services	1,910	2,224
Material and supplies	342,593	14,302
Capital outlay	98,384	29,983
Depreciation	13,713	8,375
Other expenses	62,619	72,356,690
Total operating expenses	<u>5,658,383</u>	<u>74,430,329</u>
Operating income (loss)	<u>1,634,354</u>	<u>(3,424,457)</u>
NON-OPERATING REVENUES		
Investment earnings	-	55,682
Total non-operating revenues	<u>-</u>	<u>55,682</u>
Income (loss) before transfers	<u>1,634,354</u>	<u>(3,368,775)</u>
Transfers in	-	2,000,000
Transfers out	<u>(2,299,035)</u>	<u>-</u>
Change in net position	(664,681)	(1,368,775)
Total net position, beginning	(1,075,113)	24,427,591
Total net position, ending	<u>\$ (1,739,794)</u>	<u>\$ 23,058,816</u>

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

The School Board of Brevard County, Florida
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended June 30, 2017

	Business-type Activities	Governmental Activities
	Enterprise Funds	Internal Service Funds
	Extended Day Program	Self Insurance
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from services	\$ 7,284,997	\$ 71,033,800
Cash payments to suppliers for goods and services	(768,095)	(70,977,557)
Cash payments to employees	(4,615,888)	(925,109)
Other payments	(92,069)	(615,520)
Net cash provided by (used in) operating activities	1,808,945	(1,484,386)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES		
Transfer from other funds	-	2,000,000
Transfers to other funds	(2,299,035)	-
Net cash provided by (used in) noncapital financing sources	(2,299,035)	2,000,000
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of capital assets	(5,279)	(1,341,250)
Net cash (used in) capital and related financing activities	(5,279)	(1,341,250)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest on investments	-	55,682
Purchase of investments	-	(447,130)
Net cash (used in) investing activities	-	(391,448)
Net change in cash and cash equivalents	(495,369)	(1,217,084)
Cash and cash equivalents, beginning	1,385,932	15,186,112
Cash and cash equivalents, ending	\$ 890,563	\$ 13,969,028
Reconciliation of operating income to net cash provided by (used in) operating activities:		
Operating income (loss)	\$ 1,634,354	\$ (3,424,457)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:		
Depreciation	13,713	8,375
Changes in assets, deferred outflows, liabilities and deferred inflows:		
(Increase) decrease in other receivable	-	1,620
(Increase) decrease in accounts receivable	2,481	27,932
(Increase) decrease in due from other agencies	(3,906)	-
(Increase) decrease in deferred outflows	(797,892)	-
Increase (decrease) in salaries and wages payable	30,368	-
Increase (decrease) in accounts payable	(931)	523,011
Increase (decrease) in deferred inflows	945,731	-
Increase (decrease) in OPEB obligation	(14,973)	-
Increase in estimated liabilities for self-insurance programs	-	1,379,133
Total adjustments	174,591	1,940,071
Net cash provided by (used in) operating activities	\$ 1,808,945	\$ (1,484,386)

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

The School Board of Brevard County, Florida
Statement of Fiduciary Assets and Liabilities
Agency Funds
June 30, 2017

	School Internal Funds
ASSETS	
Cash and cash equivalents	<u>\$ 6,816,821</u>
Total assets	<u><u>\$ 6,816,821</u></u>
LIABILITIES	
Internal accounts payable	<u>\$ 6,816,821</u>
Total liabilities	<u><u>\$ 6,816,821</u></u>

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



THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

1. Summary of Significant Accounting Policies

➤ Reporting Entity

The District School Board (Board) has direct responsibility for the operation, control, and supervision of District schools and is considered a primary government for financial reporting. The Brevard County School District (District) is a part of the Florida system of public education under the general direction of the State Board of Education. The governing body of the District is composed of five elected members. The appointed Superintendent of Schools is the executive officer of the District. The general operating authority of the Board and the Superintendent is contained in Chapters 1000 through 1013, Florida Statutes. Geographic boundaries of the District correspond with those of Brevard County.

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

Based on the application of the criteria outlined above, the following component units are included within the District's reporting entity:

Blended Component Unit - The Brevard County School Board Leasing Corporation ("the Leasing Corporation") was formed to facilitate the financing and refinancing of the acquisition of facilities and equipment as further discussed in Note 7. Due to the substantive economic relationship between the District and the Leasing Corporation, the financial activities of the Leasing Corporation are included in the accompanying basic financial statements. Separate financial statements for the Leasing Corporation are not published.

Discretely Presented Component Units - The component unit columns in the basic financial statements include the financial data of the Brevard Schools Foundation, Inc. (Foundation) and the District's charter schools for the fiscal year ending June 30, 2017.

The Foundation is a separate not-for-profit corporation organized and operated as a direct-support organization under Section 1001.453, Florida Statutes. Its purpose is to receive, hold, invest, and administer property and to make expenditures to or for the benefit of students in public kindergarten through twelfth grade at Brevard Public Schools. The Foundation is considered a component unit due to its significant relationship with the School Board. The Foundation's Board of Directors are approved by the District School Board.

The District's charter schools are separate not-for-profit corporations, organized and operating as charter schools under Section 1002.33, Florida Statutes. Charter schools operate under a charter which is approved by the Brevard School Board as sponsor. The Florida Department of Education has determined that charter schools should be reported as component units of the District, as they are dependent on the School Board for their tax levy, which is a major source of their revenue. There is also a potential for charter schools to provide specific financial benefits or impose specific financial burdens on the District.

The financial data reported on the accompanying statements was derived from the audited financial statements of the Foundation and the Charter Schools, for the fiscal year ended June 30, 2017. The audit reports are filed in the District's administrative offices.

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

During the fiscal year ending June 30, 2017, there were eleven charter schools under the sponsorship of the School Board of Brevard County and reported as component units of the District. The schools are listed below:

1. Brevard Innovative Charter Schools, Inc., d/b/a/ Sculptor Charter School
2. Educational Horizons, Inc., d/b/a Educational Horizons Charter School
3. Emma Jewel Charter School, Inc., d/b/a Emma Jewel Academy
4. Milestones Community School, Inc., d/b/a/ Imagine Schools at West Melbourne
5. Odyssey Charter School, Inc., d/b/a Odyssey Charter School
6. Odyssey Charter School, Inc. d/b/a Odyssey Preparatory Academy
7. Palm Bay Academy, Inc.
8. Pineapple Cove Classical Academy, Inc.
9. Primary Charter Schools, Inc., d/b/a Campus Charter School
10. Royal Palm Charter School, Inc., d/b/a Royal Palm Charter School
11. Viera Charter School, Inc.

➤ **Measurement Focus, Basis of Presentation, and Financial Statement Presentation**

Government-wide Financial Statements - Government-wide financial statements include the statement of net position and the statement of activities, and present information about the District as a whole. These statements include the financial activity of the primary government, except for the fiduciary funds. The statements distinguish between governmental activities and business-type activities of the District.

Government-wide financial statements are prepared using the economic resources measurement focus. The statement of activities presents a comparison between direct expenses and program revenues for each function or program of the District's governmental activities and for the business-type activities. Direct expenses are those that are specifically associated with a service, program, or department and are thereby clearly identifiable to a particular function. Depreciation expense associated with the District's Transportation Department is allocated to the pupil transportation services function, while remaining depreciation expense is not associated with a particular function and is reported as unallocated.

Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function and the business-type activity is self-financing or draws from the general revenues of the District.

The District eliminates, from the statement of net position and the statement of activities, most interfund receivables and payables and transfers between funds to minimize the effect of duplication. The effect of interfund activities has been eliminated from the government-wide statements, except for interfund services provided and used.

Fund Financial Statements - Fund financial statements report detailed information about the District in the governmental, proprietary, and fiduciary funds. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is reported in a separate column. Non-major funds are aggregated and reported in a single column. Internal service funds are combined, and the totals are presented in a single column on the face of the proprietary funds financial statements.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet.

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in fund balance.

All proprietary funds are based on a flow of economic resources measurement focus. With this measurement focus, all assets and all liabilities associated with the operations of these funds are included on the balance sheet. Proprietary funds' operating statements present increases (revenues) and decreases (expenses) in net position and use the accrual basis of accounting.

Because the focus of governmental fund financial statements differs from the focus of government-wide financial statements, reconciliations are presented with each of the governmental fund financial statements.

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. The general fund is the primary operating fund.
- Debt Service Fund – Other – to account for the accumulation of resources for, and the payment of, principal, interest, and related costs for the District's certificates of participation.
- Capital Projects – Local Capital Improvement Fund – to account for the financial resources generated by the local capital improvement tax levy to be used for educational capital outlay needs, including new construction, debt service payments for certificates of participation, equipment purchases, costs of leasing portable educational facilities, maintenance of existing District schools, and renovation and remodeling projects.
- Capital Projects – Local Sales Surtax Fund – to account for the financial resources generated by the local sales surtax levied by the District School Board for critical educational capital outlay needs, such as security, technology, and existing facilities renovation and remodeling projects.
- Special Revenue – Contracted Programs Fund – to account for programs funded by federal and state sources that are segregated due to legal or regulatory restrictions.

The District reports the following non-major governmental funds:

- Special Revenue – Food Services Fund – to account for the financial resources of the school food services program.
- Debt Service – SBE/COBI Bonds Fund – to account for payment of debt service for state school bonds issued by the State Board of Education on behalf of the District.
- Capital Projects – Section 1011.14/1011.15 Notes Fund – to account for the financial resources generated by the District's revenue anticipation notes, the proceeds of which are used for roofing repairs and heating and air conditioning improvements at District schools.
- Capital Projects – Capital Outlay and Debt Service Fund – to account for capital projects financed through the District's allocation of the state Capital Outlay and Debt Service program.
- Capital Projects – Public Education Capital Outlay (PECO) – to account for capital projects financed through the District's allocation of the state Public Education Capital Outlay program.
- Capital Projects – Impact Fees Fund – to account for capital projects financed with the District's impact fees.

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

- Capital Projects – Other Capital Projects Fund – to account for the financial resources generated by miscellaneous capital outlay funding sources, such as fuel tax receipts, and other miscellaneous local sources. Funds are used for capital outlay needs such as new construction, remodel, renovation, and debt service.

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

- Internal Service Funds – to account for the District's individual self-insurance programs, including medical, worker's compensation and general liability.
- Enterprise Fund – Extended Day Program – to account for business-type activities for extended day care services which are provided by all of the District's elementary schools. This fund is intended to be self-supporting through customer charges.
- Agency Fund – to account for resources of the school internal funds collected at district schools in connection with school, student athletic, class, and club activities. Agency funds are custodial in nature (assets equal liabilities) and do not include the measurement of the results of operations.

➤ **Basis of Accounting**

Basis of accounting refers to a method by which revenues and expenditures, or expenses, are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

Government-wide financial statements are prepared using the accrual basis of accounting, as are the proprietary funds and fiduciary funds financial statements. Revenues are recognized when earned and expenses are recognized when a liability is incurred, regardless of the timing of the related cash flows. Property taxes are recognized in the year for which they are levied. Revenues from grants, entitlements, and donations are recognized in the fiscal year in which all eligibility requirements imposed by the provider have been satisfied.

Governmental fund financial statements are prepared using the modified accrual basis of accounting. Revenues, except for certain grant revenues, are recognized when they become measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The District considers revenues to be available if they are collected within 45 days of the end of the current fiscal year. When grant terms provide that the expenditure of resources is the prime factor for determining eligibility for federal, state, and other grant resources, revenue is recognized at the time the expenditure is made. Under the modified accrual basis of accounting, expenditures are generally recognized when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, other postemployment benefits, and compensated absences, which are recognized when due. Allocations of cost, such as depreciation, are not recognized in governmental funds.

Proprietary funds are prepared under the economic resource measurement focus and accrual basis of accounting. Proprietary funds distinguish operating revenues and expenses from non-operating. Operating revenues and expenses generally result from providing goods and services as a part of normal ongoing operations. The principal operating revenues for the District's internal service funds for self-insurance are health and workers compensation benefits. The principal operational expenses are insurance claims, personnel, and other administrative costs attributed to the fund.

The principal operating revenues of the District's enterprise fund are charges for extended daycare services. Operating expenses include costs associated with providing daycare services, including salaries, employee benefits, and supplies. Revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

Charter schools are reported as discretely presented component units, and follow the same accounting model as the District's governmental activities.

The Foundation is accounted for as a not-for-profit corporation, organized exclusively for educational and charitable purposes as described in Section 501(c)(3) of the Internal Revenue Code and follows the standards issued by the Financial Accounting Standards Board. The Foundation follows the accrual basis of accounting whereby revenues are recognized when earned and expenses are recognized when incurred.

➤ **Accounting Pronouncements**

The GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions* (GASB 75), effective for fiscal years beginning after June 15, 2017. The Statement replaces the requirements of Statement No.45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended and Statement No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans for OPEB* and Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. The primary objective of Statement No. 75 is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other post-employment benefits, or OPEB). The Statement also improves information provided by state and local governmental employers about financial support of OPEB that is provided by other entities. The Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows or resources and expenses/expenditures. The District is currently evaluating the impact of GASB 75 on its financial statements.

The GASB issued Statement No. 79, *Certain External Investment Pools and Pool Participants*, (GASB79) effective for fiscal years beginning after December 15, 2015. The Statement establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. The specific criteria address (1) how the external investment pool transacts with participants; (2) requirements for portfolio maturity, quality, diversification and liquidity; and (3) calculation and requirements of a shadow price. The District implemented GASB 79 during the previous fiscal year.

The GASB issued Statement No. 80, *Blending Requirements for Certain Component Units*, (GASB 80) effective for fiscal years beginning after June 15, 2016. The Statement clarifies the financial statement presentation requirements for certain component units and amends the blending requirement established in GASB Statement No. 14, *The Financial Reporting Entity*. This Statement will not impact the District's financial statements.

The GASB issued Statement No. 82, *Pension Issues – an amendment of GASB Statements No. 67, No. 68 and No. 73*, for fiscal years beginning after June 15, 2016. The objective of GASB Statement No. 82 is to improve consistency in the application of pension accounting and financial reporting requirements, with respect to previously issued Statement No. 67, *Financial Reporting for Pension Plans*, No. 68, *Accounting and Financial Reporting for Pensions* and GASB No.73, *Accounting and Financial Reporting for Pensions and Related Assets that Are Not within the Scope of GASB Statement No.68, and Amendments to Certain Provisions of GASB Statements 67 and 68*. GASB 82 applies to single-employer and cost-sharing pension plans that are administered through trusts and will not impact the District's financial statements.

➤ **Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

➤ **Deposits and Investments**

Cash deposits are held by banks qualified as public depositories under Florida law. All deposits held in the name of the School Board of Brevard County are insured by federal depository insurance and collateralized with securities held in Florida's multiple financial institution collateral pool as required by Chapter 280, Florida Statutes. The statement of cash flows considers cash and cash equivalents as amounts included in demand deposits, all highly liquid investments with an original maturity of three months or less, cash held by fiscal agents and amounts held on deposit in money market accounts.

Investments include U.S. Government securities, collateralized repurchase agreements, money market mutual funds, corporate notes, and commercial paper which are carried at fair value based on quoted market prices or an amortized cost that is equally equivalent to fair value. All money market mutual funds are AAA rated by the various rating agencies. Rule 2a-7 of the Investment Company Act of 1940 comprises the rules governing money market funds, and includes the Florida Education Investment Trust Fund (FEITF) authorized in Section 163.01, Florida Statutes. The District relies on policies developed by the FEITF's Board of Trustees for managing interest and credit risk. Investments held at year-end are disclosed in Note 3.

➤ **Receivables and Payables**

The District reports lending and borrowing arrangements that are outstanding as of June 30 of each fiscal year as "Due to/Due from other funds". Residual balances outstanding between the governmental and business-type activities are reported in the government-wide statements. A summary of interfund payables and receivables is shown in Note 12.

➤ **Inventories**

Inventories consist of expendable supplies and commodities held for consumption in the course of District operations. The purchased food inventories are stated at cost, determined on the last invoice price, which approximates the first-in, first-out basis. Central warehouse and transportation inventories are stated at weighted-average cost. The United States Department of Agriculture non-processed surplus commodities in the District's warehouse are stated at fair value at the time of donation to the District's food service program while processed commodities are valued at fair market value plus processing costs. The costs of inventories are recorded as expenditures when used rather than when purchased.

➤ **Capital Assets and Depreciation**

Expenditures for capital assets, whether acquired or constructed, are reported in the fund that financed the cost of the asset. Capital assets are reported in the government-wide statement of net position, but are not reported in the fund financial statements.

All capital assets are capitalized at cost (or historical cost) and updated for additions and retirements during the year. The District follows a procedure of capitalizing fixed and moveable assets with a cost threshold greater than \$1,000 and a useful life in excess of one year in conformity with Florida Statutes. The District does not possess any infrastructure. Donated assets are recorded at acquisition value at the date of donation.

All reported capital assets, with the exception of land, construction in progress, and software in progress are depreciated. Depreciation is computed using the straight-line method over the following useful lives.

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

<u>Description</u>	<u>Estimated Useful Life</u>
Land	Not depreciated
Construction in progress	Not depreciated
Software in progress	Not depreciated
Improvements other than buildings	15 Years
Improvements to buildings	15-25 Years
Buildings and fixed equipment	50 Years
Furniture, fixtures, and equipment	3-10 Years
Motor vehicles	5-10 Years
AV materials and computer software	3-5 Years

➤ **Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents the consumption of net position that applies to future periods and so will not be recognized as an outflow of resources until then. The District has two items that qualify for reporting this category. It is the deferred amount on refunding reported in the government-wide statement of net position and the deferred amount on pension liabilities for FRS and HIS. A deferred amount on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. A deferred amount on pension results from the recognition for the District's proportionate shares of collective pension expense and collective deferred outflows of resources and deferred inflows of resources related to the pension plan.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The District has only one type of item, which arises from the FRS and HIS pensions, that qualifies for reporting in this category. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

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

The District's retirement plans and related amounts are described in Note 15.

➤ **Compensated Absences**

Vacation benefits are accrued as a liability as the benefits are earned if the employee's right to receive compensation is attributable to services already rendered and it is probable that the District will compensate the employee for the benefits through paid time off. Sick leave benefits are accrued as a liability using the vesting method.

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

The liability is based on the sick leave accumulated at June 30 by those employees who are currently eligible to receive termination payments and those employees to whom it is probable that they will become eligible to receive termination benefits in the future. The criteria for determining the vacation and sick leave liability is derived from Board policy, negotiated agreements, and State law.

The entire compensated absences liability is reported on the government-wide financial statements. For the governmental fund financial statements, only the amount payable to employees who terminated their employment as of the end of the fiscal year is reported. The liability at year-end includes salary related payments such as Social Security, Medicare, and Florida Retirement System contributions.

Changes in compensated absences liability for the current year are further described in Note 10.

➤ **Long-Term Liabilities**

Long-term obligations that will be financed from resources to be received in the future by governmental funds are reported as liabilities in the government-wide statement of net position. Bond premiums and discounts are deferred and amortized over the life of the related debt. In the governmental fund financial statements, bonds and other long-term obligations are not recognized as liabilities until due and payable. Governmental fund types recognize debt premiums and discounts, and debt issuance costs, during the current period. The face amount of debt issued and premiums on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

In the government-wide statements, net pension liability represents the District's proportionate share of the combined net pension liability of the state-administered, multiple employer, cost-sharing, defined benefit plans. These plans are two separate defined benefit plans, the Florida Retirement System (FRS) Pension Plan and the Retiree Health Insurance Subsidy Program (HIS).

GASB 68, *Accounting and Financial Reporting for Pensions*, requires the net pension obligation to be recognized on the Statement of Net Position, of participating employers. Changes in the net pension liability will be immediately recognized as pension expense on the Statement of Activities or reported as deferred inflows/outflows of resources, depending on the nature of the change. For the purpose of measuring the net pension liability, deferred inflows/outflows of resources and pension expense, the fiduciary net position as well as the additions to/deductions from fiduciary net position have been determined on the same basis as reported by the FRS Pension Plan and the HIS Program. For this purpose, benefit payments, (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms.

➤ **Governmental Funds-Fund Balance Flow Assumptions**

Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* establishes a hierarchy for fund balance classifications and the constraints imposed on the use of those resources. The District does not have a written policy regarding the commitment or assignment of fund balances and, as such, does not report any committed fund balances. Amounts included in assigned fund balance are encumbrances and/or other resources that have been authorized by the School Board to be liquidated in a future period. When restricted, assigned and unassigned funds are available for use, it is the District's procedure to use restricted funds first, then assigned followed by unassigned. Information regarding fund balance reporting is provided in Note 20.

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

➤ **State Revenue Sources**

Revenues from state sources for current operations are primarily derived from the Florida Education Finance Program administered by the Florida Department of Education (Department) under the provisions of Section 1011.62, Florida Statutes. In accordance with this law, the District determines and reports the number of full-time equivalent (FTE) students and related data to the 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 the original reporting for a period of five months following the date first reported. 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 or additions of revenue in the year when the adjustments are made.

The State provides financial assistance to administer certain educational programs. State Board of Education rules require that revenues earmarked for certain programs can only be expended for the program for which the money is designated, and require that the money not expended as of the close of the fiscal year be carried forward into the following year to be expended for those educational programs. The Department generally requires that these educational program revenues be accounted for in the general fund. A portion of the fund balance of the general fund is restricted in the governmental fund financial statements for the unencumbered balance of categorical and earmarked educational program resources. A schedule of revenue from state sources for the current year is presented in Note 13.

➤ **Half Cent Sales Surtax**

On November 4, 2014 the citizens of Brevard County authorized a half-cent sales surtax to fund the capital needs of the District, under the authority of Section 212.055(6), Florida Statutes. The sales surtax was effective beginning January 2015, and will continue through December 2020. Revenues will be used to fund critical needs related to security, technology, facility renovations, and remodeling projects.

➤ **School District Property Taxes**

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

The School Board adopted the 2016 tax levy on September 8, 2016. Tax bills are mailed in October and taxes are payable between November 1 of the year assessed and March 31 of the following year at discounts of up to 4 percent for early payment.

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

Property tax revenues are recognized in the government-wide financial statements when the Board adopts the tax levy. Property tax revenues are recognized in the governmental fund financial statements when taxes are deemed available, which is generally within 45 days of the fiscal year end. Millages and taxes levied for the current year are presented in Note 14.

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

➤ **Educational Impact Fees**

The District receives educational impact fees subject to an ordinance adopted by the Brevard County Commission on August 10, 2004. The fees are collected by the County for new residential construction, and are used for project-related expenditures that increase student capacity such as site acquisition, construction, design, site development, necessary off-site improvements, and equipment for educational facilities. Expenditures may also include payments for outstanding principal and interest due to the financing of these construction related expenditures.

➤ **Federal Revenue Sources**

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

➤ **Reclassification to Previously Issued Financial Statements**

For the fiscal year ended June 30, 2017, the District reclassified certain components within its calculation net investment in capital assets than was reported in prior years in the statement of net position for governmental activities. There was no overall change as a result of this reclassification.

2. Budgetary Compliance and Accountability

The Board follows procedures established by State statutes and State Board of Education rules in establishing budget balances for governmental funds. Budgets are prepared, public hearings are held, and original budgets are adopted annually for all governmental fund types in accordance with procedures prescribed by law and State Board of Education rules.

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

Budgets are prepared using the same modified accrual basis as is used to account for governmental funds. Budgetary information is integrated into the accounting system and, to facilitate budget controls, budget balances are encumbered when purchase orders are issued. Appropriations lapse at fiscal year-end and encumbrances outstanding are honored from the subsequent year's appropriations.

During the fiscal year ended June 30, 2017, all governmental fund types were amended to reflect adjustments to appropriations due to changes in student counts, the addition of new education programs, etc. These amendments were made as part of the routine budget process of the District, none of which were deemed to be significant by management.

The reported budgetary data represents the final appropriated budget after amendments and adoption by the School Board.

The District reports a deficit in its Extended Day Program Fund, a business-type activity. The deficit will be funded in future fiscal years by charges for services as funds become available.

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

3. Cash and Investments

➤ Deposits

Florida Statutes authorize the deposit of School Board funds in demand deposits with financial institutions that are approved as qualified public depositories, pursuant to chapter 280, the *Florida Security for Public Deposits Act*. Under this act, all qualified public depositories are required to pledge eligible collateral and deposit such collateral with the State Treasurer to ensure against losses of public deposits. The District's bank balances of \$40,526,069 were deposited with qualified public depositories as of June 30, 2017, \$22,252,377 is held with U.S. Bank for payments due to certificate of participation holders, \$21,578,103 is held by the Office of Brevard County Florida on behalf of the School Board, \$58,041 is held by the State Board of Education (SBE) on behalf of the School Board, and \$20,494 is in petty cash and change funds.

➤ Interest Rate Risk

The District has established an investment policy, pursuant to Section 218.415, Florida Statutes. District policies limit the maturity of investments to five years or less as a means of limiting its exposure to fair value losses arising from rising interest rates. The average overall maturity should be less than two years and the portfolio should be managed to provide sufficient operating liquidity needs.

The District has \$71,130,861 invested in obligations of the United States Government and \$35,494,660 invested in Government Sponsored Agencies/Federal Instrumentalities that are held by a custodial institution in the name of the District. Of these securities, \$650,344 is invested in callable Government Sponsored Agencies/Federal Instrumentalities securities which contain embedded options to call the entire security or a portion thereof, at the option of the issuer; or, depending on market conditions, the issuer may decide to leave the security intact, at stated interest rates, until final maturity. The call dates are April 22, 2018.

➤ Custodial Credit Risk

Section 218.415 (18), Florida Statutes requires every security purchased on behalf of Brevard School Board to be earmarked and:

- If registered with the issuer or its agents, the securities must be immediately placed for safekeeping with a third party holder to protect the District's interest in the securities;
- If in book entry form, the security must be held for the credit of the governing body 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, 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
- If physically issued to the holder, but not registered with the issuer or its agents, the security must be immediately placed in safekeeping in a secured vault.

The District has \$22,252,377 held with US Bank in First American Money Market Funds which is held for payment of principal and interest due to certificate holders on July 1, 2017. The District has \$3,960,044 held in a collateralized investment repurchase agreement and will be used for future debt service. All of these funds are held with a fiscal agent under a trust agreement for certificates of participation.

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

As of June 30, 2017, the District had the following investments and maturities:

Investment	Totals	Investment Maturities Less Than or Equal To:			Greater than 2 Years
		6 Months	1 Year	2 Years	
Obligations of United States government	\$ 71,130,861	\$ 36,736,792	\$ 13,863,401	\$ 9,852,315	\$ 10,678,353
Agencies and instrumentalities	35,494,660	15,077,580	2,431,649	14,223,000	3,762,431
Corporate notes	7,456,726	-	3,020,598	4,436,128	-
Money market funds-Federated	402,670	402,670	-	-	-
Municipal bonds	287,413	-	-	287,413	-
Commercial paper	32,887,246	30,908,603	1,978,643	-	-
Collateralized investment repurchase agreement	3,960,044	-	-	-	3,960,044
Intergovernmental investment pool	37,490,834	37,490,834	-	-	-
Total investments	<u>\$ 189,110,454</u>	<u>\$ 120,616,479</u>	<u>\$ 21,294,291</u>	<u>\$ 28,798,856</u>	<u>\$ 18,400,828</u>

Total Investments, Reporting Entity	Totals
Total investments	\$ 189,110,454
Qualified public depositories	40,526,069
Petty cash & change funds	20,494
Deposits with fiscal/service agent ^(a)	<u>43,888,521</u>
Total	<u>\$ 273,545,538</u>
Cash & cash equivalents - statement of net position	\$ 61,458,363
Cash with fiscal/service agent	43,888,521
Investments - statement of net position	<u>168,198,654</u>
Total	<u>\$ 273,545,538</u>

^(a) Funds held with the Office of Brevard County total \$21,578,103 and funds held with U.S. Bank for interest and principal payments to certificate holders total \$22,252,377 and funds held with the State Board of Education total \$58,041

➤ **Credit Risk**

Section 218.415, Florida Statutes, limits the types of investments that can be invested by the District, unless specifically authorized by District policy. Investments authorized by District policy are:

- a. Direct Obligations of US Treasury;
- b. U.S. Federal Government Agency Securities;
- c. U.S. Government Sponsored Agencies/Federal Instrumentalities;
- d. Interest Bearing Time Deposits/Savings Accounts, including certificates of deposit;
- e. Repurchase Agreements fully collateralized at 102 percent of market value, by U.S. Treasuries, U.S. Government Agencies, and US Government Sponsored Agencies/Federal Instrumentalities;
- f. Commercial paper rated A-1, P-1, by Standard and Poor's (S&P), Moody's;
- g. Bankers' Acceptances rated A-1, P-1, by S&P, Moody's;
- h. Corporate Notes issued by corporations organized and operating within the United States or by depository institutions licensed by the United States that have a long-term debt rating, at the time of purchase, at a minimum A3 by Moody's and a minimum long-term debt rating of A- by S&P.

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

- i. State and/or Local Government taxable and/or tax exempt securities, rated at least Aa3 by Moody's and AA- by S&P for long-term debt; short term obligations should be rated at least VMIG2 or MIG-2 by Moody's and A-2 by S&P;
- j. Registered Investment companies (Mutual Funds) if registered under the Federal Investment Company Act of 1940 and operated in accordance with 17 C.F.R. 270.2a-7;
- k. Intergovernmental Investment Pool authorized pursuant to Florida Interlocal Cooperation Act as provided in FS 163.01, provided it contains no derivatives;

The District holds State of Connecticut general obligation bonds with a par value of \$290,000 and a market value of \$287,413 at June 30, 2017. The security was purchased on August 17, 2016 with a maturity date of August 15, 2018. When purchased, the security met the District's policy requirement of at least AA- rating by S&P and AA3 rating by Moody's. Subsequent to the purchase date, on August 15, 2017 the security was downgraded to A+ by S&P and A1 by Moody's and no longer meets the District's policy requirements. Rating agencies maintain that the credit outlook for that State is stable, reflecting the state's provisions for fiscal discipline and the ability to manage its financial operations, The District will actively monitor this security for further rating action until the investment matures on August 15, 2018.

The District has \$3,960,044 invested in a collateralized investment repurchase agreement that is fully collateralized at 102 percent of the market value by U.S. Treasuries, U.S. Government Agencies, and U.S. GSE/Federal instrumentalities. The repurchase agreement is unrated.

➤ **Foreign Currency Risk**

The District investments are denominated in U.S. dollars and, therefore, there is no exposure to foreign currency risk.

➤ **Concentration of Credit Risk**

The District's investment policy specifies the maximum percentage of the portfolio composition per individual issuer and type of investment. Those maximum percentages are listed below:

Type of Investment	Issuer Limits	Sector Maximum
Direct Obligations of US Treasury	100%	100%
U.S. Government Agency Securities	25%	50%
Federal Instrumentalities, Government Sponsored Agencies	40%	80%
Interest Bearing Time Deposits/Savings Accounts, including CDs	15%	25%
Repurchase Agreements (fully collateralized at 102% of market value)	25%	50%
Commercial Paper	10%	35%
Bankers' Acceptances	10%	35%
State and/or Local Government taxable or tax exempt securities	20%	20%
Registered Investment Companies	25%	75%
Intergovernmental Investment Pool	25%	25%
Corporate Notes	5%	20%

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

On June 30, 2017, the District had total investments by issuer with credit ratings as outlined below:

Investment	Fair Value	Percent of Investment Balance	Credit Ratings:	
			S&P	Moody's
Collateralized Repurchase Agreement ^(a)	\$ 3,960,044	2.10%		
Commercial Paper				
Bank of Tokyo Mitsubishi	3,973,620	2.10%	A-1	P-1
BNP Paribas NY Branch	5,489,527	2.90%	A-1	P-1
Cooperative RoboBank	4,976,533	2.63%	A-1	P-1
Credit Agricole	3,982,585	2.11%	A-1	P-1
JP Morgan Chase	8,482,828	4.49%	A-1	P-1
Toyota Motor Credit	5,982,153	3.16%	A-1+	P-1
Corporate Notes				
American Express Credit	269,978	0.14%	A-	A2
American Honda Finance Corp	1,120,390	0.59%	A+	A1
Apple Inc.	1,279,552	0.68%	AA+	Aa1
Bank of New York Mellon Corp	650,345	0.35%	A	A1
Berkshire Hathaway Finance Corp	229,851	0.12%	AA	Aa2
Branch Banking & Trust	1,006,360	0.53%	A	A1
John Deere Capital Corp	1,110,522	0.59%	A	A2
JP Morgan Chase & Co	554,191	0.29%	A-	A3
PepsiCo Inc.	134,954	0.07%	A+	A1
Toyota Motors Credit Corp	1,100,583	0.58%	AA-	Aa3
Federal Agencies & Instrumentalities				
Fannie Mae (FNMA)	9,438,891	4.99%	AA+	Aaa
Federal Home Loan Bank (FHLB)	21,402,728	11.32%	A-1+/AA+	P-1/Aaa
Freddie Mac (FHLMC)	4,653,041	2.46%	AA+	Aaa
Intergovernmental Investment Pool				
FL Educational Investment Trust Fund	37,490,834	19.83%	AAAm	
Municipal Bonds				
State of Connecticut taxable GO Bond	287,413	0.15%	A+	A1
Money Market Funds				
Federated Government Obligations	402,670	0.21%	AAAm	Aaa-mf
Obligation of United States government				
US Treasury Notes	71,130,861	37.61%	AA+	Aaa
TOTAL	\$ 189,110,454	100.00%		
Cash Deposits:				
Qualified Public Depository	\$ 40,526,069			
Petty cash & change funds	20,494			
Fiscal service/agent ^(b)	43,888,521			
TOTAL cash and investments	\$ 273,545,538			

^(a) Not rated

^(b) Cash with fiscal agents include \$21,578,103 held with Brevard County, FL that is comingled with other funds in consolidated bank accounts; \$2,441,975 held with US Bank in First American Government Obligations and \$19,810,402 held with US Bank in First American Treasury Obligations with a weighted average maturity of 34 days and 26 days, respectively. Funds held in First American are at a constant NAV of \$1.00 at all times, have a credit rating of AAAM and Aaamf by S&P and Moody's, and allow a maximum 7-day redemption of proceeds. These funds invest 100% of the shares in U.S. government debt securities and repurchase agreements and are not subject to redemption fees or liquidity gates. The participants own a share of the fund and not a share of the underlying assets in the fund; Funds totaling \$58,041 held with the State Board of Education and managed by the State Board of Administration.

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

As of June 30, 2017, the District had the following issuer concentrations that represents 5 percent or more of the District's investments:

<u>Investment</u>	<u>Fair Value</u>	<u>Percent of Total Investments</u>
United States Treasury	\$ 71,130,861	37.61%
Federal Agencies & Instrumentalities		
Federal Home Loan Bank ^(a)	21,402,728	11.32%
Intergovernmental Investment Pool		
FEITF ^(b)	37,490,834	19.83%
Total	<u>\$ 130,024,423</u>	

^(a) Investments in Federal Home Loan Bank are held in the following percentages by fund: 7.93% in Operating, 1.70 % in Self Insurance, and 1.69% in Health Insurance.

^(b) Funds in FEITF are for short-term liquidity needs.

➤ **Fair Value Measurement**

In 2016, the District implemented GASB *Statement No. 72, Fair Value Measurement and Application* issued in February 2015. According to GASB 72, all assets meeting the definition of an investment should be reported using certain valuation techniques and categorized in a hierarchy per the below:

Valuation Techniques:

- *Market Approach* – uses prices and other relevant information generated by market transactions involving identical or comparable assets
- *Cost Approach* – measures FV based on the current cost to replace the present service capacity of an asset,
- *Income Approach* – converts future amounts, such as cash flows or income and expenses to a single current, discounted amount.

Hierarchy Levels:

- *Level 1 Inputs* – quoted prices in active markets for identical assets
- *Level 2 Inputs* – inputs other than quoted prices included within Level 1 that are observable for the asset or liability. These inputs are derived from or corroborated by observable market data through correlation or by other means.
- *Level 3 Inputs* – unobservable inputs used only when relevant Level 1 and Level 2 inputs are unavailable.

The District uses the market approach for fair value measurements. The techniques used in the District's fair value measurements include institutional bond quotes obtained through third party independent pricing services such as IDSI and Kenny Municipals and matrix pricing obtained through our custodian of record. The collateralized repurchase agreement valuation techniques include quotes through third party pricing services for the underlying securities and unobservable inputs that include a credit valuation adjustment (CVA) component to evaluate the credit risk of the of the District.

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

As of June 30, 2017, the district has investments in the following levels:

<u>Investments at Fair Value</u>	<u>Value</u>	<u>Hierarchy Level</u>	<u>Effective Duration</u>
Collateralized Repurchase Agreement	\$ 3,960,044	3	n/a
Commercial Paper	32,887,246	2	0.25
Corporate Notes	7,456,726	2	1.02
Federal Agencies & Instrumentalities	35,494,660	2	1.50
Municipal Bonds	287,413	2	1.11
US Treasury Notes	<u>71,130,861</u>	2	0.86
Total at Fair Value	\$ 151,216,950		
<u>Investments Measured at Net Asset Value (NAV)</u>			
Intergovernmental Investment Pool	\$ 37,490,834		
Money Market Funds	<u>402,670</u>		
Total at NAV	\$ 37,893,504		
Total Investments	<u>\$ 189,110,454</u>		

Investments held at NAV

In accordance with GASB 72, the investments measured at net asset value (NAV) per share are not assigned a level in the fair value hierarchy. As of June 30, the District had two investment types measured at NAV. These are money market funds held in Federated Government Obligations and the Florida Education Investment Trust Fund (FEITF).

Money Market funds held with the Federated Government Obligations Fund maintain a constant NAV \$1.00 at all times, allow a maximum 7-day redemption of proceeds, have no unfunded commitments, have a weighted average maturity of 34 days, and invest 100% in U.S. government securities. This fund will not institute liquidity fees or redemptions gates on the government money market funds. The fund's investment objective is to pursue current income consistent with stability of principal and liquidity.

Funds are held with FEITF and are valued using an NAV of \$1.00 per share based on amortized cost. This fund has a weighted average maturity of 37 days, allows unlimited daily redemptions and investments with a 1-day minimum holding period, and has no unfunded commitments. The fund's investment objective is to provide investors with the highest possible investment yield while maintaining liquidity, preserving capital, and maintaining a stable NAV of \$1.00 per share. For more information, see the following external investment pool information (page 57).

Liabilities Held by Other Parties as Assets

The District currently has a proportionate share of the net pension liability in the Florida Retirement System (as discussed in Note 15). This is administered by the State Board of Administration (SBA) and includes separate financial statements.

The SBA has statutory responsibility for custody and investment of pension plans assets. Section 215.47, Florida Statutes, gives the SBA the authority to invest in a range of instruments, including security lending agreements. All of the investments are reported at fair value in accordance with GASB 31. Realized and unrealized gains and losses are reflected in the statements of changes in net position as "Net appreciation in fair value."

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

The fair values of the plans' assets are obtained or estimated in accordance with Global Pricing Guidelines established with the SBA's custodian bank, BNY Melon. BNY Melon uses a variety of independent pricing sources and designates certain vendors as the primary source based on asset type, class, or issue. BNY Melon monitors pricing information supplied by these primary sources and may use a supplemental pricing source or change the primary pricing source if any of the following occurs.

- The price of a security is not received from the primary pricing source.
- The primary pricing source no longer provides prices for a particular assets type, class, or issue.
- The SBA or its portfolio investment manager challenges a price and BNY Melon reviews the price with the vendor, who agrees that the price provided by that vendor may not be appropriate.
- The price from the primary source exceeds BNY Melon's price tolerance checkpoints and results in a vendor comparison review where another source is deemed to be more appropriate by BNY Mellon.

The District currently has an OPEB liability for former employees who retire and their eligible dependents. However, this is an actuarial calculation that does not represent an investment held in any security or fund. This plan is funded on a pay-as-you-go basis.

Donated Assets

Acquisition value is the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date, or the amount at which a liability could be liquidated with the counterparty at the acquisition date. It is a market-based entry price. Fair value, on the other hand, is an exit price—the price that would be received to sell an asset or paid to transfer a liability. Acquisition value is a measurement at the initial transaction date using the replacement cost or the settlement amount measurement attribute. Per GASB 72, acquisition value should be used for the following assets:

- Donated capital assets
- Donated works of art, historical treasures, and similar assets
- Capital assets that a government receives in a service concession arrangement.

The District currently has land, furniture and equipment, computer equipment, works of art, and vehicles as donated assets. These assets are reported at acquisition value.

➤ **External Investment Pools and Pool Participants**

In 2016, the District implemented GASB Statement No. 79, *Certain External Investment Pools and Pool Participants* issued in December 2015. The statement addresses accounting and financial reporting for certain external investment pools and pool participants. Specifically, it establishes criteria for an external investment pool to qualify for making the election to measure all of its investments at amortized cost for financial reporting purposes. An external investment pool qualifies for that reporting if it meets all of the applicable criteria. The specific criteria address:

- How the external investment pool transacts with participants
- Requirements for portfolio maturity, quality, diversification, and liquidity
- Calculation and requirements of a shadow price (amortized cost vs. market value)

The District currently holds funds in a local government investment pool of the FEITF. This fund meets the requirements for GASB 79. The FEITF is a common-law trust organized as an intergovernmental investment pool under the authority of the Florida Interlocal Cooperation Act of 1969 and Section 218.415, Florida Statutes. The fund is not registered with the Securities Exchange Commission (SEC), but is valued using

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

amortized cost and operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940.

As of June 30, 2017, the District has \$37,490,834 invested with FEITF. This fund has a daily liquidity with unlimited investments and redemptions. The weighted average maturity of the fund is 37 days and the weighted average life of the fund is 54 days. The fund has investments in negotiable certificate of deposits, commercial paper, repurchase agreements, certificate of deposit – FHLB Letter of Credit, Federal Agencies, and US Treasury Notes. The investment advisor, on behalf of the fund, determines the net asset value of the shares at the close of each business day and monitors the difference between the amortized cost and market value on a monthly basis (shadow price). The Trustees of the fund can suspend the right of withdrawal or postpone the date of payment if the Trustees determine that there is an emergency that makes the sale of a Portfolio's securities or determination of its net asset value not reasonably practical.

All underlying securities in the fund have a credit rating of A or better by S&P. The credit rating of the FEITF fund is AAAM by S&P and signifies a high level of safety of investment principal and capacity to maintain a \$1.00 per share NAV. The District owns a share of the pool and not a share of the underlying assets in the pool.

4. Due from Other Agencies

The schedule below represents amounts owed to the District from other state/federal sources and other local sources. All amounts are expected to be collected in full.

Funds/Source	Amount
General fund:	
Brevard County Tax Collector:	
Unremitted property taxes - current year	\$ 77,505
Other - state	438,412
Other - local	1,189,938
Special revenues funds:	
Contracted programs	7,637,183
Food services	186,125
Capital funds:	
Local discretionary surtax fund	7,824,675
Brevard County Tax Collector:	
Unremitted property taxes - current year	21,073
PECO	1,560,424
Capital outlay & debt service	24,366
Capital other	58,103
Total due from other agencies - governmental funds	\$ 19,017,804

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

5. Changes in Capital Assets

Changes in capital assets for the year ended June 30, 2017 are presented in the table below:

	Balance July 1, 2016	Additions	Deductions	Balance June 30, 2017
Governmental activities				
Capital assets, not being depreciated:				
Land	\$ 36,419,074	\$ -	\$ -	\$ 36,419,074
Construction in process	21,676,430	29,938,701	(8,654,723)	42,960,408
Software in process	4,150,000	-	-	4,150,000
Total capital assets, not being depreciated	<u>62,245,504</u>	<u>29,938,701</u>	<u>(8,654,723)</u>	<u>83,529,482</u>
Capital assets, being depreciated:				
Improvements	70,360,859	530,693	-	70,891,552
Buildings and fixed equipment	1,426,887,160	8,254,482	-	1,435,141,642
Furniture, fixtures and equipment	78,788,240	4,846,226	(6,793,399)	76,841,067
Motor vehicles	44,738,620	2,280,806	(1,002,858)	46,016,568
AV materials and computer software	7,664,376	125,865	(2,960,192)	4,830,049
Total capital assets, being depreciated	<u>1,628,439,255</u>	<u>16,038,072</u>	<u>(10,756,449)</u>	<u>1,633,720,878</u>
Less accumulated depreciation:				
Improvements	(53,292,710)	(2,997,398)	-	(56,290,108)
Buildings and fixed equipment	(722,930,406)	(28,933,563)	-	(751,863,969)
Furniture, fixtures and equipment	(72,463,165)	(3,371,577)	6,793,399	(69,041,343)
Motor vehicles	(37,217,893)	(2,042,934)	1,002,858	(38,257,969)
AV materials and computer software	(7,652,728)	(52,565)	2,960,192	(4,745,101)
Total accumulated depreciation	<u>(893,556,902)</u>	<u>(37,398,037)</u>	<u>10,756,449</u>	<u>(920,198,490)</u>
Total capital assets, net	<u>\$ 797,127,857</u>	<u>\$ 8,578,736</u>	<u>\$ (8,654,723)</u>	<u>\$ 797,051,870</u>
Depreciation expense was charged to functions as follows:				
Amount				
Governmental activities:				
Pupil transportation services		\$ 1,639,677		
Unallocated (direct depreciation excluded)		35,758,360		
Total depreciation expense-governmental activities (1)		<u>\$ 37,398,037</u>		

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017
Business-type activities:				
Capital assets, being depreciated:				
Improvements	\$ 126,903	\$ -	\$ -	\$ 126,903
Buildings and fixed equipment	48,268	-	-	48,268
Furniture, fixtures and equipment	585,295	5,279	(34,029)	556,545
Motor vehicles	13,881	-	-	13,881
AV materials and computer software	48,576	-	(35,500)	13,076
Total capital assets, being depreciated	<u>822,923</u>	<u>5,279</u>	<u>(69,529)</u>	<u>758,673</u>
Less accumulated depreciation:				
Improvements other than buildings	(75,836)	(8,460)	-	(84,296)
Buildings and fixed equipment	(35,246)	(296)	-	(35,542)
Furniture, fixtures and equipment	(580,561)	(4,956)	34,029	(551,488)
Motor vehicles	(13,881)	-	-	(13,881)
AV materials and computer software	(48,576)	-	35,500	(13,076)
Total accumulated depreciation	<u>(754,100)</u>	<u>(13,712)</u>	<u>69,529</u>	<u>(698,283)</u>
Total capital assets, net	<u>\$ 68,823</u>	<u>\$ (8,433)</u>	<u>\$ -</u>	<u>\$ 60,390</u>

6. Accrued Liabilities

Accrued liabilities reported on the statement of net position at June 30, 2017, were as follows:

	Primary Government		
	Governmental Activities	Business-Type Activities	Total
Liabilities:			
Accounts payable	\$ 6,543,119	\$ 3,156	\$ 6,546,275
Contracts payable	13,038,296	-	13,038,296
Retainage payable	1,604,386	-	1,604,386
Accrued salaries	15,786,069	111,051	15,897,120
Accrued benefits	11,099,618	-	11,099,618
Total accrued liabilities	<u>\$ 48,071,488</u>	<u>\$ 114,207</u>	<u>\$ 48,185,695</u>

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

7. Certificates of Participation

Outstanding certificates of participation at June 30, 2017, are as follows:

Series Outstanding	Amount Outstanding	Interest Rates (Percent)	Lease Term Maturity	Original Amount
Series 2004-QZAB ^(a)	\$ 4,408,000	-	2020	\$ 4,408,000
Series 2008A	56,000,000	5.05	2036	56,000,000
Series 2013A	91,320,000	3.250-5.00	2030	91,320,000
Series 2013B	28,600,000	1.981-2.473	2020	50,900,000
Series 2014	62,310,000	3.25-5.00	2030	62,310,000
Series 2015B	12,095,000	5.00	2025	12,095,000
Series 2015C	88,100,000	3.00-5.00	2032	88,600,000
Series 2017A	52,425,000	3.00-5.00	2032	52,425,000
Series 2017B	29,960,000	2.450	2026	29,960,000
Total Minimum Bond Payments	\$ 425,218,000			\$ 448,018,000

^(a) Interest on this debt is "paid" by the United States government through the issuance of federal income tax credit to the holder of the QZABs. The rate of return to the holders was established by the U.S. government at the time of the sale.

The District has entered into financing arrangements, which are characterized as lease-purchase agreements, with the Brevard County School Board Leasing Corporation (Corporation) whereby the District secured financing of various educational facilities and equipment. The financing was accomplished through the issuance of certificates of participation by the Corporation to third-party investors, to be repaid from the proceeds of rents paid by the District.

As a condition of the financing arrangements, the District has given ground leases on District property to the Corporation, with rental fees of \$1 per year, except for the 2004-Qualified Zone Academy Bonds (QZAB), which are secured by fire alarm systems, intercom systems, structured cabling, and telephone equipment at fifteen schools. The initial terms of the leases end on the earlier of the maturity date or the date on which the certificates are paid in full; however, if lease obligations remain outstanding, the ground leases may be renewed for additional terms as specified in the arrangements. The properties covered by the ground leases are, together with 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 the end of the term, the District may be required to surrender the properties included under the ground lease agreements for the benefit of the securers of the certificates as specified by the arrangement.

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

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

Series 1996B Certificates of Participation

Bayside High School
Longleaf Elementary School
Melbourne High School Additions
Pinewood Elementary School Additions
Titusville High School Additions
Westside Elementary School

Series 2002 Certificates of Participation

Cambridge Elementary School Addition
Cocoa Beach Jr. /Sr. High School Addition
Columbia Elementary School Addition
Discovery Elementary School Addition
Edgewood Jr. High School
Endeavour Elementary School Addition
Gardendale Elementary School Addition
Gemini Elementary School Addition
Indialantic Elementary School Addition
Jupiter Elementary School Addition
Lewis Carroll Elementary School Addition
Manatee Elementary School
McAuliffe Elementary School Addition
Mila Elementary School Addition
Mims Elementary School Addition
Palm Bay Elementary School Addition
Palm Bay High School Addition
Port Malabar Elementary School Addition
Quest Elementary School
Riverview Elementary School Addition
Tropical Elementary School Addition
Turner Elementary School Addition
University Park Elementary School Addition
West Shore Jr. /Sr. High School Addition

Series 2004A Certificates of Participation

Rockledge High School Addition
Viera High School

Series 2006A Certificates of Participation

Astronaut High School
Cocoa Beach Jr. /Sr. High School
Coquina Elementary School Addition
Imperial States Elementary School Addition
Johnson Middle School Addition
McNair Middle School Addition
Mims Elementary School Addition
Palm Bay High School
Stevenson Elementary School Addition
Sunrise Elementary School
Titusville High School
Viera High School Addition

Series 2007B Certificates of Participation

Astronaut High School
Cocoa Beach Jr. /Sr. High School
Coquina Elementary School Addition
Imperial Estates Elementary School Addition
Johnson Middle School Addition
McNair Middle School Addition
Mims Elementary School Addition
Palm Bay High School
Stevenson Elementary School Addition
Titusville High School

Series 2007C Certificates of Participation

Bayside High School
Cocoa Stadium
Melbourne High School
Merritt Island High School
Rockledge High School
Satellite High School
West Shore Jr. /Sr. High School

Series 2008A Certificates of Participation

Heritage High School

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

The table below provides the schedule of certificates under lease agreements and their related refunding series of certificates with the outstanding amounts:

Original COP Series	Refunded to Series	Refunded to Series	Outstanding Amount
1996B	2004B	2013B	\$ 28,600,000
2002	2007A	2017B	29,960,000
2002	2013A		4,475,000
2004A	2013A		39,090,000
2004QZAB			4,408,000
2006A	2013A		47,755,000
2006A	2014		62,310,000
2007B	2015B		12,095,000
2007B	2017A		52,425,000
2007C	2015C		88,100,000
2008A			56,000,000
			<u>\$ 425,218,000</u>

With the exception of the Series 2004-QZAB issue, lease payments are payable semiannually, on July 1 and January 1. The Series 2004-QZAB Certificates of Participation were issued under a special program whereby the certificates, bearing an original issue date of March 26, 2004, will mature on March 26, 2020, for the original \$4,408,000 issuance amount. There is no interest cost for borrowing funds under this program. Mandatory lease payment deposits of \$557,309 were required for five consecutive years beginning on June 15, 2005 through June 15, 2009. It is anticipated that these deposits, along with investment earnings, will be sufficient to redeem the certificates at maturity.

The following table provides a schedule of the District's future minimum lease payments under the lease agreements as of June 30, for all outstanding certificates of participation, including the Series 2004 QZAB:

Fiscal year ending June 30	Total	Principal	Interest
2018	\$ 35,307,043	\$ 16,435,000	\$ 18,872,043
2019	36,710,998	18,275,000	18,435,998
2020	40,967,304	23,083,000	17,884,304
2021	35,295,683	18,020,000	17,275,683
2022	37,651,610	21,185,000	16,466,610
2023-2027	187,594,955	120,925,000	66,669,955
2028-2032	187,698,988	151,295,000	36,403,988
2033-2037	63,242,205	56,000,000	7,242,205
Total Minimum Lease Payments	<u>\$ 624,468,786</u>	<u>\$ 425,218,000</u>	<u>\$ 199,250,786</u>
Add: Unamortized Premium	43,010,748	43,010,748	-
Total Certificates of Participation	<u>\$ 667,479,534</u>	<u>\$ 468,228,748</u>	<u>\$ 199,250,786</u>

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

8. State School Bonds

State School Bonds are issued by the State Board of Education on behalf of the District. The bonds mature serially and are secured by a pledge of the District's portion of the State-assessed motor vehicle license tax. The State's full faith and credit is pledged as security for these bonds. The State Board of Education and the State Board of Administration are responsible for administering the debt service requirements and all compliance regarding issuance and reporting.

The District receives annual financial data from the Florida Department of Education for recording the District's portion of the motor vehicle license revenues and related debt service and other expenditures. Total funding sources received in the current fiscal year are \$1,166,559 all of which relates to debt service.

Outstanding State Board of Education Bonds are as follows:

Bond Type	Amount Outstanding	Interest Rates (Percent)	Annual Maturity To	Original Amount
Series 2009-A	\$ 200,000	5.00	2019	\$ 800,000
Series 2010-A	135,000	4.00-5.00	2022	210,000
Series 2011-A	670,000	3.00-5.00	2023	5,375,000
Series 2014-A	662,000	3.00-5.00	2025	817,000
Series 2014-B	430,000	2.00-5.00	2020	1,062,000
Series 2017-A	362,000	5.00	2026	362,000
Total Bonds Payable	<u>\$2,459,000</u>			<u>\$8,626,000</u>

The following table provides a schedule of the District's future minimum lease payments for State Board of Education Bonds:

Fiscal year ending June 30	Total	Principal	Interest
State School Bonds:			
2018	\$ 768,008	\$ 659,000	\$ 109,008
2019	447,890	366,000	81,890
2020	348,840	285,000	63,840
2021	315,850	265,000	50,850
2022	322,600	285,000	37,600
2023-2027	649,550	599,000	50,550
Total Minimum Bond Payments	<u>\$ 2,852,738</u>	<u>\$ 2,459,000</u>	<u>\$ 393,738</u>
Add: Unamortized Premium	445,987	445,987	-
Total Bonds Payable	<u>\$ 3,298,725</u>	<u>\$ 2,904,987</u>	<u>\$ 393,738</u>

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

9. Defeased Debt

Certificates of Participation

On March 8, 2017, the District issued Refunding Certificates of Participation, Series 2017A, in the amount of \$52,425,000 to advance refund a portion of its outstanding Certificates of Participation, Series 2007B, maturing on and after July 1, 2017. The net proceeds of \$59,395,515 (including a premium of \$6,982,377 and after payment of \$445,931 in underwriting fees and issuance costs plus an additional \$434,069 of legally available funds) were placed in an irrevocable escrow until the refunded certificates are called on July 1, 2017. As a result, \$58,185,000 of the Series 2007B certificates are considered to be defeased and the liability for those certificates has been removed from the government-wide financial statements.

The Series 2017A Refunding Certificates were issued to reduce the total debt service over the next sixteen years by \$6,978,245 and to obtain an economic gain (difference between the present value of the debt service payments on the old and new debt net of refunding costs) of \$4,920,147.

On April 3, 2017, the District issued Refunding Certificates of Participation, Series 2017B, in the amount of \$29,960,000 to forward refund a portion of its outstanding Certificates of Participation, Series 2007A, maturing on and after July 1, 2017. The net proceeds of \$30,192,000 (after payment of \$116,500 in underwriting fees plus an additional \$348,500 legally available funds) were placed in an irrevocable escrow until the refunded certificates are called on July 1, 2017. As a result, \$29,495,000 of the Series 2007A certificates are considered to be defeased and the liability for those certificates has been removed from the government-wide financial statements.

The Series 2017B Refunding Certificates were issued to reduce the total debt service over the next ten years by \$3,093,973 and to obtain an economic gain (difference between the present value of the debt service payments on the old and new debt net of refunding costs) of \$2,747,038.

State School Bonds

The State Board of Education issued Capital Outlay Refunding Bonds, Series 2017A, on April 27, 2017 for \$35,805,000. A portion of these bonds, totaling \$10,060,000, was used to refund, on a current basis, the SBE Capital Outlay Bonds, Series 2006A bonds and \$29,840,000 of the SBE Capital Outlay Bonds, Series 2008A bonds. The District did not participate in the Series 2008A bonds.

The District's portion of the Series 2017A bonds totaled \$362,000 and was used to refund, on a current basis, \$415,000 of the District's portion of the Series 2006A bonds. The District's pro rata share of the net proceeds of the 2017A bonds totaled \$421,030 (including a premium of \$54,828 after deduction of \$2,040 by the Department for the District's pro rata share of underwriting fees, insurance, and other issuance cost plus an additional \$6,242 of the District's portion of the sinking funds available) was placed in a trust account to refund the Series 2006A. The refunded 2006A bonds were called for redemption immediately following the date of delivery. As a result, \$415,000 of the Series 2006A bonds are considered to be legally defeased and have been removed from the government-wide financial statements.

The District's portion of the Series 2017A bonds resulted in a reduction in total debt service of \$63,226 over the next nine years and \$35,610 in economic gain.

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

Prior-year Defeasance of Debt

In prior years, the District defeased certain certificates of participation, in substance, by placing the proceeds of new certificates of participation in an irrevocable trust to provide for all future debt service payments on the old debt. Accordingly, the trust account assets and liabilities for the defeased debt are not included in the District's financial statements. On June 30, 2017, \$106,175,000 of certificates of participation outstanding is considered defeased.

10. Changes in Long-Term Liabilities

The following is a summary of changes in long-term liabilities for the year ended June 30, 2017:

Description	Balance July 1, 2016	Additions	Deductions	Balance June 30, 2017	Due in One Year
GOVERNMENTAL ACTIVITIES					
Certificates of participation payable	\$ 446,688,000	\$ 82,385,000	\$ 103,855,000	\$ 425,218,000	\$ 16,435,000
Plus unamortized net premium	41,127,981	6,982,377	5,099,610	43,010,748	3,188,653
Net certificate of participation payable	<u>487,815,981</u>	<u>89,367,377</u>	<u>108,954,610</u>	<u>468,228,748</u>	<u>19,623,653</u>
Bonds payable	3,131,000	362,000	1,034,000	2,459,000	659,000
Plus unamortized net premium	465,946	54,828	74,787	445,987	80,879
Net bonds payable	<u>3,596,946</u>	<u>416,828</u>	<u>1,108,787</u>	<u>2,904,987</u>	<u>739,879</u>
Estimated claims payable	15,975,921	72,356,690	70,977,557	17,355,054	8,674,892
Compensated absences payable	39,364,745	20,479,567	19,068,171	40,776,141	4,690,402
OPEB obligation	37,684,482	-	1,501,235	36,183,247	-
Net Pension Liability	225,909,686	148,061,321	27,414,159	346,556,848	-
Total governmental activities	<u>\$ 810,347,761</u>	<u>\$ 330,681,783</u>	<u>\$ 229,024,519</u>	<u>\$ 912,005,025</u>	<u>\$ 33,728,826</u>
 BUSINESS-TYPE ACTIVITIES					
Compensated absences payable	\$ 209,093	\$ 266,766	\$ 239,177	\$ 236,682	\$ 14,868
OPEB obligation	404,535	-	14,973	389,562	-
Net Pension Liability	<u>2,017,673</u>	<u>1,476,651</u>	<u>273,408</u>	<u>3,220,916</u>	<u>-</u>
Total business-type activities	<u>\$ 2,631,301</u>	<u>\$ 1,743,417</u>	<u>\$ 527,558</u>	<u>\$ 3,847,160</u>	<u>\$ 14,868</u>

For the governmental activities, compensated absences and other post-employment benefits are generally liquidated with resources of the General Fund. Estimated insurance claims are liquidated with resources from internal service funds. Compensated absences and other post-employment benefits for business-type activities are generally liquidated with the enterprise funds.

11. Arbitrage Payable

Certain long-term debt obligations are subject to Section 148 of the Internal Revenue Code. The code requires a rebate to the federal government for interest earned on tax exempt proceeds if the earnings exceed the interest cost on the related debt. Pursuant to the IRS regulations, the arbitrage liabilities have been calculated for outstanding Certificates of Participation, and the District's liability is zero as of June 30, 2017.

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

12. Interfund Receivables, Payables, and Transfers

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

Funds	Interfund	
	Receivables	Payables
Major funds:		
General	\$ 5,157,583	\$ -
Capital projects - tax levy	145,319	-
Special revenue - contracted programs	-	5,157,583
Nonmajor governmental funds:		
Capital projects - PECO	-	145,319
Total	<u>\$ 5,302,902</u>	<u>\$ 5,302,902</u>

The interfund receivables/payables at June 30, 2017, are primarily due to the reclassification of cash balances in the District's Master Account in order to cover cash deficits in Special Revenue – contracted programs, and Capital Projects - PECO funds. The interfund receivables and payables represent the payments of expenditures paid by one fund for another fund and will be repaid within 12 months after year end.

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

Funds	Interfund	
	Transfers In	Transfers Out
Major funds:		
General	\$ 6,977,756	\$ 4,013,185
Debt service-other	36,092,542	-
Capital projects- local capital improvement	-	40,771,263
Other capital projects	3,733,605	-
Nonmajor governmental funds		
Food Service	-	1,720,420
Internal service funds:		
Workman's Comp	2,000,000	-
General and Auto Liability Insurance	-	-
Enterprise	-	2,299,035
Total	<u>\$ 48,803,903</u>	<u>\$ 48,803,903</u>

The District transferred \$36,092,542 from the Capital projects - local capital improvement fund to the principal and interest payments due for certificates of participation and \$4,678,721 to the General fund for the property insurance. The District also transferred \$2,013,185 federally connected funds from the General fund to Capital Other and \$2,000,000 to Workman's Comp to cover additional claims. Food service transferred \$1,720,420 to Other capital to fund additional renovation and maintenance of the District's kitchens. An interfund transfer of \$2,299,035 was completed from the Enterprise Fund to the General Fund to fulfill the schools' requirement for budget cuts at the District.

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

13. Schedule of Revenue Sources

The following is a schedule of the District's state and federal revenue for the year ended June 30, 2017:

<u>State Revenue Sources</u>	<u>Amount</u>
Florida education finance program (FEFP) ^(a)	
Class size reduction	\$ 79,980,890
ESE guaranteed allocation	29,701,296
Supplemental academic instruction	19,437,414
Transportation	10,203,905
Instructional materials	6,239,379
Reading allocation	3,269,816
Workforce development program	3,809,489
Safe schools	1,607,625
Teachers Classroom Supply Assistance	1,180,342
DJJ supplemental allocation	178,397
FEFP - all other	169,786,151
School recognition program	2,518,801
Capital outlay and debt service withheld for SBE bonds	2,743,337
Voluntary prekindergarten program	2,259,336
Gross receipts tax (public education capital outlay)	2,616,664
Charter school capital outlay	1,457,307
District Discretionary Lottery Funds	1,237,932
Food service supplement	343,807
Other	
Motor vehicle license tax	207,557
Racing commission funds	223,250
Pre-school projects	256,228
Workforce performance-based incentives	-
Miscellaneous	3,221,983
Total	<u><u>\$ 342,480,906</u></u>

^(a) Source: FEFP 2016-17 fourth calculation (Final calculation not available as of preparation date)

<u>Federal Revenue Sources</u>	<u>Amount</u>
Contracted Programs	
Title I	\$ 18,013,218
IDEA	18,863,337
Head Start	4,768,587
Other	9,125,340
Food service program	23,197,866
Other federal funds	2,469,141
Total	<u><u>\$ 76,437,489</u></u>

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

14. Property Taxes

The following table represents a summary of millages and taxes levied for the fiscal year ended June 30, 2017 based on the District's final Certification of School Taxable Value received from the Brevard County Property Appraiser.

	Millages	Taxes Levied
General Fund		
Nonvoted school tax:		
Required local effort	4.668	\$ 167,148,260
Basic discretionary local effort	0.748	26,783,826
Capital Projects Fund		
Nonvoted tax:		
Local capital improvements	1.500	53,710,881
TOTAL	6.916	\$ 247,642,967

15. Pension Obligations

➤ **Retirement Plans – Defined Benefit Pension**

The District follows GASB Statement No. 68, Accounting and Financial Reporting for Pensions, for reporting the employer's proportionate share of the net pension liabilities for the FRS and HIS defined benefit pension plans.

➤ **General information regarding the Florida Retirement System (FRS)**

The FRS was created in Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 1988 to add the Deferred Retirement Option Program (DROP) under the defined benefit and amended in 2000 to provide a defined contribution plan alternative to the defined benefit plan for FRS members effective July 1, 2002. This integrated defined contribution plan is the FRS Investment Plan. Chapter 112, Florida Statutes, established the Retiree Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan to assist retired members of any state-administered retirement system in paying the costs of health insurance.

Essentially all regular employees of the District are eligible to enroll as members of the State-administered FRS. Provisions relating to the FRS are established by Chapters 121 and 122, Florida Statutes; Chapters 112, Part IV, Florida Statutes; Chapter 238, Florida Statutes; and FRS Rules, Chapter 60S, Florida Administrative Code; wherein eligibility, contributions, and benefits are defined and described in detail. Such provisions may be amended at any time by further action of the Florida Legislature. The FRS is a single retirement system administered by the Florida Department of Management Services, Division of Retirement, and consists of two cost-sharing multiple-employer defined benefit plans and other nonintegrated programs. A comprehensive annual financial report of the FRS, which includes its financial statements, required supplementary information, actuarial report, and other relevant information is available from the Florida Department of Management Services, Division of Retirement, P.O. Box 9000, Tallahassee, Florida, 32315-9000.

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

➤ **FRS Pension Plan**

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

1. Regular – Members of FRS who do not qualify for membership in other classes.
2. Elected County Officers – Members who hold specified elective offices in local government.
3. Senior Management Service – Members in senior management level positions.

Employees enrolled in the Plan prior to July 1, 2011, vest after six years of credible service and employees enrolled on or after July 1, 2011, vest after eight years of service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or at any time after 33 years of credible service. Members of both Plans may include up to four years of credit for military service toward credible service. The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The FRS pension plan provides retirement, disability, death benefits, and annual cost-of-living adjustments, as well as supplements for certain employees to cover social security benefits lost by virtue of retirement system membership.

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with a FRS participating employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Benefits Provided - Benefits under the FRS Pension Plan are computed on the basis of age and/or years of service, average final compensation and service credit. Credit for each year of service is provided as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, average final compensation is the average of five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty, regular disability, or survivors' benefits. As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2001, the annual cost of living adjustment is 3 percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2001, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3 percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3 percent. The FRS Pension Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement.

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

Contributions - The State of Florida establishes contribution rates for participating employers and employees. Contribution rates during the 2016-17 fiscal year were as follows:

Class or Plan	Percent of Gross Salary	
	Employee	Employer ^(a)
Florida Retirement System, Regular	3.00	7.52
Florida Retirement System, Elected County Officers	3.00	42.47
Florida Retirement System, Senior Manager	3.00	21.77
Deferred Retirement Option Program - Applicable to members from all of the above classes	0.00	12.99
Florida Retirement System, reemployed retiree	(b)	(b)

Notes: (a) Employer rates include 1.66 percent for the postemployment health insurance subsidy. Also, employer rates, other than for DROP participants, include 0.04 percent for administrative costs of the Investment Plan.

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

Pension Liabilities, Pension Expense, Deferred Outflows and Deferred Inflows of Resources - At June 30, 2017, the District reported a liability of \$214,382,850 for its proportionate share of the Plan's net pension liability. The respective net pension liabilities were measured as of June 30, 2016 and the amounts used to calculate each of the net pension liabilities was determined by an actuarial valuation as of July 1, 2016. The District's proportionate share of the liability was based on the District's 2015-16 fiscal year contributions relative to the total 2015-16 fiscal year contributions of all participating members. At June 30, 2016, the District proportionate share was 0.849038350 percent, which was a decrease of 0.024864679 percent from its proportionate share measured as of June 30, 2015.

For fiscal year ended June 30, 2017, the District recognized the Plan pension expense of \$10,177,368. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to the pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ 16,414,800	\$ 1,996,049
Change in Assumptions	12,969,521	-
Net difference between projected and actual earnings on pension plan investments	55,415,353	-
Changes in proportion and differences between District contributions and proportionate share of contributions	43,932	4,386,956
District contributions subsequent to the measurement date	21,632,798	-
Total	\$ 106,476,404	\$ 6,383,005

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

The deferred outflows related to pensions resulting from District contributions to the Plan subsequent to the measurement date, totaling \$21,706,235, will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30	Amortization
2018	10,434,879
2019	10,434,879
2020	32,039,224
2021	21,924,680
2022	2,778,781
Thereafter	848,158
Total	\$ 78,460,601

Actuarial Assumptions - The total pension liability in the July 1, 2016, actuarial valuation was determined using the following actuarial assumption, applied to all periods included in the measurement:

Inflation	2.60 percent
Salary increases	3.25 percent, average, including inflation
Investment rate of return	7.65 percent, net of pension plan investment expenses, including inflation

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

The actuarial assumptions used in the June 30, 2016, valuation were based on the results of an actuarial experience study for the period July 1, 2008 through June 30, 2013. As a result of the 2016 actuarial experience study, the inflation rate assumption remained the same at 2.60%, the real payroll growth assumption decreased from 1.00% to 0.65%, and the overall payroll growth rate assumption remained the same at 3.25%. The long-term expected rate of return decreased from 7.65% to 7.60%.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

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

Asset Class	Target Allocation ^(a)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.00%	3.00%	3.00%	1.70%
Fixed income	18.00%	4.70%	4.60%	4.60%
Global equity	53.00%	8.10%	6.80%	17.20%
Real Estate (Property)	10.00%	6.40%	5.80%	12.00%
Private Equity	6.00%	11.50%	7.80%	30.00%
Strategic investments	12.00%	6.10%	5.60%	11.10%
Total	<u>100.00%</u>			
Assumed inflation - Mean		2.60%		1.90%

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

Discount Rate - The discount rate used to measure the total pension liability was 7.60%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from participating members will be made at statutorily required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following represents the District's proportionate share of the net pension liability calculated using the discount rate of 7.60 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.60 percent) and one percentage point higher (8.60 percent) than the current rate.

	1% Decrease 6.60%	Current Discount Rate 7.60%	1% Increase 8.60%
District's proportionate share of net pension liability (asset)	<u>\$ 394,693,341</u>	<u>\$ 214,382,850</u>	<u>\$ 64,298,179</u>

Pension Plan Fiduciary Net Position - Detailed information about the Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report.

Payables to the Pension Plan - At June 30, 2017, the District reported a payable of \$3,886,229 for the outstanding amount of contributions to the Plan required for the fiscal year ended June 30, 2017.

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

➤ **HIS Pension Plan**

Plan description - The HIS Pension Plan (HIS Plan) is a cost-sharing multiple-employer defined benefit pension plan established under Section 112.363, Florida Statutes, and may be amended by the Florida Legislature at any time. The benefit is a monthly payment to assist retirees of State-administered retirement systems in paying their health insurance costs and is administered by the Florida Department of Management Services, Division of Retirement.

Benefits Provided - For fiscal year June 30, 2017, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of creditable service completed at the time of retirement multiplied by \$5. The payments are at least \$30 but no more than \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which can include Medicare.

Contributions - The HIS Plan is funded by the required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For fiscal year ended June 30, 2017, the contribution rate was 1.26 percent of payroll pursuant to section 112.363, Florida Statutes. The state contributed 100 percent of its statutorily required contributions for the current and preceding three years. HIS contributions are deposited in a separate trust fund from which HIS payments are authorized. HIS benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provided full subsidy benefits to all participants, benefits may be reduced or cancelled.

The District's contributions to the HIS defined benefit pension plan totaled \$5,981,332 for the fiscal year ended June 30, 2017.

Pension Liabilities, Pension Expense, Deferred Outflows, and Deferred Inflows of Resources - At June 30, 2017, the District reported a liability of \$135,394,914 for its proportionate share of the Plan's net pension liability. The respective net pension liabilities were measured as of June 30, 2016 and the amounts used to calculate each of the net pension liabilities was determined by an actuarial valuation as of July 1, 2016. The District's proportionate share of the liability was based on the District's 2015-16 fiscal year contributions relative to the total 2015-16 fiscal year contributions of all participating members. At June 30, 2016, the District proportionate share was 1.161730818 percent, which was an increase of 0.033605255 percent from its proportionate share measured as of June 30, 2015.

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

For fiscal year ended June 30, 2017, the District recognized the HIS Plan pension expense of \$5,115,555. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to the pensions from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$ -	\$ 308,380
Change in Assumptions	21,246,904	-
Net difference between projected and actual earnings on pension plan investments	68,459	-
Changes in proportion and differences between District contributions and proportionate share of contributions	2,799,790	2,579,434
District contributions subsequent to the measurement date	5,977,618	-
Total	\$ 30,092,771	\$ 2,887,814

The deferred outflows related to pensions resulting from District contributions to the Plan subsequent to the measurement date, totaling \$5,981,332, will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2018. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30	Amortization
2018	\$ 3,601,618
2019	3,601,618
2020	3,588,582
2021	3,582,325
2022	3,568,994
Thereafter	3,284,202
Total	\$ 21,227,339

Actuarial Assumptions - The total pension liability in the July 1, 2016, actuarial valuation was determined using the following actuarial assumption, applied to all periods included in the measurement:

Inflation	2.60 percent
Salary increases	3.25 percent, average, including inflation
Investment rate of return	2.65 percent, net of pension plan investment expenses, including inflation

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

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

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

Discount Rate - The discount rate used to measure the total pension liability was 2.85 percent. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate - The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 2.85 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (1.85 percent) and one percentage point higher (3.85 percent) than the current rate.

	1% Decrease	Current Discount Rate	1% Increase
	1.85%	2.85%	3.85%
District's proportionate share of net pension liability (asset)	\$ 155,328,728	\$ 135,394,914	\$ 118,850,937

Pension Plan Fiduciary Net Position - Detailed information about the HIS Plan's fiduciary net position is available in the separately issued FRS Pension Plan and Other State Administered Systems Comprehensive Annual Financial Report.

Payables to the Pension Plan - At June 30, 2017, the District reported a payable of \$698,328 for the outstanding amount of contributions to the Plan required for the fiscal year ended June 30, 2017.

➤ **FRS – Defined Contribution Pension Plan**

The District contributes to the FRS Investment Plan (Investment Plan), a defined contribution pension plan, for its eligible employees electing to participate in the Investment Plan. The Investment Plan is administered by the Florida State Board of Administration (SBA), and is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report. Service retirement benefits are based upon the value of the member's account upon retirement.

As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. District employees participating in DROP are not eligible to participate in the Investment Plan. Employer and employee contributions, including amounts contributed to individual member's accounts, are defined by law, but the ultimate benefit depends in part on the performance of the investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established or may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.) as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices.

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

For all membership classes, employees are immediately invested in their own contributions and are vested after one year of service for employer contributions and investment earning, regardless of membership class. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including service credit represented by the transferred funds) to be vested for these funds and earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For fiscal year ended June 30, 2017, the information for the amount of forfeitures was unavailable from the SBA; however, management believed that these amounts, if any, would be immaterial to the District.

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

Required employer and employee contributions for the fiscal year end June 30, 2017, were \$4,322,673 and \$1,650,166, respectively. At June 30, 2017, the District reported a payable of \$847,324 for employer and employee contributions to the Investment Plan required for the fiscal year ended June 30, 2017.

16. Other Postemployment Benefits (OPEB) Payable

Plan Description - The Other Postemployment Benefits Plan is a single-employer benefit plan administered by the District. Pursuant to the provision of the Section 112.0801, Florida Statutes, former employees who retire from the District, and eligible dependents, may continue to participate in the District's respective medical/prescription, vision, dental, and life insurance plans as long as they pay the full premium applicable to coverage elected. The District subsidizes the premium rates for the medical/prescription plan paid by the retirees by allowing them to participate in the plan at the blended group premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the plan on average than those of active employees. Retirees are required to enroll in the Federal Medicare program for their primary coverage as soon as they are eligible. The vision, dental, and life insurance plans do not result in an implicit subsidy. The OPEB plan does not issue a stand-alone financial report.

Funding Policy - The District plans to fund this post-employment benefit on a pay-as-you go basis. As of January 1, 2016, 255 retirees received medical/prescription benefits. The District provided \$1,492,251 toward the annual OPEB cost.

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

Annual OPEB Cost and Net OPEB Obligations - The following table shows the District's annual OPEB cost for the year, the amount contributed to the plan, and changes in the District's net OPEB obligation:

Description	Amount
Normal cost (service cost for one year)	\$ 669,286
11 year amortization of unfunded actuarial accrued liability	1,372,496
Interest on normal cost and amortization	-
Annual required contribution	2,041,782
Interest on net OPEB obligation	1,523,561
Adjustment to annual required contribution	(3,589,300)
Annual OPEB cost (expense)	(23,957)
Net employer contribution for FYE 6/30/17	(1,492,251)
Increase/(Decrease) in net OPEB obligation	(1,516,208)
Net OPEB obligation, July 1, 2016	38,089,017
Net OPEB obligation, June 30, 2017	\$ 36,572,809

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation as of June 30, 2017 and the preceding year were as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage of Annual OPEB Cost	Net OPEB Obligation
June 30, 2015	\$ 371,594	747.6%	\$ 40,915,453
June 30, 2016	\$ 52,129	5522.0%	\$ 38,089,017
June 30, 2017	\$ (23,957)	-6228.9%	\$ 36,572,809

Funded Status and Funding Progress as of June 30, 2017:

Actuarial accrued liability	\$ 15,036,030
Actuarial value of plan assets	-
Unfunded actuarial accrued liability (UAAL)	\$ 15,036,030
Funded ratio	0.0%
Covered payroll (active plan members)	\$ 274,049,030
UAAL as a percentage of covered payroll	5.49%

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment and termination, mortality, and the healthcare cost trends. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

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

In the January 1, 2016, OPEB actuarial valuation, and the actuarial roll-forward dated July 12, 2017, the results were derived using the entry age actuarial cost method with an amortization of the unfunded actuarial accrued liability as a level percent of expected payroll. The amortization period used is closed, and the remaining amortization period at June 30, 2017, is 11 years. Because the OPEB liability is currently unfunded, the actuarial assumptions include a 4 percent discount rate, a 2.5 percent inflation rate, a 4 percent investment return, and a 3.25 percent projected salary increase. Both the annual OPEB cost and the unfunded actuarial accrued liability decreased when compared to the previous valuation.

A few factors contributed to the decrease: an increase in projected cost of coverage with a relatively decreased actual cost; a decrease in the percentage of premiums and costs of benefits for short and long term medical; a decrease in the assumed rate of retiree medical coverage acceptance and continuation; and the plan is not projected to be assessed the Excise Tax on High-Cost Employer Health Plans until after it becomes effective. The actuarial assumption annual healthcare cost trend rate beginning January 1, 2016 is 6.50 percent, and is being revised to 6.25 percent beginning January 1, 2017. The trend rates will then decrease by 0.25 percent each subsequent year until 2020 to reach a value of 5 percent. The ultimate value of 4.77 percent in 2020 reflects an expected impact of an additional 0.42 percent representing an estimate of the Federal Excise Tax.

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

17. Commitments

The District uses encumbrance accounting for recording purchase order commitments for goods and services and has recorded \$41,205,261 in encumbrances for major funds (General \$3,399,290, Debt Service – Other \$12,991, Local Capital Improvement \$8,650,040 and Local Sales Surtax \$29,142,940) and \$5,997,278 in non-major funds at June 30, 2017. The District has also recorded the following construction contract commitments as of June 30, 2017 which may include encumbrances:

Project	Balance Committed
Air Management Ion Generator Replacements/Repair at Failure	\$ 6,825
Andersen ES Attachment F	1,614,729
Apollo ES Surtax Renewal Attachment F	1,754,715
Atlantis ES Tech. Upgrades Attachment F	62,727
Audubon ES Surtax Renewal Phase 3 Attachment F	62,114
Bayside HS Attachment F	1,394,782
Capeview ES Surtax Renewal Attachment F	63,122
Central MS Health Clinic Risk Management Funds	11,449
Cocoa HS Track Rehabilitation LCIF Funds	228,380
Columbia ES Cooler/Freezer Replacement Food Services Capital	75,119
Columbia ES Kitchen Hood Fan Rplc. Repair at Failure Surtax	48,123
DeLaura MS Pedestrian Walkway LCIF Funds	66,236
DeLaura MS Phase 4 HVAC and Gym AC Upgrades CO&DS Funds	1,402,316
DeLaura MS Surtax Renewal Phase 3 Attachment F	195,049
Discovery ES 10 Air HVAC Units Rplc. Bldg. 10 Repair at Failure Surtax	78,753
Discovery ES Surtax Renewal Attachment F	66,150
Discovery ES Waste Water Treatment Plant Update LCIF Funds	441,371
District-Wide Security Attachment F	3,586,093
Eau Gallie HS Pre Construction Aviation Bldg. LCIF Funds	79,253
Eau Gallie HS Sewer Improvements Attachment F	6,100
Fairglen ES Surtax Renewal Attachment F	1,615,652
Freedom 7 ES Cooler/Freezer Replacement Food Services Capital	43,473
FY 17 Portable Relocation for SAP for FY18	147,074
Gardendale Relocation Personnel LCIF Funds	117,992
Hoover MS Surtax Renewal Attachment F	2,241,763
Jackson MS Health Clinic Risk Management Funds	17,028
Jackson MS Surtax Renewal Attachment F	2,146,789
Jefferson MS Cooling Tower Rplc. Surtax Renewal Attachment F	25,895
Johnson MS Cooler/Freezer Replacement Food Services Capital	58,492
Kennedy MS Surtax Renewal Attachment F	1,922,343
Lewis Carroll ES HVAC Upgrades Surtax Attachment F	106,866
Lockmar ES AHU Replacement Surtax Renewal Attachment F	15,877
Lockmar ES Therapy Pool Conversion to Classroom LCIF Funds	8,469
Longleaf ES Surtax Tech. Upgrades Attachment F	61,569
McAuliffe ES Rplc. Kitchen Hood Fan Repair at Failure Surtax	48,123

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

Project (continued)	Balance Committed
McLarty Stadium Seating Upgrades by GC LCIF Funds	\$ 89,527
Meadowlane Primary ES Replace Failure Surtax Bard Unit	28,217
Meadowlane Primary ES Surtax Tech. Upgrades Attachment F	68,493
Melbourne HS Kitchen Remodel/Renovation Food Services Capital	372,838
Melbourne HS Surtax Renewal Attachment F	3,836,380
Merritt Island Storm Water Grant Upgrades	460,871
Merritt Island Swimming Pool Renovation LCIF Funds	85,698
Palm Bay ES Cooler/Freezer Replacement Food Services Capital	52,949
Palm Bay ES Surtax Renewal Phase 2 Attachment F	19,103
Pinewood ES Surtax Renewal Attachment F	1,269,009
Port Malabar ES Cooler/Freezer Replacement Food Services Capital	40,838
Port Malabar ES HVAC+Bacnet Controller Repair at Failure Surtax	91,375
Port Malabar ES Lift Station Renovation LCIF Funds	275,289
Roosevelt ES Surtax Renewal Attachment F	260,663
Sabal ES Surtax Renewal Attachment F	1,468,195
Satellite HS Cooler/Freezer Replacement Food Services Capital	50,532
Satellite HS Rplc. 2 Kitchen Exhaust Fans Repair at Failure Surtax	23,500
Satellite HS Track Rehabilitation LCIF Funds/School Base Funds	201,451
Saturn ES Surtax Renewal Attachment F	2,006,401
Sea Park ES Surtax Renewal Attachment F	37,476
Sherwood ES Surtax Renewal Attachment F	328,426
Southwest MS Surtax Renewal Attachment F	1,716,848
Stone MS Conversion Room 514 LCIF Funds	212,947
Stone MS Surtax Renewal Phase 1 Attachment F	2,916,584
Titusville HS Bldg., 19 Pre Construction	4,220
Tropical ES Surtax Renewal Attachment F	25,674
Turner ES Surtax Renewal Attachment F	1,038,452
West Melbourne ES Surtax Renewal Attachment F	774,846
Westshore JR/SR HS Kitchen Remodel/Renovation Food Services Capital	366,855
Westshore JR/SR Rplc. 2 Roof Top Units Repair at Failure Surtax	155,346
Westside ES Bldg. Envelope Renewal LCIF Funds	167,471
Westside ES Surtax Renewal MEP Upgrades Attachment F	583,929
Total Commitments	\$ 38,851,214

18. Risk Management - Self Insured Programs

The District is exposed to various casualty risks including workers' compensation related injuries to employees and volunteers, state tort claims (auto and general liability exposures), and allegations of wrongful or intentional acts that result in claims of negligence sometimes handled in state court, but are for the most part typically handled in federal court jurisdictions. The District utilizes a third-party administrator to adjust or handle all of these claims. In addition to the self-insured portion of these casualty claims, the District procures insurance with high deductibles to reduce the effect of excessive losses for all of these exposures through

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

commercial insurance companies. A list of these exposures and how they are treated can be found below. In the last three years, no claim has exceeded the self-insured retention limits as stated in statute and though no claim exceeded the self-insured limit the district further protects itself by purchasing insurance to protect the district in the event of this type of loss exposure.

In addition to casualty loss exposure the District provides employees and their dependents with health insurance through multiple self-insurance programs including prescription drug benefits all of which are administered through a third-party administrator. Under both casualty and healthcare programs, claims are presented to the service agents for processing and payment. The third-party administrator sends the District a monthly invoice to reimburse them for the claims paid during each month of the year as well as to cover their charge for providing this service on the District's behalf.

Workers' Compensation: Work related injuries to officers, employees, and official school volunteers' liability claims

- The first \$500,000 of each workers' compensation claim is paid via the District's self-insurance trust funds. These claims are administered through a third-party administrator, Sedgwick CMS.
- All workers' compensation claims with values in excess of \$500,000 are paid via an excess workers' compensation policy purchased through a commercial insurance carrier and adjusted through the same third-party administrator as was for the first \$500,000 in losses.

General Liability and Automobile Liability Claims:

- The first \$200,000 of any single incident, single individual, or \$300,000 for multiple claims that arise from a single incident are paid via the District's self-insured trust funds. These claims are capped at the above stated figures by state law specifically Florida Statute 768.28 better known as the state's doctrine of Sovereign Immunity. All of these claims are administered through a third-party administrator, Sedgwick CMS.
- Florida Statute 768.28 provides for payments in excess of the above stated figures if the legislature approves a claims bill allowing for such payment. The District also purchases a commercial insurance policy to pay a maximum of \$1,000,000 if any claim should exceed the deductible of \$500,000. The insurance carrier is BRIT Global Specialty USA, a division of Lloyds, London.

Errors and Omissions Liability Claims:

- The first \$250,000 of each wrongful act is self-insured via the District's self-insured trust funds. Though these claims are not adjusted by Sedgwick CMS, this third-party administrator handles and pays the fees associated with claim investigation, legal representation, and claim settlement/payout.
- For claims in excess of \$250,000 the district purchases a commercial insurance policy that will pay up to an annual aggregate of \$2,000,000. The insurance carrier is BRIT Global Specialty USA, a division of Lloyds, London.

Self-Insured Health Claims:

- The District offers a self-insurance plan covering certain health and prescription drug benefits and utilizes several choices of providers under the plan. Benefits are offered to active employees and their dependents as well as retirees. Under these plans, a portion of the benefits offered is paid by the District and a portion is paid by employees through payroll deduction. Retirees are required to pay the full premium amount for plan coverage at the blended employee premium rate.

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

The liability for workers' compensation is \$10,975,453, general liability is \$1,307,167, automobile liability is \$395,174, and medical claims is \$4,677,260 for a total amount of \$17,355,054. The liability amounts were determined based on claims adjusters' evaluation of individual claims and management's evaluation, along with actuarial calculations with respect to the probable number and nature of claims arising from losses that have been incurred but have not yet been reported, including non-incremental claim adjustments.

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

Fiscal Year	Balance July 1	Current Year Claims	Claims Payments	Balance June 30
2015-16	\$ 14,972,305	\$ 66,428,378	\$ (65,424,762)	\$ 15,975,921
2016-17	\$ 15,975,921	\$ 72,356,690	\$ (70,977,557)	\$ 17,355,054

Commercially Purchased Insurance

The District is also exposed to various risks that could result in severe financial loss or losses that due to the minimal cost are better treated with commercial insurance. These exposures are related to property loss, boiler and machinery related losses, employee crime/theft, and under and above ground fuel storage tanks.

Property Insurance:

- Losses related to fire, earthquake, non-named storms, theft/vandalism, etc., are subject to a deductible of \$100,000 and will pay a maximum loss of \$150,000,000 for any one incident.
- Losses related to named windstorms and flood damage are subject to 3 percent per building replacement value as a deductible. The windstorm deductible is further limited to a maximum loss per storm of \$15,000,000 before insurance pays for the remaining amount of the loss subject to the maximum loss limit for a named windstorm. To trigger insurance coverage all building damage when totaled together must exceed \$500,000. Once the minimum loss deductible is met, the policy will pay a maximum of \$110,000,000 toward the District's losses.

Boiler and Machinery:

- Losses related to boiler or machinery failure are subject to a deductible of \$25,000 and will pay up to \$50,000,000 in equipment breakdown and property damage.

Employee Theft/Crime:

- Losses related to cash theft or mishandling of assets are subject to a \$25,000 deductible and will reimburse the District up to \$2,500,000 in the event of a loss.

Under and Above Ground Storage Tanks:

- Losses related to diesel and gasoline fuel spills are subject to a \$5,000 deductible and will reimburse the District up to \$1,000,000 toward expenses related to clean up and recovery.

During the fiscal year ended June 30, 2017 the District did not experience any significant reductions in insurance coverage nor did any claim settlement as noted in any area above exceed the insurance coverage purchased in each of the last three fiscal years.

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

19. Internal Service Funds

The following is a summary of financial information reported in the internal service funds for the year ended June 30, 2017:

	Total	Medical Insurance	Worker's Compensation	General/Auto Liability
Total assets	\$ 41,421,722	\$ 25,736,491	\$ 13,578,096	\$ 2,107,135
Liabilities and net position:				
Accounts payable	1,007,852	40,322	824,373	143,157
Estimated insurance claims payable	17,355,054	4,677,260	10,975,453	1,702,341
Net position:				
Net investment in capital assets	1,332,875	1,332,875	-	-
Unrestricted net position	21,725,941	19,686,034	1,778,270	261,637
Total net position	23,058,816	21,018,909	1,778,270	261,637
Total liabilities and net position	\$ 41,421,722	\$ 25,736,491	\$ 13,578,096	\$ 2,107,135
Revenues:				
Premium contributions	71,005,868	66,365,165	3,506,304	1,134,399
Investment earnings	55,682	27,553	26,905	1,224
Other	4	-	4	-
Total revenues	71,061,554	66,392,718	3,533,213	1,135,623
Total expenses	(74,430,329)	(67,084,397)	(6,353,761)	(992,171)
Transfers	2,000,000	-	2,000,000	-
Change in net position	\$ (1,368,775)	\$ (691,679)	\$ (820,548)	\$ 143,452

20. Fund Balance Reporting

Effective for fiscal years after June 15, 2009, GASB issued Statement No. 54, *Fund Balance Reporting and Fund Balance Definitions (GASB 54)*. The intention of the GASB 54 is to provide a more structured classification of fund balance and to improve the usefulness of fund balance reporting to the users of the District's financial statements. The reporting standard establishes a hierarchy for fund balance classifications and the constraints imposed on the uses of those resources. GASB 54 provides for two major types of fund balances, which are nonspendable and spendable. Nonspendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, and principal (corpus) of an endowment fund. The District has inventory items that are considered nonspendable. The District has no nonspendable funds related to endowment.

In addition to the nonspendable fund balances, GASB 54 has provided a hierarchy of *spendable* fund balances, based on a hierarchy of spending constraints.

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

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

- Committed - fund balances that contain self imposed constraints of the government from its highest level of decision making authority.
- Assigned - fund balances that contain self imposed constraints of the government to be used for a particular purpose.
- Unassigned - fund balances of the general fund that are not constrained for any particular purpose.

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

Nonspendable: The District has inventory of \$2,694,616 classified as nonspendable.

Spendable: The District has classified the spendable fund balances as *Restricted*, *Assigned*, and *Unassigned* and considers each to have been spent when expenditures are incurred. The District does not have a policy regarding either committed or assigned fund balances, and has reported no committed fund balances in its financial statements. When assigned and unassigned balances are available for use, assigned resources will be used first and then unassigned resources will be used as needed.

- Restricted for Capital Projects, State Categoricals, Debt Service, and Food Services - Florida Statute requires that certain revenues be specifically designated for the purposes of capital and debt service requirements, certain designated state categorical spending and other earmarked spending programs, and food services. These funds have been included in the restricted category of fund balance. The restricted fund balances for capital projects, state categoricals, debt service, and food services total \$102,495,588, \$6,519,283, \$4,050,910, and \$12,547,124 respectively.
- Assigned for School Operations and Capital Projects - The School Board has set aside certain fund balances for school operations and capital projects. For fiscal year 2017, the assigned fund balance is \$7,873,518 of which \$2,591,483 is for school operations and \$5,282,035 is for capital projects not restricted for a particular purpose.
- Unassigned - The unassigned fund balance for the general fund is \$47,642,853.

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA
Notes to the Basic Financial Statements
June 30, 2017

The below table is a summary of the fund balance classifications for the District at June 30, 2017:

	General Fund	Debt Service Fund - Other	Local Capital Improvement	Local Sales Surtax	Nonmajor Governmental Funds	Total Governmental Funds
Fund balances						
Nonspendable:						
Inventory	\$ 884,684	\$ -	\$ -	\$ -	\$ 1,809,932	\$ 2,694,616
Restricted:						
Capital projects	-	-	27,021,021	46,553,909	28,920,658	102,495,588
State categoricals	6,519,283	-	-	-	-	6,519,283
Debt service	-	3,999,111	-	-	51,799	4,050,910
Food Services	-	-	-	-	12,547,124	12,547,124
Assigned:						
School operations	2,591,483	-	-	-	-	2,591,483
Capital projects	-	-	-	-	5,282,035	5,282,035
Unassigned:	47,642,853	-	-	-	-	47,642,853
Total fund balances	<u>\$ 57,638,303</u>	<u>\$ 3,999,111</u>	<u>\$ 27,021,021</u>	<u>\$ 46,553,909</u>	<u>\$ 48,611,548</u>	<u>\$ 183,823,892</u>

The District has set aside “contingency reserves” per Board Policy 6120, to help sustain the financial stability of the District during times of emergency spending for items such as disaster recovery and revenue shortfalls that could potentially occur after the current year’s budget adoption. Policy 6120 requires at least 3 percent of the current year’s annual estimated general fund revenues to be reserved for contingency purposes. In the event these reserves are needed, a majority vote of the Board is required before using these funds and the Superintendent is required to provide a financial plan to the Board to restore the funds to the minimum 3 percent amount, along with a timeline for restoration. The contingency funds of \$19,880,369 are included as part of the unassigned general fund balance of \$47,642,853 and equates to 3.66 percent of fiscal year 2017 total general fund revenues including transfers-in.

21. Litigation

The School Board is a defendant in a number of lawsuits as of June 30, 2017. It is the opinion of the District’s management, after giving consideration to the District’s related insurance coverage, as well as the Florida statutory limitations on governmental liability on uninsured risks, that the amount of losses resulting from litigation, which exceeded the above-mentioned limits, would not be material to the financial position of the District.

REQUIRED
SUPPLEMENTARY
INFORMATION



The School Board of Brevard County, Florida
Required Supplementary Information

Single - Employer Other Postemployment Benefits Plan

Schedule of Funding Progress

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Liability(AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
Jan. 1, 2012	\$ -	\$ 102,590,291	\$ 102,590,291	0.0%	\$ 260,502,913	39.4%
Jan. 1, 2014	\$ -	\$ 15,541,538	\$ 15,541,538	0.0%	\$ 263,365,971	5.9%
Jan. 1, 2016	\$ -	\$ 15,036,030	\$ 15,036,030	0.0%	\$ 274,049,030	5.5%

Schedule of Employer Contributions

(amounts expressed in thousands)

Fiscal Year Ending	Annual Required Contribution (ARC)	Amount Contributed	Percentage of Annual Required Contribution	Net OPEB Obligation
6/30/2015	\$ 1,971,166	\$ 2,777,883	140.9%	\$ 40,915,453
6/30/2016	\$ 1,962,490	\$ 2,878,565	146.7%	\$ 38,089,017
6/30/2017	\$ 2,041,782	\$ 1,492,251	73.1%	\$ 36,572,809

The School Board of Brevard County, Florida
Required Supplementary Information

Proportionate Share of Net Pension Liability
Florida Retirement System
Last 10 Fiscal Years*

	2017	2016	2015	2014
Brevard County District School Board's proportion of the net pension liability (asset)	0.849038350%	0.873903029%	0.876490442%	0.889368881%
Brevard County District School Board's proportionate share of the net pension liability (asset)	\$ 214,382,250	\$ 112,876,297	\$ 53,295,762	\$ 153,099,968
Brevard County District School Board's covered-employee payroll	\$ 360,321,185	\$ 358,930,491	\$ 342,344,742	\$ 334,805,743
Brevard County District School Board's proportionate share of the net pension liability'(asset) as a percentage of its covered-employee payroll	59.50%	31.45%	15.57%	45.73%
Plan fiduciary net position as a percentage of the total pension liability	84.88%	92.00%	96.09%	88.54%

* Data is not available prior to fiscal year 2014.

The School Board of Brevard County, Florida
Required Supplementary Information

Proportionate Share of Net Pension Liability
Health Insurance Subsidy Program
Last 10 Fiscal Years*

	2017	2016	2015	2014
Brevard County District School Board's proportion of the net pension liability (asset)	1.161730818%	1.128125564%	1.126860263%	1.177649683%
Brevard County District School Board's proportionate share of the net pension liability (asset)	\$ 135,394,914	\$ 115,051,062	\$ 105,364,184	\$ 102,529,889
Brevard County District School Board's covered-employee payroll	\$ 360,321,185	\$ 358,930,491	\$ 342,344,742	\$ 334,805,743
Brevard County District School Board's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	37.58%	32.05%	30.78%	30.62%
Plan fiduciary net position as a percentage of the total pension liability	0.97%	0.50%	0.99%	1.78%

* Data is not available prior to fiscal year 2014.

The School Board of Brevard County, Florida
Required Supplementary Information

Contributions				
Florida Retirement System				
Last 10 Fiscal Years*				
	2017	2016	2015	2014
Contractually required contribution	\$ 21,706,235	\$ 20,797,389	\$ 21,306,498	\$ 19,133,147
Contributions in relation to the contractually required contribution	(21,706,235)	(20,797,389)	(21,306,498)	(19,133,147)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Brevard County District School Board's covered-employee payroll	\$ 360,321,185	\$ 358,930,491	\$ 342,344,742	\$ 334,805,743
Contributions as a percentage of covered-employee payroll	6.02%	5.79%	6.22%	5.71%

* Data is not available prior to fiscal year 2014.

The School Board of Brevard County, Florida
Required Supplementary Information

Contributions
Health Insurance Subsidy Program
Last 10 Fiscal Years*

	2017	2016	2015	2014
Contractually required contribution	\$ 5,981,332	\$ 5,958,246	\$ 4,312,398	\$ 3,860,244
Contributions in relation to the contractually required contribution	(5,981,332)	(5,958,246)	(4,312,398)	(3,860,244)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -
Brevard County District School Board's covered-employee payroll	\$ 360,321,185	\$ 358,930,491	\$ 342,344,742	\$ 334,805,743
Contributions as a percentage of covered-employee payroll	1.66%	1.66%	1.26%	1.15%

* Data is not available prior to fiscal year 2014.



OTHER SUPPLEMENTARY
INFORMATION

COMBINING AND INDIVIDUAL FUND
FINANCIAL STATEMENTS
AND SCHEDULES



The School Board of Brevard County, Florida
Debt Service Fund - Other
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local sources:				
Investment income	\$ 139,000	\$ 141,862	\$ 141,862	\$ -
Total revenues	<u>139,000</u>	<u>141,862</u>	<u>141,862</u>	<u>-</u>
Expenditures:				
Principal	16,175,000	16,175,000	16,175,000	-
Interest and fiscal charges	<u>20,192,258</u>	<u>19,696,999</u>	<u>19,696,999</u>	<u>-</u>
Total expenditures	<u>36,367,258</u>	<u>35,871,999</u>	<u>35,871,999</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(36,228,258)</u>	<u>(35,730,137)</u>	<u>(35,730,137)</u>	<u>-</u>
Other financing sources (uses)				
Proceeds of lease-purchase agreements	-	82,385,000	82,385,000	-
Premium on refunding bonds	-	6,982,378	6,982,378	-
Payments to refunded bond escrow agent	-	(89,587,515)	(89,587,515)	-
Transfers in	36,367,258	36,092,542	36,092,542	-
Transfers out	-	-	-	-
Total other financing sources (uses)	<u>36,367,258</u>	<u>35,872,405</u>	<u>35,872,405</u>	<u>-</u>
Net change in fund balance	<u>\$ 139,000</u>	<u>\$ 142,268</u>	142,268	<u>\$ -</u>
Fund balance, beginning of year			<u>3,856,843</u>	
Fund balance, end of year			<u>\$ 3,999,111</u>	

The School Board of Brevard County, Florida
 Local Capital Improvement Capital Projects Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
 For the Fiscal Year Ended June 30, 2017

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Revenues:				
Local sources:				
Ad valorem taxes	\$ 51,658,103	\$ 51,960,851	\$ 51,960,851	\$ -
Investment income	100,000	360,243	360,243	-
Other	408,960	6,445	6,445	-
Total local sources	<u>52,167,063</u>	<u>52,327,539</u>	<u>52,327,539</u>	<u>-</u>
Total revenues	<u>52,167,063</u>	<u>52,327,539</u>	<u>52,327,539</u>	<u>-</u>
Expenditures:				
Facilities acquisition and construction	64,045	8,427,850	8,427,850	-
Capital outlay:				
Facilities	11,944,937	16,698,224	2,191,319	14,506,905
Other capital outlay	9,754,522	9,210,913	2,541,143	6,669,770
Total expenditures	<u>21,763,504</u>	<u>34,336,987</u>	<u>13,160,312</u>	<u>21,176,675</u>
Excess of revenues over expenditures	<u>30,403,559</u>	<u>17,990,552</u>	<u>39,167,227</u>	<u>21,176,675</u>
Other financing sources (uses):				
Transfers out	<u>(41,032,945)</u>	<u>(40,771,263)</u>	<u>(40,771,263)</u>	<u>-</u>
Total other financing sources (uses):	<u>(41,032,945)</u>	<u>(40,771,263)</u>	<u>(40,771,263)</u>	<u>-</u>
Net change in fund balance	<u>\$ (10,629,386)</u>	<u>\$ (22,780,711)</u>	(1,604,036)	<u>\$ 21,176,675</u>
Fund balance, beginning of year			<u>28,625,057</u>	
Fund balance, end of year			<u>\$ 27,021,021</u>	

The School Board of Brevard County, Florida
 Local Sales Surtax Capital Projects Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
 For the Fiscal Year Ended June 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
Discretionary Surtax	\$ 43,269,088	\$ 44,914,836	\$ 44,914,836	\$ -
Investment Income	-	205,322	205,322	-
Other	-	8,482	8,482	-
Total revenues	<u>43,269,088</u>	<u>45,128,640</u>	<u>45,128,640</u>	<u>-</u>
Expenditures:				
Facilities acquisition and construction	15,972	14,200,080	14,200,080	-
Capital outlay:				
Facilities	75,675,269	53,498,310	23,560,377	29,937,933
Other capital outlay	30,062	1,864,620	1,769,311	95,309
Total expenditures	<u>75,721,303</u>	<u>69,563,010</u>	<u>39,529,768</u>	<u>30,033,242</u>
Excess of revenues over expenditures	<u>(32,452,215)</u>	<u>(24,434,370)</u>	<u>5,598,872</u>	<u>30,033,242</u>
Net change in fund balance	<u>\$ (32,452,215)</u>	<u>\$ (24,434,370)</u>	5,598,872	<u>\$ 30,033,242</u>
Fund balance, beginning of year			<u>40,955,037</u>	
Fund balance, end of year			<u>\$ 46,553,909</u>	



Nonmajor Governmental Funds

Special Revenue Funds

Special revenue funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.

Food Services Fund—To account for the activities of the District’s food services function. These activities are funded primarily through local charges and federal awards.

Debt Service Funds

Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest and related costs.

SBE/COBI Bonds Fund—To account for the payment of principal, interest and related costs on the state school bonds issued by the State Board of Education on behalf of the District. These bonds are payable from the District’s portion of the state-assessed motor vehicle license tax.

Capital Projects Funds

A capital project funds are used to account for the financial resources to be used for educational capital outlay needs, including new construction, renovation and remodeling projects.

Section 1011.14/1011.15 Notes—To account for the financial resources generated by the District's revenue anticipation notes, the proceeds of which are used for roofing repairs and heating and air conditioning improvements at District schools.

Capital Outlay and Debt Service Fund—To account for capital project activity funded by the District’s portion of the state Capital Outlay and Debt Service program.

Public Education Capital Outlay (PECO)—To account for capital projects financed through the District's allocation of the state Public Education Capital Outlay program.

Impact Fees Fund —To account for capital projects financed through the District's impact fees.

Other Capital Projects Fund —To account for the financial resources generated by miscellaneous capital outlay funding sources, such as fuel tax receipts, and other miscellaneous local sources. Funds are used for capital outlay needs such as new construction, remodel, renovation and debt service.

The School Board of Brevard County, Florida
Combining Balance Sheet
Nonmajor Governmental Funds
June 30, 2017

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Section</u>
	<u>Food</u>	<u>SBE / COBI</u>	<u>1011.14/1011.15</u>
	<u>Services</u>	<u>Bonds</u>	<u>Notes</u>
ASSETS			
Cash and cash equivalents	\$ 12,718,651	\$ -	\$ -
Cash with fiscal agent	-	58,041	-
Investments	-	-	-
Accounts receivable	-	-	-
Due from other agencies	186,125	-	-
Inventory	1,809,932	-	-
Total assets	<u>\$ 14,714,708</u>	<u>\$ 58,041</u>	<u>\$ -</u>
LIABILITIES AND FUND BALANCES			
Liabilities:			
Accounts, contracts and retainage payable	\$ 32,783	\$ 6,242	\$ -
Accrued salaries and benefits	391	-	-
Due to other agencies	823	-	-
Due to budgetary funds	-	-	-
Unearned revenues	323,655	-	-
Total liabilities	<u>357,652</u>	<u>6,242</u>	<u>-</u>
Fund balances:			
Nonspendable	1,809,932	-	-
Restricted	12,547,124	51,799	-
Assigned	-	-	-
Total fund balances	<u>14,357,056</u>	<u>51,799</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 14,714,708</u>	<u>\$ 58,041</u>	<u>\$ -</u>

Capital Projects					Total
Capital Outlay and Debt Service	Public Education Capital Outlay	Impact Fees	Other Capital Projects	Total Nonmajor Capital Projects	Nonmajor Governmental Funds
\$ 3,787,616	\$ -	\$ -	\$ -	\$ 3,787,616	\$ 16,506,267
-	-	21,578,103	-	21,578,103	21,636,144
2,513	-	1,336,334	7,891,349	9,230,196	9,230,196
-	-	-	11,240	11,240	11,240
24,366	1,560,424	-	58,103	1,642,893	1,829,018
-	-	-	-	-	1,809,932
<u>\$ 3,814,495</u>	<u>\$ 1,560,424</u>	<u>\$ 22,914,437</u>	<u>\$ 7,960,692</u>	<u>\$ 36,250,048</u>	<u>\$ 51,022,797</u>
\$ 1,335,738	\$ 75,185	\$ -	\$ 490,877	\$ 1,901,800	\$ 1,940,825
-	-	-	-	-	391
-	-	-	236	236	1,059
-	145,319	-	-	145,319	145,319
-	-	-	-	-	323,655
<u>1,335,738</u>	<u>220,504</u>	<u>-</u>	<u>491,113</u>	<u>2,047,355</u>	<u>2,411,249</u>
-	-	-	-	-	1,809,932
2,478,757	1,339,920	22,914,437	2,187,544	28,920,658	41,519,581
-	-	-	5,282,035	5,282,035	5,282,035
<u>2,478,757</u>	<u>1,339,920</u>	<u>22,914,437</u>	<u>7,469,579</u>	<u>34,202,693</u>	<u>48,611,548</u>
<u>\$ 3,814,495</u>	<u>\$ 1,560,424</u>	<u>\$ 22,914,437</u>	<u>\$ 7,960,692</u>	<u>\$ 36,250,048</u>	<u>\$ 51,022,797</u>

The School Board of Brevard County, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2017

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Section</u>
	<u>Food</u>	<u>SBE / COBI</u>	<u>1011.14/1011.15</u>
	<u>Services</u>	<u>Bonds</u>	<u>Notes</u>
Revenues:			
Local sources:			
Food service sales	\$ 8,808,688	\$ -	\$ -
Investment income	-	-	-
Impact fees	-	-	-
Other	261,957	-	-
Total local sources	<u>9,070,645</u>	<u>-</u>	<u>-</u>
State sources:			
Public education capital outlay	-	-	-
Food services	343,807	-	-
Other	-	749,731	-
Total state sources	<u>343,807</u>	<u>749,731</u>	<u>-</u>
Federal sources:			
Food services	23,197,866	-	-
Total federal sources	<u>23,197,866</u>	<u>-</u>	<u>-</u>
Total revenues	<u>32,612,318</u>	<u>749,731</u>	<u>-</u>

Capital Projects					Total
Capital Outlay and Debt Service	Public Education Capital Outlay	Impact Fees	Other Capital Projects	Total Nonmajor Capital Projects	Nonmajor Governmental Funds
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 8,808,688
-	-	22,757	-	22,757	22,757
-	-	9,186,001	-	9,186,001	9,186,001
-	-	-	341,762	341,762	603,719
-	-	9,208,758	341,762	9,550,520	18,621,165
-	2,616,664	-	-	2,616,664	2,616,664
-	-	-	-	-	343,807
1,953,125	-	-	153,421	2,106,546	2,856,277
1,953,125	2,616,664	-	153,421	4,723,210	5,816,748
-	-	-	-	-	23,197,866
-	-	-	-	-	23,197,866
1,953,125	2,616,664	9,208,758	495,183	14,273,730	47,635,779

Continued on next page.

The School Board of Brevard County, Florida
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2017

	<u>Special Revenue</u>	<u>Debt Service</u>	<u>Section</u>
	<u>Food</u>	<u>SBE / COBI</u>	<u>1011.14/1011.15</u>
	<u>Services</u>	<u>Bonds</u>	<u>Notes</u>
Expenditures:			
Current operating:			
Facilities acquisition and construction	\$ -	\$ -	\$ 40,131
Food services	29,726,042	-	-
Capital outlay:			
Facilities	-	-	-
Other capital outlay	570,156	-	-
Debt service:			
Principal	-	619,000	-
Interest and fiscal charges	-	147,807	-
Total expenditures	<u>30,296,198</u>	<u>766,807</u>	<u>40,131</u>
Excess (deficiency) of revenues over (under) expenditures	<u>2,316,120</u>	<u>(17,076)</u>	<u>(40,131)</u>
Other financing sources (uses):			
Transfers in	-	-	-
Transfers out	(1,720,420)	-	-
Refunding bonds issued	-	362,000	-
Premium on refunding bonds	-	54,828	-
Payments to refunding bond escrow agent	-	(421,030)	-
Total other financing sources (uses)	<u>(1,720,420)</u>	<u>(4,202)</u>	<u>-</u>
Net change in fund balances	595,700	(21,278)	(40,131)
Fund balances, beginning of year	13,761,356	73,077	40,131
Fund balances, end of year	<u>\$ 14,357,056</u>	<u>\$ 51,799</u>	<u>\$ -</u>

Capital Projects					Total
Capital Outlay and Debt Service	Public Education Capital Outlay	Impact Fees	Other Capital Projects	Total Nonmajor Capital Projects	Nonmajor Governmental Funds
\$ 113,523	\$ 1,926,344	\$ -	\$ 968,791	\$ 3,048,789	\$ 3,048,789
-	-	-	-	-	29,726,042
1,455,247	10,430	-	809,953	2,275,630	2,275,630
-	160,518	-	-	160,518	730,674
-	-	-	-	-	619,000
2,054	-	-	-	2,054	149,861
<u>1,570,824</u>	<u>2,097,292</u>	<u>-</u>	<u>1,778,744</u>	<u>5,486,991</u>	<u>36,549,996</u>
<u>382,301</u>	<u>519,372</u>	<u>9,208,758</u>	<u>(1,283,561)</u>	<u>8,786,739</u>	<u>11,085,783</u>
-	-	-	3,733,605	3,733,605	3,733,605
-	-	-	-	-	(1,720,420)
-	-	-	-	-	362,000
-	-	-	-	-	54,828
-	-	-	-	-	(421,030)
-	-	-	3,733,605	3,733,605	2,008,983
382,301	519,372	9,208,758	2,450,044	12,520,344	13,094,766
2,096,456	820,548	13,705,679	5,019,535	21,682,349	35,516,782
<u>\$ 2,478,757</u>	<u>\$ 1,339,920</u>	<u>\$ 22,914,437</u>	<u>\$ 7,469,579</u>	<u>\$ 34,202,693</u>	<u>\$ 48,611,548</u>

The School Board of Brevard County, Florida
Special Revenue Fund - Food Services
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local sources:				
Food service sales	\$ 9,251,591	\$ 9,070,645	\$ 9,070,645	\$ -
Total local sources	<u>9,251,591</u>	<u>9,070,645</u>	<u>9,070,645</u>	<u>-</u>
State sources:				
Food services	327,315	343,807	343,807	-
Total state sources	<u>327,315</u>	<u>343,807</u>	<u>343,807</u>	<u>-</u>
Federal sources:				
Food services	23,421,516	23,197,866	23,197,866	-
Total federal sources	<u>23,421,516</u>	<u>23,197,866</u>	<u>23,197,866</u>	<u>-</u>
Total revenues	<u>33,000,422</u>	<u>32,612,318</u>	<u>32,612,318</u>	<u>-</u>
Expenditures:				
Food service:				
Salaries	9,183,371	9,689,037	9,104,482	584,555
Employee benefits	3,162,123	3,400,948	2,948,318	452,630
Purchased services	1,468,242	1,632,580	1,068,310	564,270
Energy services	553,634	553,634	521,210	32,424
Materials and supplies	15,733,354	15,741,594	14,784,036	957,558
Capital outlay	1,720,592	2,109,422	533,863	1,575,559
Other expenditures	958,410	967,751	904,480	63,271
Total food service	<u>32,779,726</u>	<u>34,094,966</u>	<u>29,864,699</u>	<u>4,230,267</u>
Capital outlay:				
Facilities	1,142,193	910,700	431,499	479,201
Total expenditures	<u>33,921,919</u>	<u>35,005,666</u>	<u>30,296,198</u>	<u>4,709,468</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(921,497)</u>	<u>(2,393,348)</u>	<u>2,316,120</u>	<u>4,709,468</u>
Other financing (uses):				
Transfers out	(500,000)	(1,720,420)	(1,720,420)	-
Total other financing (uses):	<u>(500,000)</u>	<u>(1,720,420)</u>	<u>(1,720,420)</u>	<u>-</u>
Net change in fund balance	<u>\$ (1,421,497)</u>	<u>\$ (4,113,768)</u>	595,700	<u>\$ 4,709,468</u>
Fund balance, beginning of year			13,761,356	
Fund balance, end of year			<u>\$ 14,357,056</u>	

The School Board of Brevard County, Florida
SBE / COBI Bonds Debt Service Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
Withheld for SBE/COBI	\$ 774,530	\$ 749,731	\$ 749,731	\$ -
Total revenues	<u>774,530</u>	<u>749,731</u>	<u>749,731</u>	<u>-</u>
Expenditures:				
Principal	619,000	619,000	619,000	-
Interest and fiscal charges	<u>155,530</u>	<u>147,807</u>	<u>147,807</u>	<u>-</u>
Total expenditures	<u>774,530</u>	<u>766,807</u>	<u>766,807</u>	<u>-</u>
Deficiency of revenues under expenditures	<u>-</u>	<u>(17,076)</u>	<u>(17,076)</u>	<u>-</u>
Other financing sources (uses):				
Face value of refunding bonds	-	362,000	362,000	-
Premium on refunding bonds	-	54,828	54,828	-
Payments to refunding bond escrow agent	<u>-</u>	<u>(421,030)</u>	<u>(421,030)</u>	<u>-</u>
Total other financing (uses)	<u>-</u>	<u>(4,202)</u>	<u>(4,202)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (21,278)</u>	<u>(21,278)</u>	<u>\$ -</u>
Fund balance, beginning of year			<u>73,077</u>	
Fund balance, end of year			<u>\$ 51,799</u>	

The School Board of Brevard County, Florida
Section 1011.14 / 1011.15 Notes Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local sources:				
Other	\$ -	\$ -	\$ -	\$ -
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:				
Facilities acquisition and construction	-	40,131	40,131	-
Capital outlay:				
Facilities	31,766	-	-	-
Other capital outlay	8,365	-	-	-
Total expenditures	<u>40,131</u>	<u>40,131</u>	<u>40,131</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(40,131)</u>	<u>(40,131)</u>	<u>(40,131)</u>	<u>-</u>
Net change in fund balance	<u>\$ (40,131)</u>	<u>\$ (40,131)</u>	(40,131)	<u>\$ -</u>
Fund balance (deficit), beginning of year			<u>40,131</u>	
Fund balance (deficit), end of year			<u>\$ -</u>	

The School Board of Brevard County, Florida
 Capital Outlay and Debt Service Capital Projects Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
 For the Fiscal Year Ended June 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
Other	\$ 1,904,452	\$ 1,953,125	\$ 1,953,125	\$ -
Total revenues	<u>1,904,452</u>	<u>1,953,125</u>	<u>1,953,125</u>	<u>-</u>
Expenditures:				
Facilities acquisition and construction	-	113,523	113,523	-
Capital outlay:				
Facilities	2,096,456	3,909,638	1,455,247	2,454,391
Interest and fiscal charges	-	2,054	2,054	-
Total expenditures	<u>2,096,456</u>	<u>4,025,215</u>	<u>1,570,824</u>	<u>2,454,391</u>
Net change in fund balance	<u>\$ (192,004)</u>	<u>\$ (2,072,090)</u>	382,301	<u>\$ 2,454,391</u>
Fund balance, beginning of year			<u>2,096,456</u>	
Fund balance, end of year			<u>\$ 2,478,757</u>	

The School Board of Brevard County, Florida
Public Education Capital Outlay Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
Public education capital outlay	\$ 2,616,664	\$ 2,616,664	\$ 2,616,664	\$ -
Total revenues	<u>2,616,664</u>	<u>2,616,664</u>	<u>2,616,664</u>	<u>-</u>
Expenditures:				
Facilities acquisition and construction	-	1,926,344	1,926,344	-
Capital outlay:				
Facilities	3,437,212	1,350,350	10,430	1,339,920
Other capital outlay	-	160,518	160,518	-
Total expenditures	<u>3,437,212</u>	<u>3,437,212</u>	<u>2,097,292</u>	<u>1,339,920</u>
Net change in fund balance	<u>\$ (820,548)</u>	<u>\$ (820,548)</u>	519,372	<u>\$ 1,339,920</u>
Fund balance, beginning of year			<u>820,548</u>	
Fund balance, end of year			<u>\$ 1,339,920</u>	

The School Board of Brevard County, Florida
 Impact Fees Fund
 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
 For the Fiscal Year Ended June 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local sources:				
Investment income	\$ -	\$ 22,757	\$ 22,757	\$ -
Impact fees	7,500,000	9,186,001	9,186,001	-
Total local sources	<u>7,500,000</u>	<u>9,208,758</u>	<u>9,208,758</u>	<u>-</u>
Total revenues	<u>7,500,000</u>	<u>9,208,758</u>	<u>9,208,758</u>	<u>-</u>
Expenditures:				
Capital outlay:				
Facilities	-	-	-	-
Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>7,500,000</u>	<u>9,208,758</u>	<u>9,208,758</u>	<u>-</u>
Net change in fund balance	<u>\$ 7,500,000</u>	<u>\$ 9,208,758</u>	9,208,758	<u>\$ -</u>
Fund balance, beginning of year			<u>13,705,679</u>	
Fund balance, end of year			<u>\$ 22,914,437</u>	

The School Board of Brevard County, Florida
Other Capital Projects Fund
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual
For the Fiscal Year Ended June 30, 2017

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local sources:				
Other	\$ 90,000	\$ 341,762	\$ 341,762	\$ -
Total local sources	<u>90,000</u>	<u>341,762</u>	<u>341,762</u>	<u>-</u>
State sources:				
Other	150,000	153,421	153,421	-
Total state sources	<u>150,000</u>	<u>153,421</u>	<u>153,421</u>	<u>-</u>
Total revenues	<u>240,000</u>	<u>495,183</u>	<u>495,183</u>	<u>-</u>
Expenditures:				
Facilities acquisition and construction	-	968,791	968,791	-
Capital outlay:				
Facilities	2,263,319	3,203,290	809,953	2,393,337
Total expenditures	<u>2,263,319</u>	<u>4,172,081</u>	<u>1,778,744</u>	<u>2,393,337</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,023,319)</u>	<u>(3,676,898)</u>	<u>(1,283,561)</u>	<u>2,393,337</u>
Other financing sources (uses):				
Transfers in	2,513,185	3,733,605	3,733,605	-
Total other financing uses	<u>2,513,185</u>	<u>3,733,605</u>	<u>3,733,605</u>	<u>-</u>
Net change in fund balance	<u>\$ 489,866</u>	<u>\$ 56,707</u>	2,450,044	<u>\$ 2,393,337</u>
Fund balance, beginning of year			<u>5,019,535</u>	
Fund balance, end of year			<u>\$ 7,469,579</u>	

Agency Funds

The Districts Agency Fund represents the Individual Schools Internal Funds.



The School Board of Brevard County, Florida
School Internal Funds
Combining Statement of Changes in Assets and Liabilities
For the Fiscal Year Ended June 30, 2017

	<u>Balance</u> <u>July 1, 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2017</u>
ASSETS				
Cash and cash equivalents	\$ 6,709,491	\$ 16,279,642	\$ 16,172,312	\$ 6,816,821
Total Assets	<u>\$ 6,709,491</u>	<u>\$ 16,279,642</u>	<u>\$ 16,172,312</u>	<u>\$ 6,816,821</u>
LIABILITIES				
Internal accounts payable	\$ 6,709,491	\$ 16,279,642	\$ 16,172,312	\$ 6,816,821
Total Liabilities	<u>\$ 6,709,491</u>	<u>\$ 16,279,642</u>	<u>\$ 16,172,312</u>	<u>\$ 6,816,821</u>



Internal Service Funds

Internal Service Funds are used to account for the District's individual self-insurance programs for which the Board is fiscal agent.

Medical Insurance Fund - To account for self-insured medical benefits for employees.

Workers' Compensation Fund - To account for the financial activities of the District's self-insured workers' compensation program.

General/Automotive Liability Fund - To account for the financial activities of the District's self-insured general and automobile liability coverages.

The School Board of Brevard County, Florida
Combining Statement of Net Position
Internal Service Funds
June 30, 2017

	Medical Insurance	Workers' Compensation	General/ Automotive Liability	Totals
ASSETS				
Current assets:				
Cash and cash equivalents	\$ 11,861,893	\$ -	\$ 2,107,135	\$ 13,969,028
Investments	12,488,777	13,535,116	-	26,023,893
Accounts receivable	17,737	-	-	17,737
Other receivables	35,209	42,980	-	78,189
Total current assets	<u>24,403,616</u>	<u>13,578,096</u>	<u>2,107,135</u>	<u>40,088,847</u>
Noncurrent assets:				
Building & fixed equipment, net	1,332,875	-	-	1,332,875
Total noncurrent assets	<u>1,332,875</u>	<u>-</u>	<u>-</u>	<u>1,332,875</u>
Total assets	<u>25,736,491</u>	<u>13,578,096</u>	<u>2,107,135</u>	<u>41,421,722</u>
LIABILITIES				
Current liabilities:				
Accounts payable	40,322	824,373	143,157	1,007,852
Total current liabilities	<u>40,322</u>	<u>824,373</u>	<u>143,157</u>	<u>1,007,852</u>
Long-term liabilities:				
Portion due within one year:				
Estimated insurance claims payable	4,677,260	3,100,682	896,950	8,674,892
Portion due after one year:				
Estimated insurance claims payable	-	7,874,771	805,391	8,680,162
Total long-term liabilities	<u>4,677,260</u>	<u>10,975,453</u>	<u>1,702,341</u>	<u>17,355,054</u>
Total liabilities	<u>4,717,582</u>	<u>11,799,826</u>	<u>1,845,498</u>	<u>18,362,906</u>
NET POSITION				
Unrestricted	<u>21,018,909</u>	<u>1,778,270</u>	<u>261,637</u>	<u>23,058,816</u>
Total net position	<u>\$ 21,018,909</u>	<u>\$ 1,778,270</u>	<u>\$ 261,637</u>	<u>\$ 23,058,816</u>

The School Board of Brevard County, Florida
Combining Statement of Revenues, Expenses
and Changes in Fund Net Position
Internal Service Funds
For the Fiscal Year Ended June 30, 2017

	Medical Insurance	Workers' Compensation	General/ Automotive Liability	Totals
OPERATING REVENUES				
Premium revenues	\$ 66,365,165	\$ 3,506,304	\$ 1,134,399	\$ 71,005,868
Other operating revenues	-	4	-	4
Total operating revenues	<u>66,365,165</u>	<u>3,506,308</u>	<u>1,134,399</u>	<u>71,005,872</u>
OPERATING EXPENSES				
Salaries	560,982	80,736	83,206	724,924
Employee benefits	159,346	21,175	19,664	200,185
Purchased services	1,030,581	52,570	10,495	1,093,646
Energy services	2,224	-	-	2,224
Material and supplies	13,121	1,149	32	14,302
Capital outlay	26,820	1,772	1,391	29,983
Claims expenses	65,282,948	6,196,359	877,383	72,356,690
Depreciation expense	8,375	-	-	8,375
Total operating expenses	<u>67,084,397</u>	<u>6,353,761</u>	<u>992,171</u>	<u>74,430,329</u>
Operating income (loss)	<u>(719,232)</u>	<u>(2,847,453)</u>	<u>142,228</u>	<u>(3,424,457)</u>
NON-OPERATING REVENUES				
Investment earnings	27,553	26,905	1,224	55,682
Other miscellaneous local sources	-	-	-	-
Total non-operating revenues	<u>27,553</u>	<u>26,905</u>	<u>1,224</u>	<u>55,682</u>
Income (loss) before transfers	<u>(691,679)</u>	<u>(2,820,548)</u>	<u>143,452</u>	<u>(3,368,775)</u>
Transfers in	-	2,000,000	-	2,000,000
Transfers out	-	-	-	-
Change in net position	<u>(691,679)</u>	<u>(820,548)</u>	<u>143,452</u>	<u>(1,368,775)</u>
Total net position, beginning	<u>21,710,588</u>	<u>2,598,818</u>	<u>118,185</u>	<u>24,427,591</u>
Total net position, ending	<u>\$ 21,018,909</u>	<u>\$ 1,778,270</u>	<u>\$ 261,637</u>	<u>\$ 23,058,816</u>

The School Board of Brevard County, Florida
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended June 30, 2017

	Medical Insurance	Workers' Compensation	General/ Automotive Liability	Totals
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash received from premiums	\$ 66,393,097	\$ 3,506,304	\$ 1,134,399	\$ 71,033,800
Cash payments for insurance claims	(64,562,736)	(5,374,242)	(1,040,579)	(70,977,557)
Cash payments to employees	(720,328)	(101,911)	(102,870)	(925,109)
Other receipts	39,964	416,858	67,814	524,636
Other payments	(1,072,746)	(55,492)	(11,918)	(1,140,156)
Net cash provided by (used in) operating activities	<u>77,251</u>	<u>(1,608,483)</u>	<u>46,846</u>	<u>(1,484,386)</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Transfers from other funds	-	2,000,000	-	2,000,000
Net cash provided by noncapital financing activities	<u>-</u>	<u>2,000,000</u>	<u>-</u>	<u>2,000,000</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	(1,341,250)	-	-	(1,341,250)
Net cash provided by capital and related financing activities	<u>(1,341,250)</u>	<u>-</u>	<u>-</u>	<u>(1,341,250)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Interest on investments	27,553	26,905	1,224	55,682
Purchase of investments	(28,708)	(418,422)	-	(447,130)
Net cash provided by (used in) investment activities	<u>(1,155)</u>	<u>(391,517)</u>	<u>1,224</u>	<u>(391,448)</u>
Net change in cash and cash equivalents	(1,265,154)	-	48,070	(1,217,084)
Cash and cash equivalents, beginning	13,127,047	-	2,059,065	15,186,112
Cash and cash equivalents, ending	<u>\$ 11,861,893</u>	<u>\$ -</u>	<u>\$ 2,107,135</u>	<u>\$ 13,969,028</u>
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	\$ (719,232)	\$ (2,847,453)	\$ 142,228	\$ (3,424,457)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:				
Depreciation expense	8,375	-	-	8,375
Changes in assets and liabilities:				
Decrease (increase) in other receivable	1,155	465	-	1,620
Decrease (increase) in accounts receivable	27,932	-	-	27,932
(Decrease) increase in accounts payable	38,809	416,388	67,814	523,011
(Decrease) increase in estimated liabilities for self-insurance programs	720,212	822,117	(163,196)	1,379,133
Total adjustments	<u>796,483</u>	<u>1,238,970</u>	<u>(95,382)</u>	<u>1,940,071</u>
Net cash provided by (used in) operating activities	<u>\$ 77,251</u>	<u>\$ (1,608,483)</u>	<u>\$ 46,846</u>	<u>\$ (1,484,386)</u>

Discretely Presented Component Units

The District's discretely presented component units consists of the following entities:

Charter Schools - Pursuant to Chapter 617, Florida Statutes, and Section 1002.33, Florida Statutes, the following charter schools are considered discretely presented component units: Palm Bay Academy, Inc., Odyssey Charter School, Inc., Sculptor Charter School, Royal Palm Charter School, Inc., Educational Horizons Charter School Inc., Campus Charter School, Inc., Imagine Schools at West Melbourne, Emma Jewel Charter Academy, Viera Charter School, Pineapple Cove Classical Academy and Odyssey Preparatory Academy.

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



The School Board of Brevard County, Florida
Combining Statement of Net Position
Nonmajor Component Units
June 30, 2017

	Palm Bay Academy	Campus Charter School	Odyssey Charter School	Pineapple Cove Classical Academy
ASSETS				
Cash and cash equivalents	\$ 389,042	\$ 20,320	\$ 3,298,656	\$ 143,744
Investments	-	-	-	-
Inventory	-	-	-	-
Accounts receivable, net	-	11,463	2,523	-
Due from other agencies	230,760	-	285,766	4,245
Cash with fiscal/service agents	1,801,150	-	-	-
Prepaid items	-	821	-	78,861
Deposits	8,192	-	155,344	-
Capital assets (net of accumulated depreciation):				
Land	1,711,383	-	2,097,867	-
Improvements other than buildings	27,170	-	-	-
Buildings and fixed equipment	6,216,208	-	9,366,604	-
Furniture, fixtures and equipment	167,759	33,068	463,318	42,081
Motor vehicles	-	-	337,767	-
Property under capital leases	-	34,080	-	56,281
Computer software	-	-	7,379	-
Total assets	10,551,664	99,752	16,015,224	325,212
DEFERRED OUTFLOWS OF RESOURCES				
Net Carrying Amount of Debt Refunding	2,908,125	-	-	-
Total deferred outflows of resources	2,908,125	-	-	-
LIABILITIES				
Payroll deductions and withholdings	220,921	-	276,133	200,662
Accounts payable	83,152	35,806	81,657	44,813
Due to other agencies	-	-	-	-
Interest Payable	-	-	15,614	-
Unearned revenue	-	-	-	-
Other current liabilities	-	-	-	-
Long-term liabilities:				
Portion due or payable within one year:				
Compensated absences payable	-	-	-	-
Notes payable	-	-	80,590	-
Obligations under capital leases	-	3,477	34,787	-
Other long term liabilities	-	-	-	-
Portion due or payable after one year:				
Compensated absences payable	-	-	-	-
Notes payable	-	-	87,004	-
Obligations under capital leases	-	7,228	54,453	-
Other long term liabilities	-	26,053	-	-
Bonds payable	14,750,000	-	11,411,381	-
Total liabilities	15,054,073	72,564	12,041,619	245,475
NET POSITION (Deficit)				
Net investment in capital assets	(4,826,330)	56,443	604,720	98,362
Restricted for:				
Food service	-	1,963	-	-
Debt service	547,619	-	1,594,271	-
Other purposes	44,612	-	-	-
Unrestricted	2,639,815	(31,218)	1,774,614	(18,625)
Total net position (Deficit)	\$ (1,594,284)	\$ 27,188	\$ 3,973,605	\$ 79,737

Continued on next page.

The School Board of Brevard County, Florida
Combining Statement of Net Position
Nonmajor Component Units
June 30, 2017

	Sculptor Charter School	Royal Palm Charter School	Educational Horizons Charter School
ASSETS			
Cash and cash equivalents	\$ 1,283,408	\$ 185,597	\$ 210,127
Investments	1,524,234	-	-
Inventory	-	-	-
Accounts receivable, net	18,343	71,147	2,561
Due from other agencies	18,177	-	-
Cash with fiscal/service agents	-	-	-
Prepaid items	10,040	27,153	8,521
Deposits	-	5,022	-
Capital assets (net of accumulated depreciation):			
Land	496,140	126,616	-
Improvements other than buildings	98,578	25,258	-
Buildings and fixed equipment	3,606,052	57,735	-
Furniture, fixtures and equipment	143,739	60,631	14,267
Motor vehicles	-	-	-
Property under capital leases	-	-	-
Computer software	-	-	-
Total assets	<u>7,198,711</u>	<u>559,159</u>	<u>235,476</u>
DEFERRED OUTFLOWS OF RESOURCES			
Net Carrying Amount of Debt Refunding	-	-	-
Total deferred outflows of resources	<u>-</u>	<u>-</u>	<u>-</u>
LIABILITIES			
Payroll deductions and withholdings	320,899	91,198	-
Accounts payable	23,320	15,044	-
Due to other agencies	-	-	-
Interest Payable	-	-	-
Unearned revenue	-	-	-
Other current liabilities	-	-	-
Long-term liabilities:			
Portion due or payable within one year:			
Compensated absences payable	-	-	-
Notes payable	90,000	-	-
Obligations under capital leases	-	-	-
Other long term liabilities	-	4,582	-
Portion due or payable after one year:			
Compensated absences payable	-	-	-
Notes payable	5,210,235	-	-
Obligations under capital leases	-	-	-
Other long term liabilities	-	-	-
Bonds payable	-	-	-
Total liabilities	<u>5,644,454</u>	<u>110,824</u>	<u>-</u>
NET POSITION (Deficit)			
Net investment in capital assets	224,934	265,658	14,267
Restricted for:			
Food service	-	-	-
Debt service	376,078	-	-
Other purposes	-	-	-
Unrestricted	<u>953,245</u>	<u>182,677</u>	<u>221,209</u>
Total net position (Deficit)	<u>\$ 1,554,257</u>	<u>\$ 448,335</u>	<u>\$ 235,476</u>

Imagine Schools at West Melbourne	Emma Jewel Charter Academy	Viera Charter School	Odyssey Preparatory Academy	Brevard Schools Foundation	Total Component Units
\$ 249,385	\$ 35,105	\$ 1,096,624	\$ 173,812	\$ 523,807	\$ 7,609,627
-	-	-	-	1,632,917	3,157,151
-	-	-	-	248,585	248,585
6,700	-	61,376	-	129,660	303,773
31,605	56,005	28,252	78,540	-	733,350
-	-	-	508,999	-	2,310,149
52,391	1,083	11,614	53,258	2,623,312	2,867,054
4,615	15,511	1,112	-	-	189,796
-	-	-	676,578	-	5,108,584
-	-	-	-	-	151,006
520	1,027,835	-	2,720,968	-	22,995,922
80,042	34,264	142,753	165,011	-	1,346,933
-	-	-	-	-	337,767
-	-	-	-	-	90,361
-	-	-	45,271	-	52,650
<u>425,258</u>	<u>1,169,803</u>	<u>1,341,731</u>	<u>4,422,437</u>	<u>5,158,281</u>	<u>47,502,708</u>
-	-	-	-	-	2,908,125
-	-	-	-	-	2,908,125
98,969	-	391,117	64,677	49,526	1,714,102
1,530	111,115	21,062	10,524	17,746	445,769
40,886	-	57,714	684	-	99,284
-	-	-	-	-	15,614
73,377	-	-	-	-	73,377
-	-	5,820	-	-	5,820
-	-	14,322	-	-	14,322
-	183,889	24,337	-	-	378,816
-	-	4,485	7,417	-	50,166
-	-	-	-	-	4,582
-	-	17,260	-	-	17,260
-	130,862	-	-	-	5,428,101
-	-	-	17,334	-	79,015
-	-	-	40,940	-	66,993
-	-	-	3,891,890	-	30,053,271
<u>214,762</u>	<u>425,866</u>	<u>536,117</u>	<u>4,033,466</u>	<u>67,272</u>	<u>38,446,492</u>
80,562	747,348	138,268	-	-	(2,595,768)
72,927	-	-	-	-	74,890
-	-	-	508,999	-	3,026,967
-	-	-	-	4,606,776	4,651,388
57,007	(3,411)	667,346	(120,028)	484,233	6,806,864
<u>\$ 210,496</u>	<u>\$ 743,937</u>	<u>\$ 805,614</u>	<u>\$ 388,971</u>	<u>\$ 5,091,009</u>	<u>\$ 11,964,341</u>

The School Board of Brevard County, Florida
Combining Statement of Activities
Nonmajor Component Units
June 30, 2017

	Palm Bay Academy	Campus Charter School	Odyssey Charter School	Pineapple Cove Classical Academy
EXPENSES				
Instruction	\$ 2,813,127	\$ 441,010	\$ 5,083,118	\$ 2,008,232
Pupil personnel services	-	-	93,129	-
Instructional media services	9,531	-	1,867	8,330
Instructional and curriculum development services	16,778	-	432,680	-
Instructional staff training services	6,017	-	47,804	2,000
Instructional related technology	-	27,947	171,351	25,776
Board	491,476	26,751	-	109,901
General administration	-	39,236	-	-
School administration	591,102	182,889	1,686,834	378,462
Non-capitalizable facilities acquisition and construction	279,304	-	-	942,752
Fiscal services	55,749	13,868	129,664	119,248
Food services	394,901	40,322	524,557	177,451
Central services	8,720	-	-	-
Pupil transportation services	220,451	-	336,460	1,537
Operation of plant	313,007	155,474	1,083,446	303,559
Maintenance of plant	116,363	-	128,573	29,019
Community services	-	9,887	148,730	104,977
Interest on long-term debt	180,884	19,591	318,713	-
Unallocated depreciation/amortization expense	-	-	-	9,962
Total expenses	<u>5,497,410</u>	<u>956,975</u>	<u>10,186,926</u>	<u>4,221,206</u>
PROGRAM REVENUES				
Charges for services	7,040	6,639	701,838	55,319
Operating grants and contributions	750,688	97,244	1,093,235	245,697
Capital grants and contributions	-	-	448,163	-
Total program revenues	<u>757,728</u>	<u>103,883</u>	<u>2,243,236</u>	<u>301,016</u>
Net program expense	<u>(4,739,682)</u>	<u>(853,092)</u>	<u>(7,943,690)</u>	<u>(3,920,190)</u>
GENERAL REVENUES				
Grants and contributions not restricted to specific programs	4,217,191	832,200	7,879,019	3,634,941
Investment earnings	-	-	-	-
Miscellaneous	123,665	28,569	198,689	359,338
Total general revenues	<u>4,340,856</u>	<u>860,769</u>	<u>8,077,708</u>	<u>3,994,279</u>
Change in net position	(398,826)	7,677	134,018	74,089
Total net position - July 1, 2016	(1,195,458)	19,511	3,839,587	5,648
Adjustments to net position	-	-	-	-
Total net position (deficit) - June 30, 2017	<u>\$ (1,594,284)</u>	<u>\$ 27,188</u>	<u>\$ 3,973,605</u>	<u>\$ 79,737</u>

Sculptor Charter School	Royal Palm Charter School	Educational Horizons Charter School	Imagine Schools at West Melbourne	Emma Jewel Charter Academy	Viera Charter School
\$ 2,697,419	\$ 1,339,086	\$ 417,880	\$ 1,720,821	\$ 1,528,700	\$ 3,731,931
66,724	-	-	-	-	-
66,798	-	-	-	-	3,284
-	-	-	-	-	22,949
21,675	-	-	-	-	31,958
72,877	-	-	-	-	82,194
-	-	12,196	42,330	771	44,237
-	561,643	130,546	-	86,862	291,916
470,548	-	130,832	774,499	437,016	600,113
-	-	-	-	-	-
22,950	-	-	-	36,415	323,974
-	-	-	253,996	262,937	174,342
-	-	-	6,339	-	130
99,713	-	-	243,106	114,339	272,580
328,060	701,160	183,940	1,705,814	210,286	1,541,546
14,611	-	-	86,969	16,235	28,689
-	-	-	37,913	-	6,972
382,247	1,121	-	-	25,680	5,094
-	-	-	-	-	-
<u>4,243,622</u>	<u>2,603,010</u>	<u>875,394</u>	<u>4,871,787</u>	<u>2,719,241</u>	<u>7,161,909</u>
223,683	17,058	18,406	55,255	-	107,480
-	97,195	-	802,111	547,615	133,594
-	-	-	-	-	-
<u>223,683</u>	<u>114,253</u>	<u>18,406</u>	<u>857,366</u>	<u>547,615</u>	<u>241,074</u>
<u>(4,019,939)</u>	<u>(2,488,757)</u>	<u>(856,988)</u>	<u>(4,014,421)</u>	<u>(2,171,626)</u>	<u>(6,920,835)</u>
3,963,265	2,599,885	816,618	4,014,779	2,325,592	6,771,833
(285)	-	-	-	-	-
183,027	-	103	84,053	54,292	337,952
<u>4,146,007</u>	<u>2,599,885</u>	<u>816,721</u>	<u>4,098,832</u>	<u>2,379,884</u>	<u>7,109,785</u>
126,068	111,128	(40,267)	84,411	208,258	188,950
1,566,753	337,207	275,743	126,085	535,679	616,664
(138,564)	-	-	-	-	-
<u>\$ 1,554,257</u>	<u>\$ 448,335</u>	<u>\$ 235,476</u>	<u>\$ 210,496</u>	<u>\$ 743,937</u>	<u>\$ 805,614</u>

Continued on next page.

The School Board of Brevard County, Florida
Combining Statement of Activities
Nonmajor Component Units
June 30, 2017

	Odyssey Preparatory Academy	Brevard Schools Foundation	Total Component Units
EXPENSES			
Instruction	\$ 1,280,005	\$ -	\$ 23,061,329
Pupil personnel services	14,276	2,387,932	2,562,061
Instructional media services	38,455	-	128,265
Instructional and curriculum development services	117,541	-	589,948
Instructional staff training services	25,918	-	135,372
Instructional related technology	33,176	-	413,321
Board	-	-	727,662
General administration	-	338,187	1,448,390
School administration	598,625	-	5,850,920
Non-capitalizable facilities acquisition and construction	-	-	1,222,056
Fiscal services	32,520	-	734,388
Food services	241,677	-	2,070,183
Central services	-	-	15,189
Pupil transportation services	90,484	-	1,378,670
Operation of plant	351,362	-	6,877,654
Maintenance of plant	16,259	-	436,718
Community services	76,054	-	384,533
Interest on long-term debt	42,672	-	976,002
Unallocated depreciation/amortization expense	-	-	9,962
Total expenses	<u>2,959,024</u>	<u>2,726,119</u>	<u>49,022,623</u>
PROGRAM REVENUES			
Charges for services	179,295	-	1,372,013
Operating grants and contributions	495,384	-	4,262,763
Capital grants and contributions	112,945	-	561,108
Total program revenues	<u>787,624</u>	<u>-</u>	<u>6,195,884</u>
Net program expense	<u>(2,171,400)</u>	<u>(2,726,119)</u>	<u>(42,826,739)</u>
GENERAL REVENUES			
Grants and contributions not restricted to specific programs	2,252,833	3,374,642	42,682,798
Investment earnings	-	134,880	134,595
Miscellaneous	42,193	-	1,411,881
Total general revenues	<u>2,295,026</u>	<u>3,509,522</u>	<u>44,229,274</u>
Change in net position	123,626	783,403	1,402,535
Total net position - July 1, 2015	265,345	4,307,606	10,700,370
Adjustments to net position	-	-	(138,564)
Total net position (deficit) - June 30, 2016	<u>\$ 388,971</u>	<u>\$ 5,091,009</u>	<u>\$ 11,964,341</u>





SCHOOL BOARD OF BREVARD COUNTY
STATISTICAL SECTION
June 30, 2017

This part of the School Board of Brevard County's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the District's overall financial health.

Financial Trends

These schedules contain trend information to help the reader understand how the District's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the District's most significant local revenue sources, the property tax.

Debt Capacity

These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the government's ability to issue additional debt in the future.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the District's financial activities take place.

Operating Information

These schedules contain service data to help the reader understand how the information in the District's financial report relates to the service the District provides and the activities it performs.



The School Board of Brevard County, Florida

Net Position by Component

Last Ten Fiscal Years

(accrual basis of accounting)

(amounts expressed in thousands)

(unaudited)

	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017
GOVERNMENTAL ACTIVITIES:										
Net investment in capital assets	\$ 386,592	\$ 420,217	\$ 413,560	\$ 399,117	\$ 379,227	\$ 344,339	\$ 344,646	\$ 368,445	\$ 322,929	\$ 336,903
Restricted	36,539	14,474	27,067	38,964	42,684	58,058	55,892	55,174	109,412	123,462
Unrestricted	62,887	32,259	34,086	34,840	3,797	(8,781)	(33,411)	(251,872)	(208,107)	(208,746)
Total governmental activities net position	\$ 486,018	\$ 466,950	\$ 474,713	\$ 472,921	\$ 425,708	\$ 393,616	\$ 367,127	\$ 171,747	\$ 224,234	\$ 251,619
BUSINESS-TYPE ACTIVITIES:										
Net investment in capital assets	\$ 714	\$ 477	\$ 298	\$ 165	\$ 123	\$ 108	\$ 93	\$ 83	\$ 69	\$ 60
Unrestricted	460	484	3,017	2,832	2,480	2,390	2,225	(452)	(1,144)	(1,799)
Total business-type activities net position	1,174	961	3,315	2,997	2,603	2,498	2,318	(369)	(1,075)	(1,739)
PRIMARY GOVERNMENT:										
Net investment in capital assets	387,306	420,694	413,858	399,282	379,350	344,447	344,739	368,528	322,998	336,963
Restricted	36,539	14,474	27,067	38,964	42,684	58,058	55,892	55,174	10,412	123,462
Unrestricted	63,347	32,743	37,103	37,672	6,277	(6,391)	(31,186)	(252,324)	(209,251)	(210,545)
Total primary government net position	\$ 487,192	\$ 467,911	\$ 478,028	\$ 475,918	\$ 428,311	\$ 396,114	\$ 369,445	\$ 171,378	\$ 223,159	\$ 249,880

Source: District records

The School Board of Brevard County, Florida
Changes in Net Position
Last Ten Fiscal Years
(accrual basis of accounting)
(amounts expressed in thousands)
(unaudited)

	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017
EXPENSES										
Governmental activities:										
Instruction	\$ 373,608	\$ 370,649	\$ 356,678	\$ 362,878	\$ 338,857	\$ 338,346	\$ 346,701	\$ 345,051	\$ 363,326	\$ 384,378
Pupil personnel services	23,235	22,776	24,949	24,645	22,350	23,865	24,000	23,253	24,344	25,682
Instructional media services	9,500	9,444	9,056	7,912	7,442	7,360	7,253	6,873	7,361	7,530
Instruction and curriculum development services	22,524	21,415	22,040	22,046	19,612	20,514	23,604	22,766	24,362	27,238
Instructional staff training services	4,806	3,972	5,322	5,390	5,252	4,782	4,975	5,822	6,327	6,202
Instruction related technology	6,828	7,575	7,771	8,125	8,768	8,692	9,864	12,465	10,577	10,658
Board of education	924	1,260	1,424	1,246	1,350	1,322	1,316	1,087	1,006	1,159
General administration	3,355	3,200	4,235	5,175	3,274	3,434	3,914	4,006	3,811	3,322
School administration	40,060	39,907	37,766	36,259	35,358	34,879	36,191	33,992	36,628	39,813
Facilities acquisition & construction	23,839	11,109	7,609	7,243	10,335	7,165	11,511	7,240	18,254	26,526
Fiscal services	2,220	2,333	2,470	2,401	2,447	2,301	2,482	2,419	2,618	2,809
Food services	27,751	27,896	27,638	27,591	28,049	27,504	29,114	28,691	29,315	30,441
Central services	8,435	6,424	5,852	5,506	5,343	5,569	6,180	5,796	6,308	6,756
Pupil transportation services	25,244	25,027	23,378	23,813	23,603	22,638	20,720	19,169	19,498	19,953
Operation of plant	52,871	50,688	47,150	45,406	44,360	43,233	44,278	42,558	44,198	45,830
Maintenance of plant	6,316	4,085	4,869	6,823	5,811	11,926	11,352	10,791	10,816	10,280
Administrative technology services	3,091	4,279	3,983	3,796	3,404	3,613	4,270	4,047	3,678	3,733
Community services	384	667	647	1,098	1,156	1,626	1,606	1,462	1,397	1,634
Interest and fiscal charges	28,666	29,558	28,390	27,189	26,452	25,502	23,562	19,503	19,186	18,264
Depreciation - unallocated	34,590	39,968	45,862	44,510	39,802	37,240	37,519	37,382	35,952	35,759
Total governmental activities expenses	698,247	682,232	667,089	669,052	633,025	631,511	650,412	634,373	668,962	707,967
Business type activities										
Extended day program	8,315	7,333	6,491	5,231	4,822	4,610	4,599	4,791	5,499	5,658
Total business type activities expenses	8,315	7,333	6,491	5,231	4,822	4,610	4,599	4,791	5,499	5,658
Total primary government expenses	\$ 706,562	\$ 689,565	\$ 673,580	\$ 674,283	\$ 637,847	\$ 636,121	\$ 655,011	\$ 639,164	\$ 674,461	\$ 713,625

Continued on next page.

	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017
PROGRAM REVENUES										
Governmental activities:										
Charges for services										
Food services	\$ 14,141	\$ 13,505	\$ 12,720	\$ 11,924	\$ 11,519	\$ 10,780	\$ 10,203	\$ 9,273	\$ 9,067	\$ 8,808
Other	612	1,222	960	699	947	844	830	719	265	198
Operating grants and contributions	26,173	26,401	27,524	28,700	29,674	30,208	30,225	32,084	34,239	34,085
Capital grants and contributions	20,702	8,562	12,303	10,669	2,815	2,734	11,012	3,964	4,494	5,342
Total governmental activities program revenues	<u>61,628</u>	<u>49,690</u>	<u>53,507</u>	<u>51,992</u>	<u>44,955</u>	<u>44,566</u>	<u>52,270</u>	<u>46,040</u>	<u>48,065</u>	<u>48,433</u>
Business type activities:										
Extended day program	7,830	7,120	6,490	6,213	5,727	5,804	5,718	6,441	7,086	7,286
Total business type activities program revenues	<u>7,830</u>	<u>7,120</u>	<u>6,490</u>	<u>6,213</u>	<u>5,727</u>	<u>5,804</u>	<u>5,718</u>	<u>6,441</u>	<u>7,086</u>	<u>7,286</u>
Total primary government program revenues	<u>\$ 69,458</u>	<u>\$ 56,810</u>	<u>\$ 59,997</u>	<u>\$ 58,205</u>	<u>\$ 50,682</u>	<u>\$ 50,370</u>	<u>\$ 57,988</u>	<u>\$ 52,481</u>	<u>\$ 55,151</u>	<u>\$ 55,719</u>
Net (expense)/revenue										
Governmental activities	\$ (636,619)	\$ (632,542)	\$ (613,582)	\$ (617,060)	\$ (588,070)	\$ (586,945)	\$ (598,142)	\$ (588,333)	\$ (620,897)	\$ (659,535)
Business-type activities	(485)	(213)	(1)	982	905	1,194	1,119	1,650	1,587	1,628
Total primary government net expense	<u>\$ (637,104)</u>	<u>\$ (632,755)</u>	<u>\$ (613,583)</u>	<u>\$ (616,078)</u>	<u>\$ (587,165)</u>	<u>\$ (585,751)</u>	<u>\$ (597,023)</u>	<u>\$ (586,683)</u>	<u>\$ (619,310)</u>	<u>\$ (657,906)</u>
GENERAL REVENUES AND OTHER										
CHANGES IN NET POSITION										
Governmental activities:										
Property taxes										
Levied for operational purposes	219,788	234,639	221,528	192,994	177,927	175,202	169,648	176,468	185,146	187,637
Levied for capital projects	79,458	69,531	53,886	47,074	40,382	39,862	41,683	45,333	48,092	51,961
Local sales surtax	-	-	-	-	-	-	-	19,540	41,642	44,915
Grants and contributions	341,241	293,892	321,166	364,289	313,223	326,991	356,179	372,198	387,856	389,939
Not restricted to specific programs	9,924	9,108	24,697	8,503	7,302	11,027	8,614	6,935	6,837	8,642
Miscellaneous	14,095	6,304	2,423	1,108	724	472	510	774	1,494	1,527
Unrestricted investment earnings	-	-	-	-	-	-	-	-	-	-
Insurance recoveries	-	-	-	-	-	-	-	-	-	-
Transfers	664,506	613,474	621,345	615,268	540,857	554,853	577,933	623,547	673,366	686,920
Total governmental activities	<u>664,506</u>	<u>613,474</u>	<u>621,345</u>	<u>615,268</u>	<u>540,857</u>	<u>554,853</u>	<u>577,933</u>	<u>623,547</u>	<u>673,366</u>	<u>686,920</u>
Business type activities:										
Extended day program	-	-	-	-	-	-	-	4	6	6
Transfers	-	-	2,355	(1,300)	(1,299)	(1,299)	(1,299)	(1,299)	(2,299)	(2,299)
Total business type activities	<u>-</u>	<u>-</u>	<u>2,355</u>	<u>(1,300)</u>	<u>(1,299)</u>	<u>(1,299)</u>	<u>(1,299)</u>	<u>(2,299)</u>	<u>(2,299)</u>	<u>(2,299)</u>
Total primary government	<u>664,506</u>	<u>613,474</u>	<u>623,700</u>	<u>613,968</u>	<u>539,558</u>	<u>553,554</u>	<u>576,634</u>	<u>621,252</u>	<u>671,073</u>	<u>684,627</u>
CHANGE IN NET POSITION										
Governmental activities	\$ 27,887	\$ (19,068)	\$ 7,763	\$ (1,792)	\$ (47,213)	\$ (32,092)	\$ (20,209)	\$ 35,214	\$ 52,469	\$ 27,385
Business-type activities	(485)	(213)	2,354	(318)	(394)	(105)	(180)	(645)	(706)	(665)
Total primary government	<u>\$ 27,402</u>	<u>\$ (19,281)</u>	<u>\$ 10,117</u>	<u>\$ (2,110)</u>	<u>\$ (47,607)</u>	<u>\$ (32,197)</u>	<u>\$ (20,389)</u>	<u>\$ 34,569</u>	<u>\$ 51,763</u>	<u>\$ 26,720</u>

Source: District records



The School Board of Brevard County, Florida
Governmental Activities Tax Revenues by Source
Last Ten Fiscal Years
(accrual basis of accounting)
(amount expressed in thousands)
(unaudited)

<u>Fiscal Year Ending</u>	<u>Property Tax</u>		<u>Total</u>
	<u>General Purpose</u>	<u>Capital Projects</u>	
June 30, 2017	\$ 187,637	\$ 51,961	\$ 239,598
June 30, 2016	185,146	48,092	233,238
June 30, 2015	176,468	45,334	221,802
June 30, 2014	169,647	41,683	211,330
June 30, 2013	175,202	39,862	215,064
June 30, 2012	177,927	40,381	218,308
June 30, 2011	192,994	47,074	240,068
June 30, 2010	221,528	53,886	275,414
June 30, 2009	234,639	69,531	304,170
June 30, 2008	219,788	79,458	299,246

Source: District records

The School Board of Brevard County, Florida
Fund Balances of Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)
(amount expressed in thousands)
(unaudited)

	Fiscal Year Ending									
	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017
GENERAL FUND										
Nonspendable	\$ 7,320	\$ 2,513	\$ 3,077	\$ 2,731	\$ 2,324	\$ 1,428	\$ 942	\$ 845	\$ 835	\$ 885
Restricted	9,649	6,204	6,905	4,331	4,158	2,592	1,119	2,025	3,682	6,519
Assigned	3,252	2,636	1,566	1,992	1,966	2,134	2,628	2,651	3,079	2,591
Unassigned	29,193	31,026	45,606	70,442	51,402	37,004	44,690	42,670	40,640	47,643
Total General Fund	\$ 49,414	\$ 42,379	\$ 57,154	\$ 79,496	\$ 59,850	\$ 43,158	\$ 49,379	\$ 48,191	\$ 48,236	\$ 57,638
ALL OTHER GOVERNMENTAL FUNDS										
Nonspendable	\$ 2,320	\$ 1,881	\$ 2,798	\$ 2,725	\$ 3,222	\$ 2,014	\$ 1,385	\$ 1,338	\$ 1,685	\$ 1,810
Restricted	219,970	108,802	80,343	68,072	43,237	53,461	57,531	71,894	104,084	119,094
Assigned	-	202	1,213	936	12,211	3,305	963	947	3,184	5,282
Unassigned	(20,556)	(23,025)	(20,378)	(9,611)	(83)	-	-	-	-	-
Total all other governmental funds	\$ 201,734	\$ 87,860	\$ 63,976	\$ 62,122	\$ 58,587	\$ 58,780	\$ 59,879	\$ 74,179	\$ 108,953	\$ 126,186
Total governmental funds	\$ 251,148	\$ 130,239	\$ 121,130	\$ 141,618	\$ 118,437	\$ 101,938	\$ 109,258	\$ 122,370	\$ 157,189	\$ 183,824

Source: District records

The School Board of Brevard County, Florida
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amount expressed in thousands)
(unaudited)

	Fiscal Year Ending									
	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017
FEDERAL DIRECT SOURCES										
Miscellaneous federal direct	\$ 4,402	\$ 2,649	\$ 1,968	\$ 2,261	\$ 2,449	\$ 5,546	\$ 8,177	\$ 11,031	\$ 9,697	\$ 8,406
Total federal direct	4,402	2,649	1,968	2,261	2,449	5,546	8,177	11,031	9,697	8,406
FEDERAL THROUGH STATE SOURCES										
Food service	12,969	14,279	15,786	17,236	18,482	18,999	19,577	21,401	22,908	23,198
Other federal through state grants	36,065	36,465	77,940	93,829	43,555	40,701	44,748	46,645	45,449	44,833
Total federal through state grants	49,034	50,744	93,726	111,065	62,037	59,700	64,325	68,046	68,357	68,031
STATE SOURCES										
Florida education finance program (FEFP)	191,901	152,985	161,572	187,295	186,381	198,781	221,340	227,095	237,277	241,604
Workforce development	-	-	2,810	2,959	3,145	3,255	3,255	3,421	3,545	3,810
Categorical educational programs	107,411	104,775	77,077	86,576	86,242	88,530	85,789	86,417	86,447	85,015
District discretionary lottery funds	3,541	1,780	-	-	-	-	-	-	-	1,238
Public education capital outlay	10,856	5,734	1,495	4,173	-	-	-	1,299	1,734	2,617
Food services	387	418	410	391	363	357	365	347	337	344
State grants and other state sources	16,395	8,461	12,224	5,082	4,608	2,974	4,962	5,196	5,758	7,853
Total state sources	330,491	274,153	255,588	286,476	280,739	293,897	315,711	323,775	335,098	342,481
LOCAL SOURCES										
Ad valorem taxes	299,246	304,170	275,414	240,068	218,308	215,064	211,330	221,802	233,238	239,598
Local sales surtax	-	-	-	-	-	-	-	19,540	41,642	44,915
Food service sales	14,175	13,611	12,720	11,924	11,519	10,780	10,203	9,532	9,068	8,809
Interest income and others	15,753	5,794	732	497	493	409	312	542	1,106	-
Net increase (decrease) in fair value of investments	-	-	-	-	-	(21)	-	-	-	-
Impact fees	-	-	8,434	3,679	-	-	8,301	4,706	12,392	9,186
Local grants and other local sources	13,847	9,319	10,140	7,863	6,524	6,923	8,580	8,048	7,450	11,489
Total local sources	343,021	332,894	307,440	264,031	236,844	233,155	238,726	264,170	304,896	313,997
Total revenues	\$ 726,948	\$ 660,440	\$ 658,722	\$ 663,833	\$ 582,069	\$ 592,298	\$ 626,939	\$ 667,022	\$ 718,048	\$ 732,915

Continued on next page.

The School Board of Brevard County, Florida
Changes in Fund Balances of Governmental Funds

Last Ten Fiscal Years

(modified accrual basis of accounting)
(amount expressed in thousands)
(unaudited)

	Fiscal Year Ending									
	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017
EXPENDITURES										
Current:										
Instruction	\$ 371,212	\$ 360,012	\$ 348,063	\$ 357,706	\$ 334,860	\$ 334,100	\$ 339,061	\$ 357,721	\$ 371,507	\$ 372,452
Pupil personnel services	23,079	22,100	24,370	24,293	22,078	23,557	23,396	24,142	24,928	25,042
Instructional media services	9,411	9,184	8,819	7,786	7,340	7,252	7,045	7,168	7,561	7,273
Instruction and curriculum development services	22,272	20,806	21,455	21,692	19,345	20,218	22,935	23,760	25,054	26,247
Instructional staff training services	4,763	3,871	5,221	5,333	5,199	4,730	4,869	5,940	6,418	6,054
Instruction related technology	6,775	7,345	7,594	7,999	8,785	8,591	9,666	12,759	10,842	10,357
Board of education	924	1,249	1,416	1,242	1,346	1,318	1,306	1,140	1,079	1,141
General administration	3,332	3,194	4,211	5,145	3,252	3,409	3,864	4,141	3,934	3,287
School administration	39,357	38,616	36,837	35,643	34,844	34,335	35,112	36,220	38,568	38,378
Facilities acquisition & construction	23,600	10,554	7,651	7,290	10,488	7,253	11,531	10,447	16,028	26,545
Fiscal services	2,212	2,236	2,387	2,352	2,406	2,259	2,393	2,556	2,709	2,699
Food services	27,681	27,491	27,322	27,400	27,897	27,338	28,776	29,157	29,657	29,999
Central services	8,366	6,241	5,699	5,418	5,271	5,486	6,005	6,113	6,537	6,535
Pupil transportation services	22,444	21,486	20,215	20,924	21,013	20,223	18,102	17,750	17,635	17,841
Operation of plant	52,760	49,926	46,547	45,050	44,074	42,924	43,657	43,436	44,774	45,020
Maintenance of plant	6,272	3,804	4,806	6,763	5,771	11,633	11,134	11,153	11,043	9,986
Administrative technology services	3,067	4,190	3,893	3,744	3,362	3,568	4,169	4,213	3,795	3,605
Community services	362	642	630	1,079	1,139	1,602	1,561	1,522	1,425	1,579
CAPITAL OUTLAY										
Capital outlay	205,362	153,735	39,118	10,301	654	1,850	1,963	10,553	15,394	28,692
Other Capital Outlay	-	-	6,076	3,757	4,272	2,992	7,327	6,827	7,675	7,083
DEBT SERVICE										
Principal	13,045	13,601	14,120	14,750	15,425	16,070	15,105	16,145	16,313	16,794
Interest and fiscal charges	28,569	29,792	27,893	26,692	25,764	23,520	22,580	21,014	20,806	19,847
Total expenditures	874,865	790,075	664,343	642,359	604,585	604,228	621,557	653,877	683,682	706,456
Excess (deficiency) of revenues over (under) expenditures	(147,917)	(129,635)	(5,621)	21,474	(22,516)	(11,930)	5,382	13,145	34,366	26,459

	Fiscal Year Ending									
	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017
OTHER FINANCIAL SOURCES (USES)										
Issuance of refunding certificates of participation	56,000	-	-	-	-	592	-	-	-	-
Proceeds of lease-purchase agreement	-	-	-	-	-	-	-	163,005	-	82,385
Premium on lease-purchase agreement	-	-	-	-	-	-	-	-	-	6,983
Inception of capital lease	-	-	-	-	-	-	-	-	-	-
Premium on refunding bonds	-	-	82	35	515	13,686	128	26,279	-	55
Face value of refunding bonds	-	-	-	-	-	-	817	1,062	-	362
Payment to refunded certificates escrow agent	-	-	(874)	(246)	(5,875)	(155,270)	(335)	(190,563)	-	(90,009)
Premium on sale of bonds/notes	965	-	-	-	-	-	-	-	-	-
Refunding bonds issued	-	-	800	210	5,375	142,220	-	-	-	-
Reissuance premium	-	7,020	-	-	-	-	-	-	-	-
Sale of capital assets	124	97	157	155	415	82	-	-	134	-
Loss recoveries	102	309	2	260	406	22	29	35	20	101
Transfers in	58,821	56,089	53,187	57,118	52,090	47,328	38,815	37,203	46,322	46,804
Transfers out	(46,915)	(54,789)	(56,842)	(58,518)	(53,591)	(53,229)	(37,516)	(37,054)	(46,023)	(46,505)
Total other financing sources (uses)	69,097	8,726	(3,488)	(986)	(665)	(4,569)	1,938	(33)	453	176
Net change in fund balance	(78,821)	(120,909)	(9,109)	20,488	(23,181)	(16,499)	7,320	13,112	34,819	26,634
Fund balance, beginning	329,968	251,148	130,239	121,130	141,618	118,437	101,938	109,258	122,370	157,190
Prior year adjustments	-	-	-	-	-	-	-	-	-	-
Fund balance ending	\$ 251,148	\$ 130,239	\$ 121,130	\$ 141,618	\$ 118,437	\$ 101,938	\$ 109,258	\$ 122,370	\$ 157,189	\$ 183,824
Debt service as a percentage of noncapital expenditures	6.21%	6.82%	6.97%	6.66%	6.88%	6.61%	6.17%	5.87%	5.61%	5.46%

Source: District records

The School Board of Brevard County, Florida
Summary of Revenues, Expenditures (by Major Object)
and Changes in Fund Balances - General Fund
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amount expressed in thousands)
(unaudited)

	Fiscal Year Ending			
	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011
FEDERAL SOURCES				
Federal direct	\$ 1,365	\$ 1,351	\$ 885	\$ 1,056
Total federal direct	<u>1,365</u>	<u>1,351</u>	<u>885</u>	<u>1,056</u>
FEDERAL THROUGH STATE SOURCES				
Other federal through state grants	774	350	2,018	2,624
Total federal through state grants	<u>774</u>	<u>350</u>	<u>2,018</u>	<u>2,624</u>
STATE SOURCES				
Florida education finance program	191,901	152,985	161,572	187,295
Workforce development	-	-	2,810	2,959
Categorical programs	107,411	104,775	77,077	86,576
Lottery enhancement	3,541	1,780	-	-
Other	6,324	5,436	9,238	2,118
Total state sources	<u>309,177</u>	<u>264,976</u>	<u>250,697</u>	<u>278,948</u>
LOCAL SOURCES				
Ad valorem taxes	219,788	234,639	221,528	192,994
Investment income	2,857	1,765	279	201
Other	7,584	5,969	8,670	7,619
Total local sources	<u>230,229</u>	<u>242,373</u>	<u>230,477</u>	<u>200,814</u>
Total revenues	<u>541,545</u>	<u>509,050</u>	<u>484,077</u>	<u>483,442</u>
EXPENDITURES: (by object)				
Salaries	349,431	336,006	300,723	293,586
Employee benefits	103,127	98,872	89,060	85,742
Purchased services	49,809	45,818	48,018	48,962
Energy services	18,732	16,967	15,460	15,158
Material and supplies	13,893	15,331	10,098	13,879
Capital outlay	6,197	4,490	3,660	4,447
Other expenditures	3,244	4,544	2,661	2,476
Total expenditures	<u>544,433</u>	<u>522,028</u>	<u>469,680</u>	<u>464,250</u>
Excess (deficiency) of revenues over expenditures	<u>(2,888)</u>	<u>(12,978)</u>	<u>14,397</u>	<u>19,192</u>
Other financing sources	<u>12,007</u>	<u>5,943</u>	<u>378</u>	<u>3,150</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>9,119</u>	<u>(7,035)</u>	<u>14,775</u>	<u>22,342</u>
Beginning fund balances	<u>40,295</u>	<u>49,414</u>	<u>42,379</u>	<u>57,154</u>
Prior period adjustments	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Ending fund balances	<u>\$ 49,414</u>	<u>\$ 42,379</u>	<u>\$ 57,154</u>	<u>\$ 79,496</u>

Source: District records

Fiscal Year Ending

<u>June 30, 2012</u>	<u>June 30, 2013</u>	<u>June 30, 2014</u>	<u>June 30, 2015</u>	<u>June 30, 2016</u>	<u>June 30, 2017</u>
\$ 826	\$ 695	\$ 569	\$ 674	\$ 537	\$ 403
<u>826</u>	<u>695</u>	<u>569</u>	<u>674</u>	<u>537</u>	<u>403</u>
2,579	2,219	1,419	2,398	2,877	2,066
<u>2,579</u>	<u>2,219</u>	<u>1,419</u>	<u>2,398</u>	<u>2,877</u>	<u>2,066</u>
186,381	198,781	221,340	227,095	237,277	241,604
3,145	3,255	3,255	3,421	3,545	3,809
86,242	88,530	85,789	86,417	86,447	85,015
-	-	-	-	-	1,238
1,634	-	2,022	2,331	2,879	4,534
<u>277,402</u>	<u>290,566</u>	<u>312,406</u>	<u>319,264</u>	<u>330,148</u>	<u>336,200</u>
177,927	175,202	169,647	176,468	185,146	187,637
250	190	156	243	497	741
6,326	6,440	7,930	7,752	7,045	9,387
<u>184,503</u>	<u>181,832</u>	<u>177,733</u>	<u>184,463</u>	<u>192,688</u>	<u>197,765</u>
<u>465,310</u>	<u>475,312</u>	<u>492,127</u>	<u>506,799</u>	<u>526,250</u>	<u>536,434</u>
320,357	322,291	310,580	317,879	334,333	333,021
78,936	80,977	85,199	91,634	93,867	95,005
44,267	45,524	55,877	61,622	68,106	70,834
15,186	14,128	14,130	13,432	12,445	12,730
14,869	15,163	14,097	15,793	11,343	9,712
4,306	5,001	4,532	4,975	5,738	5,897
2,735	2,299	2,814	2,836	3,342	2,898
<u>480,656</u>	<u>485,383</u>	<u>487,229</u>	<u>508,171</u>	<u>529,174</u>	<u>530,097</u>
(15,346)	(10,071)	4,898	(1,372)	(2,924)	6,337
<u>(4,300)</u>	<u>(6,621)</u>	<u>1,323</u>	<u>184</u>	<u>2,969</u>	<u>3,065</u>
<u>(19,646)</u>	<u>(16,692)</u>	<u>6,221</u>	<u>(1,188)</u>	<u>45</u>	<u>9,402</u>
79,496	59,850	43,158	49,379	49,379	48,236
-	-	-	-	-	-
<u>\$ 59,850</u>	<u>\$ 43,158</u>	<u>\$ 49,379</u>	<u>\$ 48,191</u>	<u>\$ 49,424</u>	<u>\$ 57,638</u>

The School Board of Brevard County, Florida
Summary of Revenues, Expenditures (by Major Object) and Changes in Fund Balances-
Special Revenue Fund-Contracted Programs
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amount expressed in thousands)
(unaudited)

	Fiscal Year Ending			
	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011
FEDERAL SOURCES				
Federal direct	\$ 3,037	\$ 1,298	\$ 1,083	\$ 1,205
Other federal	35,291	36,115	37,796	36,329
Total federal sources	<u>38,328</u>	<u>37,413</u>	<u>38,879</u>	<u>37,534</u>
STATE SOURCES	93	81	53	53
LOCAL SOURCES	-	-	-	-
Total revenues	<u>38,421</u>	<u>37,494</u>	<u>38,932</u>	<u>37,587</u>
EXPENDITURES				
Salaries	20,569	20,394	20,855	19,855
Employee benefits	6,274	5,839	5,875	5,777
Purchased services	5,862	6,202	7,375	6,047
Energy				
Material and supplies	2,185	2,162	1,589	1,414
Capital outlay	2,474	1,833	1,995	2,945
Other expenditures	1,057	1,064	1,243	1,549
Total expenditures	<u>38,421</u>	<u>37,494</u>	<u>38,932</u>	<u>37,587</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Beginning fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Ending fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

Source: District records

Fiscal Year Ending

June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017
\$ 1,623	\$ 4,815	\$ 7,545	\$ 10,357	\$ 9,160	\$ 8,003
38,247	37,254	39,091	43,187	42,572	42,768
<u>39,870</u>	<u>42,069</u>	<u>46,636</u>	<u>53,544</u>	<u>51,732</u>	<u>50,771</u>
58	54	62	64	44	464
-	-	2	44	1	12
<u>39,928</u>	<u>42,123</u>	<u>46,700</u>	<u>53,652</u>	<u>51,777</u>	<u>51,247</u>
22,966	25,116	27,662	28,939	29,925	30,196
5,422	6,036	7,286	8,094	8,341	8,348
5,565	4,839	3,539	4,097	4,918	4,706
		109	33	29	121
1,831	1,862	2,175	2,409	2,487	2,107
2,441	2,435	3,785	7,579	3,735	3,196
1,703	1,835	2,144	2,501	2,342	2,573
<u>39,928</u>	<u>42,123</u>	<u>46,700</u>	<u>53,652</u>	<u>51,777</u>	<u>51,247</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

The School Board of Brevard County, Florida
Summary of Revenues, Expenditures (by Major Object) and Changes in Fund Balances-
Special Revenue Fund - Food Service
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amount expressed in thousands)
(unaudited)

	Fiscal Year Ending			
	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011
FEDERAL THROUGH STATE SOURCES				
Food service	\$ 11,511	\$ 12,567	\$ 14,202	\$ 15,345
Donated foods	1,458	1,712	1,584	1,891
Total federal through state grants	<u>12,969</u>	<u>14,279</u>	<u>15,786</u>	<u>17,236</u>
STATE SOURCES				
Food service	397	422	416	396
Total state sources	<u>397</u>	<u>422</u>	<u>416</u>	<u>396</u>
LOCAL SOURCES				
Food service sales	14,175	13,611	12,720	11,924
Interest income and others	55	31	2	10
Total local services	<u>14,230</u>	<u>13,642</u>	<u>12,722</u>	<u>11,934</u>
Total revenues	<u>27,596</u>	<u>28,343</u>	<u>28,924</u>	<u>29,566</u>
EXPENDITURES: (by object)				
Salaries	8,701	8,696	8,410	8,211
Employee benefits	3,378	3,279	3,123	3,141
Purchased services	1,398	1,051	1,152	1,089
Energy services	808	724	690	691
Material and supplies	12,492	12,646	12,760	12,741
Capital outlay	1,611	761	961	533
Other expenditures	531	760	744	968
Total expenditures	<u>28,919</u>	<u>27,917</u>	<u>27,840</u>	<u>27,374</u>
Excess (deficiency) of revenues over expenditures	<u>(1,323)</u>	<u>426</u>	<u>1,084</u>	<u>2,192</u>
Other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(1,323)</u>	<u>426</u>	<u>1,084</u>	<u>2,192</u>
Beginning fund balance	7,214	5,891	6,317	7,401
Ending fund balance	<u>\$ 5,891</u>	<u>\$ 6,317</u>	<u>\$ 7,401</u>	<u>\$ 9,593</u>

Source: District records

Fiscal Year Ending

<u>June 30, 2012</u>	<u>June 30, 2013</u>	<u>June 30, 2014</u>	<u>June 30, 2015</u>	<u>June 30, 2016</u>	<u>June 30, 2017</u>
\$ 16,712	\$ 17,346	\$ 17,962	\$ 19,351	\$ 20,825	\$ 21,080
1,770	1,653	1,615	2,050	2,083	2,118
<u>18,482</u>	<u>18,999</u>	<u>19,577</u>	<u>21,401</u>	<u>22,908</u>	<u>23,198</u>
371	370	365	347	337	344
<u>371</u>	<u>370</u>	<u>365</u>	<u>347</u>	<u>337</u>	<u>344</u>
11,519	10,780	10,203	9,532	9,068	8,808
179	188	221	-	250	262
<u>11,698</u>	<u>10,968</u>	<u>10,424</u>	<u>9,532</u>	<u>9,318</u>	<u>9,070</u>
<u>30,551</u>	<u>30,337</u>	<u>30,366</u>	<u>31,280</u>	<u>32,563</u>	<u>32,612</u>
8,332	8,298	8,481	8,511	8,916	9,105
2,723	2,635	2,830	2,971	2,951	2,948
1,256	1,248	1,129	1,161	1,238	1,068
699	544	589	514	494	521
13,370	13,377	14,208	14,463	14,638	14,784
545	977	1,419	1,565	1,461	965
916	791	842	859	817	905
<u>27,841</u>	<u>27,870</u>	<u>29,498</u>	<u>30,044</u>	<u>30,515</u>	<u>30,296</u>
<u>2,710</u>	<u>2,467</u>	<u>868</u>	<u>1,236</u>	<u>2,048</u>	<u>2,316</u>
<u>(746)</u>	<u>(1,185)</u>	<u>(942)</u>	<u>(1,307)</u>	<u>(981)</u>	<u>(1,720)</u>
<u>1,964</u>	<u>1,282</u>	<u>(74)</u>	<u>(71)</u>	<u>1,067</u>	<u>596</u>
9,593	11,557	12,839	12,765	12,694	13,761
<u>\$ 11,557</u>	<u>\$ 12,839</u>	<u>\$ 12,765</u>	<u>\$ 12,694</u>	<u>\$ 13,761</u>	<u>\$ 14,357</u>

The School Board of Brevard County, Florida
Summary of Revenues, Expenditures (by Major Object) and Changes in Fund Balances-
Debt Service Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amount expressed in thousands)
(unaudited)

	Fiscal Year Ending			
	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011
STATE SOURCES				
CO & DS withheld for SBE/COBI bonds	\$ 2,369	\$ 2,371	\$ 2,373	\$ 2,367
SBE/COBI bond interest	20	1	1	1
Total state sources	<u>2,389</u>	<u>2,372</u>	<u>2,374</u>	<u>2,368</u>
LOCAL SOURCES				
Interest income and others	32	9	295	143
Total local sources	<u>32</u>	<u>9</u>	<u>295</u>	<u>143</u>
Total revenues	<u>2,421</u>	<u>2,381</u>	<u>2,669</u>	<u>2,511</u>
EXPENDITURES: (by object)				
Debt service:				
Principal	12,435	12,970	14,120	14,750
Interest and fiscal charges	26,195	27,338	26,756	26,108
Total expenditures	<u>38,630</u>	<u>40,308</u>	<u>40,876</u>	<u>40,858</u>
Excess (deficiency) of revenues over expenditures	<u>(36,209)</u>	<u>(37,927)</u>	<u>(38,207)</u>	<u>(38,347)</u>
Other financing sources (uses):	<u>36,684</u>	<u>38,391</u>	<u>38,150</u>	<u>40,053</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	475	464	(57)	1,706
Beginning fund balance	3,631	4,106	4,570	4,513
Ending fund balance	<u>\$ 4,106</u>	<u>\$ 4,570</u>	<u>\$ 4,513</u>	<u>\$ 6,219</u>

Source: District records

Fiscal Year Ending

<u>June 30, 2012</u>	<u>June 30, 2013</u>	<u>June 30, 2014</u>	<u>June 30, 2015</u>	<u>June 30, 2016</u>	<u>June 30, 2017</u>
\$ 2,377	\$ 2,282	\$ 2,269	\$ 2,118	\$ 735	\$ 750
-	10	-	-	-	-
<u>2,377</u>	<u>2,292</u>	<u>2,269</u>	<u>2,118</u>	<u>735</u>	<u>750</u>
120	361	126	131	136	142
<u>120</u>	<u>361</u>	<u>126</u>	<u>131</u>	<u>136</u>	<u>142</u>
2,497	2,653	2,395	2,249	871	892
15,425	16,070	15,105	16,145	16,313	16,794
<u>25,487</u>	<u>23,455</u>	<u>22,579</u>	<u>21,012</u>	<u>20,804</u>	<u>19,845</u>
<u>40,912</u>	<u>39,525</u>	<u>37,684</u>	<u>37,157</u>	<u>37,117</u>	<u>36,639</u>
(38,415)	(36,872)	(35,289)	(34,908)	(36,246)	(35,747)
<u>36,825</u>	<u>36,954</u>	<u>35,920</u>	<u>33,380</u>	<u>36,362</u>	<u>35,868</u>
(1,590)	82	631	(1,528)	116	121
<u>6,219</u>	<u>4,629</u>	<u>4,711</u>	<u>5,342</u>	<u>3,814</u>	<u>3,930</u>
<u>\$ 4,629</u>	<u>\$ 4,711</u>	<u>\$ 5,342</u>	<u>\$ 3,814</u>	<u>\$ 3,930</u>	<u>\$ 4,051</u>

The School Board of Brevard County, Florida
Summary of Revenues, Expenditures (by Major Object) and Changes in Fund Balances-
Capital Projects Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)
(amount expressed in thousands)
(unaudited)

	Fiscal Year Ending			
	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011
REVENUES				
State sources:				
CO & DS distributed to district	\$ 356	\$ 414	\$ 402	\$ 408
Public education capital outlay	10,856	5,734	1,495	4,173
Classroom first program/class size reduction	-	-	-	-
State grants and other state sources	7,223	153	151	130
Total state sources	<u>18,435</u>	<u>6,301</u>	<u>2,048</u>	<u>4,711</u>
Local sources:				
Ad valorem taxes	79,458	69,531	53,885	47,074
Local sales tax	-	-	-	-
Interest income and others	12,811	3,998	157	153
Local grants and other local sources	6,261	3,341	9,904	3,913
Impact Fees	-	-	-	-
Total local sources	<u>98,530</u>	<u>76,870</u>	<u>63,946</u>	<u>51,140</u>
Total revenues	<u>116,965</u>	<u>83,171</u>	<u>65,994</u>	<u>55,851</u>
EXPENDITURES: (by object)				
Library books	332	190	244	122
Audio visual materials	92	35	48	22
Buildings and fixed materials	106,658	55,424	3,667	24
Furniture, fixtures and equipment	17,687	15,552	9,152	2,430
Motor vehicles	2,413	5,095	-	-
Land	2,000	-	-	-
Improvements other than buildings	11,193	3,493	848	761
Remodeling and renovations	81,458	80,175	33,922	13,284
Computer software	304	365	353	187
Debt service	2,324	1,999	655	584
Total expenditures	<u>224,462</u>	<u>162,328</u>	<u>48,889</u>	<u>17,414</u>
Excess (deficiency) of revenues over expenditures	<u>(107,497)</u>	<u>(79,157)</u>	<u>17,105</u>	<u>38,437</u>
Other financing sources (uses)	<u>20,406</u>	<u>(35,607)</u>	<u>(42,016)</u>	<u>(44,189)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(87,091)</u>	<u>(114,764)</u>	<u>(24,911)</u>	<u>(5,752)</u>
Beginning fund balance	<u>278,828</u>	<u>191,737</u>	<u>76,973</u>	<u>52,062</u>
Ending fund balance	<u>\$ 191,737</u>	<u>\$ 76,973</u>	<u>\$ 52,062</u>	<u>\$ 46,310</u>

Source: District records

Fiscal Year Ending

June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017
\$ 397	\$ 402	\$ 402	\$ 506	\$ 1,984	\$ 1,953
-	-	-	1,299	1,734	2,617
-	-	-	-	-	-
134	213	207	177	116	153
<u>531</u>	<u>615</u>	<u>609</u>	<u>1,982</u>	<u>3,834</u>	<u>4,723</u>
40,381	39,862	41,683	45,334	48,092	51,961
-	-	-	19,540	41,642	44,915
123	76	30	168	473	588
19	56	427	252	154	357
-	-	8,301	4,706	12,392	9,186
<u>40,523</u>	<u>39,994</u>	<u>50,441</u>	<u>70,000</u>	<u>102,753</u>	<u>107,007</u>
<u>41,054</u>	<u>40,609</u>	<u>51,050</u>	<u>71,982</u>	<u>106,587</u>	<u>111,730</u>
10	-	-	-	-	-
-	-	-	-	-	-
16	-	-	-	-	-
1,036	1,640	363	4,584	3,507	5,458
2,024	-	1,085	-	3,916	2,084
-	-	-	-	-	-
320	786	124	492	1,025	2,373
8,819	5,572	12,311	17,416	26,649	48,241
17	-	2,260	1,300	-	19
277	65	2	1	2	2
<u>12,519</u>	<u>8,063</u>	<u>16,145</u>	<u>23,793</u>	<u>35,099</u>	<u>58,177</u>
<u>28,535</u>	<u>32,546</u>	<u>34,905</u>	<u>48,189</u>	<u>71,488</u>	<u>53,553</u>
<u>(32,444)</u>	<u>(33,717)</u>	<u>(34,363)</u>	<u>(32,290)</u>	<u>(37,897)</u>	<u>(37,037)</u>
<u>(3,909)</u>	<u>(1,171)</u>	<u>542</u>	<u>15,899</u>	<u>33,591</u>	<u>16,516</u>
<u>46,310</u>	<u>42,401</u>	<u>41,230</u>	<u>41,772</u>	<u>57,671</u>	<u>91,262</u>
<u>\$ 42,401</u>	<u>\$ 41,230</u>	<u>\$ 41,772</u>	<u>\$ 57,671</u>	<u>\$ 91,262</u>	<u>\$ 107,778</u>



The School Board of Brevard County, Florida
Assessed and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(in thousands)
(unaudited)

Fiscal Year	Real Property Fiscal Year Ending Value	Personal Property Assessed Value (2)	Total Assessed Valuations (1)	Real Property Exemptions	Personal Property Exemptions (2)	Taxable Assessed Property Value (3)	Total Direct Rate (Millage)	Ratio of Taxable Assessed Value to Total Assessed Value
2016-17	\$ 41,927,252	\$ 9,361,566	\$ 51,288,818	\$ 9,072,495	\$ 6,409,079	\$ 35,807,244	6.916	69.81%
2015-16	39,087,088	9,103,611	48,190,699	8,753,489	6,291,723	33,145,487	7.275	68.78%
2014-15	37,018,003	9,145,079	46,163,082	8,612,631	6,318,134	31,232,317	7.339	67.66%
2013-14	35,151,989	8,322,370	43,474,359	8,463,604	6,294,943	28,715,812	7.606	66.05%
2012-13	33,963,159	8,203,286	42,166,445	8,409,435	6,299,890	27,457,120	8.096	65.12%
2011-12	34,797,638	7,960,383	42,758,021	8,715,582	6,230,401	27,812,038	8.112	65.05%
2010-11	39,760,031	9,660,749	49,420,780	9,487,494	7,543,273	32,390,013	7.653	65.54%
2009-10	49,377,471	9,782,694	59,160,165	14,994,325	7,440,380	36,725,460	7.687	62.08%
2008-09	58,670,319	9,761,816	68,432,135	19,740,636	7,346,395	41,345,105	7.661	60.42%
2007-08	61,061,100	10,306,802	71,367,902	22,664,665	7,775,949	40,927,288	7.531	57.35%

Source: Florida Department of Revenue - 2010-11 through 2016-17
Brevard County Property Appraiser - 2003-04 through 2009-10

Notes: The basis of assessed property value is approximately 100% of estimated actual value for fiscal years 2003-04 through 2009-10.

Note: Beginning in 1/1/08, the taxable assessed valuation for Brevard County is subject to an increase of \$25,000 (increase from \$25,000 to \$50,000) homestead exemption for each primary residence in Brevard County. The extra exemption does not apply to the school's taxable value, resulting in a lower taxable assessed valuation for Brevard County.

(1) Total assessed valuations (real, personal and centrally assessed property)

(2) Personal and centrally assessed property

(3) Amounts are post VAB assessments

The School Board of Brevard County, Florida
Property Tax Rates Direct and Overlapping Governments
Last Ten Fiscal Years
(Mills per \$1,000 of Assessed Value)
(unaudited)

	Fiscal Year			
	2008	2009	2010	2011
COUNTY -WIDE				
Brevard County	4.6210	4.6762	4.5211	5.2249
Brevard County School District	7.5310	7.6610	7.6870	7.6530
St. Johns River Water Management	0.4158	0.4158	0.4158	0.4158
Florida Inland Navigation District	0.0345	0.0345	0.0345	0.0345
Total county-wide	<u>12.6023</u>	<u>12.7875</u>	<u>12.6584</u>	<u>13.3282</u>
COUNTY TAXING DISTRICTS				
District I	3.8564	3.7642	3.7449	4.1446
District II	2.6470	2.6433	2.7488	3.0268
District III	2.6065	2.5546	2.6512	2.9026
District IV	3.2455	3.1528	3.2494	6.4259
District V	2.6374	2.5821	2.6787	2.9745
CITIES				
Cape Canaveral	2.7816	3.0671	3.0671	4.0739
Cocoa	4.4891	4.4891	4.4891	4.9662
Cocoa Beach	3.4642	3.7186	4.0000	4.5000
Grant-Valkaria	0.4261	0.4976	1.0000	1.0000
Indialantic	4.3313	4.9810	5.5374	6.0698
Indian Harbour Beach	4.0118	4.2037	4.7697	5.4077
Malabar	1.2693	1.4676	1.6630	1.6630
Melbourne	4.4751	4.4751	5.1287	5.9223
Melbourne Beach	2.7920	2.9543	3.9950	4.5005
Melbourne Village	4.5384	5.5656	6.1796	7.0759
Palm Bay	4.7429	5.3000	6.8165	7.5000
Rockledge	4.8105	5.3500	5.3500	5.6500
Satellite Beach	6.1742	7.1207	7.8193	8.1439
Titusville	5.0263	5.2694	6.3307	6.9119
West Melbourne	1.5899	1.5899	2.2975	2.2975

Source: Brevard County Comprehensive Annual Financial Report for the year ended September 30, 2016.

Notes: Brevard County has numerous millage code districts which are included within Brevard County Commissioner districts. A tax may apply to specific millage codes or may be levied district-wide.

Fiscal Year

2012	2013	2014	2015	2016	2017
5.9199	5.9199	5.7979	5.6310	5.4692	5.2548
8.1120	8.0960	7.6060	7.3390	7.2750	6.9160
0.3313	0.3313	0.3283	0.3164	0.3023	0.2885
0.0345	0.0345	0.0345	0.0345	0.0320	0.0320
14.3977	14.3817	13.7667	13.3209	13.0785	12.4913
4.8325	4.8325	5.1110	4.1215	4.0592	4.0459
3.3811	3.3811	3.3405	3.2703	3.2064	3.0694
3.2155	3.2155	3.1765	3.1038	3.0385	2.8978
4.0729	4.0729	4.0117	3.5505	3.5697	3.5286
3.3399	3.3399	3.3039	3.2328	3.1643	3.0329
4.0739	4.0739	3.9102	3.7246	3.5432	3.5235
5.5813	5.9811	5.9811	5.9790	5.9790	5.9790
5.0240	4.9798	4.9798	4.9798	4.9798	5.4798
1.0000	1.0000	1.0000	1.0000	1.0603	1.1201
6.7804	6.7395	6.5835	6.5835	6.4695	6.2653
5.9500	5.9352	5.8000	5.6061	5.4802	5.4802
1.6630	1.6630	1.6630	1.8000	1.9256	2.0260
6.9200	6.9000	7.3126	7.3125	7.6886	7.6886
5.1418	5.4363	5.1815	5.1104	5.1104	5.2749
8.1019	8.9150	9.2554	9.8362	9.8135	9.7336
9.0000	9.0000	8.6326	8.6326	8.5000	8.4500
6.2500	6.3658	6.3658	6.3500	6.3400	6.2500
8.5285	8.3559	8.3206	8.3206	8.2900	8.1518
7.5645	8.0930	8.1930	8.2799	8.4031	8.1286
2.2975	2.2975	2.2975	2.3850	2.4633	2.4633

The School Board of Brevard County, Florida
Principal Property Taxpayers
Current Year and Nine Years Ago
(unaudited)

Taxpayer	2017			2008		
	Taxes	Percentage of Total Taxes	Rank	Taxes	Percentage of Total Taxes	Rank
Florida Power & Light Company	\$ 23,667,992	3.58%	1	\$ 6,957,875	1.11%	1
Harris Corporation	3,787,425	0.57%	2	2,577,536	0.41%	4
Plant Oleander Power Project Ltd	2,973,359	0.45%	3	3,087,309	0.49%	2
City of Melbourne Airport Authority	2,541,461	0.38%	4	-	-	-
AT&T Florida	1,902,623	0.29%	5	-	-	-
Brighthouse Networks	1,654,279	0.25%	6	605,926	0.10%	10
Walmart Stores, Inc.	1,589,670	0.24%	7	-	-	-
Health First Physicians Real & Estate LLC	1,584,892	0.24%	8	-	-	-
Florida East Coast Railroad	1,129,637	0.17%	9	934,609	0.15%	6
Rockledge HMA Medical Group LLC	1,023,153	0.15%	10	-	-	-
Bellsouth Telecommunications, Inc	-	-	-	2,857,764	0.45%	3
The Viera Company	-	-	-	2,193,810	0.35%	5
Reliant Energy Indian River LLC	-	-	-	891,711	0.14%	7
Intersil Corporation	-	-	-	880,620	0.14%	8
Florida Gas Transmission Company	-	-	-	628,770	0.10%	9
Total taxable assessed value of 10 largest taxpayers	<u>41,854,491</u>	<u>6.33%</u>		<u>\$ 21,615,930</u>	<u>3.44%</u>	
Total property taxes collected (lagged one year)	<u>\$ 661,382,698</u>			<u>\$ 629,314,232</u>		

Source: Brevard County Comprehensive Annual Financial Report for the year ended September 30, 2016.

**The School Board of Brevard County, Florida
Property Tax Levies and Collections
Last Ten Fiscal Years
(unaudited)**

Fiscal Year	Taxable Assessed Value	Millage			Total Tax Levy
		Operating	Capital	Total	
2016-17	\$ 35,807,253,742	5.416	1.500	6.916	\$ 247,642,967
2015-16	33,145,486,378	5.775	1.500	7.275	241,133,413
2014-15	31,232,317,152	5.839	1.500	7.339	229,213,976
2013-14	28,715,811,876	6.106	1.500	7.606	218,412,465
2012-13	27,457,119,378	6.596	1.500	8.096	222,292,838
2011-12	27,812,038,128	6.612	1.500	8.112	225,611,253
2010-11	32,390,012,540	6.153	1.500	7.653	247,880,766
2009-10	36,725,460,270	6.187	1.500	7.687	282,308,613
2008-09	41,345,104,921	5.911	1.750	7.661	316,744,849
2007-08	40,927,287,793	5.531	2.000	7.531	308,223,404

Fiscal Year	Total Tax Levy	Collected to End of Tax Year		Delinquent Collections	Collected in Fiscal Year	
		Current Tax Collections	Percent of Levy		Total Collections	Percent of Levy
2016-17	\$ 247,642,967	\$ 239,074,395	96.54	\$ 523,085	\$ 239,597,480	96.75
2015-16	241,133,413	232,753,905	96.52	484,349	233,238,254	96.73
2014-15	229,213,976	221,175,853	96.49	625,166	221,801,019	96.77
2013-14	218,412,465	210,541,129	96.40	789,572	211,330,700	96.76
2012-13	222,292,838	213,453,918	96.02	1,610,694	215,064,612	96.75
2011-12	225,611,253	217,607,965	96.45	501,399	218,109,364	96.67
2010-11	247,880,766	238,694,460	96.29	1,373,315	240,067,775	96.85
2009-10	282,308,613	271,447,317	96.15	3,965,784	275,413,101	97.56
2008-09	316,744,849	302,765,351	95.59	1,404,736	304,170,087	96.03
2007-08	308,223,404	298,171,307	96.74	1,074,207	299,245,514	97.09

Source: District records
Brevard County Tax Collector
Brevard County Property Appraiser (post VAB assessments for 2007-08 to present)

Note: Beginning in 1/1/08, the taxable assessed valuation for Brevard County is subject to an increase of \$25,000 (increase from \$25,000 to \$50,000) homestead exemption for each primary residence in Brevard County. The extra exemption does not apply to the school's taxable value, resulting in a lower taxable assessed valuation for Brevard County.

The School Board of Brevard County, Florida
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(unaudited)

Fiscal Year	GOVERNMENTAL ACTIVITIES				Total Primary Government	Percentage of Personal Income	Per Capita
	State Board of Education Bonds	Certificates of Participation	Capital Leases				
2016-17	\$ 2,904,987	\$ 468,228,748	\$ -		\$ 471,133,735	Unavailable	824
2015-16	3,596,947	487,815,982	-		491,412,929	2.14%	866
2014-15	4,249,731	506,581,630	-		510,831,361	2.36%	917
2013-14	6,216,474	513,435,413	-		519,651,887	2.48%	942
2012-13	8,169,375	528,289,810	-		536,459,185	2.59%	980
2011-12	9,615,000	512,138,000	-		521,753,000	2.52%	952
2010-11	11,815,000	525,718,000	-		537,533,000	2.71%	989
2009-10	13,615,000	538,713,000	-		552,328,000	2.84%	1,019
2008-09	15,330,000	551,158,000	631,417		567,119,417	2.83%	1,046
2007-08	16,940,000	562,518,000	631,416		580,089,416	2.96%	1,075

Source: Governmental Activities from District records

Note: The primary government does not have any business-type activities outstanding debt.

The School Board of Brevard County, Florida
Ratios of Certificates of Participation Debt Outstanding
Last Ten Fiscal Years
(Amounts expressed in thousands, except per capita amount)
(unaudited)

Fiscal Year	Certificates of Participation (1)	Less: Amounts Available in Debt Service Fund	Total	Percentage of Estimated Actual Taxable Value of Property (2)	Per Capita (3)
2016-17	\$ 468,229	\$ 3,999	\$ 464,230	1.30%	\$ 812
2015-16	487,816	3,857	483,959	1.46%	853
2014-15	506,582	3,721	502,861	1.61%	903
2013-14	513,435	4,590	508,845	1.77%	923
2012-13	528,290	4,499	523,791	1.91%	956
2011-12	512,138	4,371	507,767	1.83%	926
2010-11	525,718	5,924	519,794	1.60%	957
2009-10	538,713	4,171	534,542	1.46%	986
2008-09	551,158	4,188	546,970	1.32%	1,008
2007-08	562,518	3,678	558,840	1.37%	1,035

Note: Details regarding outstanding debt can be found in the notes to the financial statements.

(1) The School Board has no general obligation debt. Calculations are provided based on outstanding debt related to Certificates of Participation.

The School Board of Brevard County, Florida
Calculation of Legal Debt Margin
Last Ten Fiscal Years
(amount expressed in thousands)
(unaudited)

	Fiscal Year Ending			
	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011
Assessed Value	\$ 40,927,288	\$ 41,345,105	\$ 36,725,460	\$ 32,390,013
Debt Limit on Assessed Value	40,927,288	41,345,105	36,725,460	32,390,013
Amount of Debt Applicable to Debt Limit:				
Bonds Payable	-	-	-	-
Less, Amount Available for Debt Service	-	-	-	-
Total Debt Applicable to the Debt Limit	-	-	-	-
Legal Debt Margin	<u>\$ 40,927,288</u>	<u>\$ 41,345,105</u>	<u>\$ 36,725,460</u>	<u>\$ 32,390,013</u>
Total Debt Applicable to the Debt Limit as a Percentage of Debt Limit	0.00%	0.00%	0.00%	0.00%

Source: District records
Brevard County Property Appraiser (2007-08 to present post VAB assessments)

Notes: The State of Florida does not have a limit on the amount of voter approved (general obligation) debt.

Beginning in 1/1/08, the taxable assessed valuation for Brevard County is subject to an increase of \$25,000 (increase from \$25,000 to \$50,000) homestead exemption for each primary residence in Brevard County. The extra exemption does not apply to the school's taxable value, resulting in a lower taxable assessed valuation for Brevard County.

Fiscal Year Ending

June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017
\$ 27,812,038	\$ 27,457,119	\$ 28,715,812	\$ 31,232,317	\$ 33,145,486	\$ 35,807,254
27,812,038	27,457,119	28,715,812	31,232,317	33,145,486	35,807,254
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 27,812,038</u>	<u>\$ 27,457,119</u>	<u>\$ 28,715,812</u>	<u>\$ 31,232,317</u>	<u>\$ 33,145,486</u>	<u>\$ 35,807,254</u>
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

The School Board of Brevard County, Florida
Computation of Direct and Overlapping Bonded Debt
June 30, 2017
(unaudited)

<u>Governmental Unit</u>	<u>Net Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes:			
Brevard County	\$ 79,072,359	100.00%	\$ 79,072,359
City of Cocoa Beach	4,537,076	100.00%	4,537,076
City of Titusville	5,618,000	100.00%	5,618,000
Subtotal, overlapping debt			<u>89,227,435</u>
School Board of Brevard County direct debt:			
Certificates of Participation	468,228,748	100.00%	\$ 468,228,748
Bonds	<u>2,904,987</u>	100.00%	<u>2,904,987</u>
Total direct and overlapping debt	<u>\$ 560,361,170</u>		<u>\$ 560,361,170</u>

Source: Brevard County Comprehensive Annual Financial Report for the period ending September 30, 2016
Cocoa Beach Comprehensive Annual Financial Report for the period ending September 30, 2016
City of Titusville Comprehensive Annual Financial Report for the period ending September 30, 2016

Notes: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the District. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the District. This process recognized that, when considering the District's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying debt of each overlapping government.

The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the District's boundaries and dividing it by the county's total taxable assessed value.

The School Board of Brevard County, Florida
Anticipated Capital Outlay Millage Levy
Required to Cover Certificates of Participation Payments
Last Ten Fiscal Years
(unaudited)

Fiscal Year	Tax Year	Taxable Assessed Valuation	Principal Payment	Interest Payment	Total Annual Lease Payment	Millage Levy to Provide 1.00x Coverage
2016-17	2016	\$ 35,807,253,742	\$ 16,175,000	\$ 19,096,557	\$ 35,271,557	1.037 mills
2015-16	2015	33,145,486,378	15,735,000	20,571,149	36,306,149	1.153 mills
2014-15	2014	31,232,317,152	14,235,000	19,337,225	33,572,225	1.131 mills
2013-14	2013	28,715,811,876	13,160,000	22,131,324	35,291,324	1.294 mills
2012-13	2012	27,457,119,378	14,195,000	24,207,444	38,402,444	1.472 mills
2011-12	2011	27,812,038,128	13,580,000	24,823,011	38,403,011	1.453 mills
2010-11	2010	32,390,012,540	12,995,000	25,404,694	38,399,694	1.248 mills
2009-10	2009	36,725,460,270	12,445,000	25,956,414	38,401,414	1.100 mills
2008-09	2008	41,345,104,921	11,360,000	26,482,251	37,842,251	0.963 mills
2007-08	2007	40,927,287,793	10,885,000	24,132,250	35,017,250	0.900 mills

Source: District records
Brevard County Property Appraiser (2007-08 to present post VAB assessments)

Note: (A) Millage rate calculated using 95% of the taxable assessed valuation.
(B) Capital lease arrangements are financed by Certificates of Participation and are not considered general obligation debt.

Beginning in 1/1/08, the taxable assessed valuation for Brevard County is subject to an increase of \$25,000 (increase from \$25,000 to \$50,000) homestead exemption for each primary residence in Brevard County. The extra exemption does not apply to the school's taxable value, resulting in a lower taxable assessed valuation for Brevard County.

The School Board of Brevard County, Florida
Demographic Statistics and Economic Statistics
Last Ten Fiscal Years
 (estimates)
 (unaudited)

Fiscal Year	Tax Year	Population (1)	Personal Income (1) (in thousands)	Per Capita Personal Income (1)	Median Age (1)	Unemployment Rate (1)	School Membership Enrollment (2)	Governmental Activities Expenses (2) (in thousands)	Cost per Student (in thousands)
2016-17	2016	571,481	(3)	(3)	47.1	4.9%	75,014	\$ 707,891	\$ 9
2015-16	2015	567,216	\$ 23,013,606	\$ 40,511	46.8	5.1%	74,224	668,962	9
2014-15	2014	556,885	21,647,137	38,872	46.9	6.9%	73,685	634,373	9
2013-14	2013	551,440	20,913,021	37,924	47.0	8.3%	72,594	650,412	9
2012-13	2012	547,669	20,698,424	37,794	46.3	9.4%	72,526	631,511	9
2011-12	2011	544,431	20,699,703	38,021	46.0	10.9%	72,906	633,025	9
2010-11	2010	543,376	19,826,418	36,487	45.5	11.3%	72,913	669,052	9
2009-10	2009	542,109	19,427,383	35,837	44.8	10.4%	73,352	667,089	9
2008-09	2008	542,378	20,011,172	36,895	44.1	6.7%	74,000	682,232	9
2007-08	2007	539,719	19,601,958	36,319	43.4	4.4%	75,235	698,247	9

(1) Brevard County Comprehensive Annual Financial Report for period ended September 30, 2016.

(2) District records

(3) Data unavailable

The School Board of Brevard County, Florida
Principal Employers-Melbourne-Titusville-Palm Bay
Metropolitan Statistical Area (MSA)
Current Year and Nine Years Ago
(unaudited)

EMPLOYER	Fiscal Year									
	2016-17					2007-08				
	Employees		Rank	Percentage of total MSA Employment		Employees		Rank	Percentage of total MSA Employment	
Brevard County School Board	9,000	to	9,999	1	4.0%	8,000	to	8,999	1	3.4%
Health First	7,000	to	7,999	2	3.1%	6,000	to	6,999	3	2.5%
Harris Corporation	5,000	to	5,999	3	2.3%	6,000	to	6,999	2	2.6%
Brevard County Board of County Commissioners	2,000	to	2,999	4	0.9%	3,000	to	3,999	5	1.3%
U.S. Department of Defense	2,000	to	2,999	5	0.8%	1,000	to	1,999	8	0.8%
NASA	1,000	to	1,999	6	0.8%	2,000	to	2,999	7	0.9%
Wuesthoff Health System	1,000	to	1,999	8	0.7%	2,000	to	2,999	6	1.0%
Northrop Grumman Corporation	1,000	to	1,999	7	0.6%	1,000	to	1,999	10	0.6%
Rockwell Collins	1,000	to	1,999	9	0.6%	-	-	-	-	-
Eastern Florida State College	1,000	to	1,999	10	0.6%	-	-	-	-	-
United Space Alliance	-	-	-	-	-	5,000	to	5,999	4	2.3%
Space Gateway Support	-	-	-	-	-	1,000	to	1,999	9	0.7%
Total	30,000	to	39,990		14.4%	35,000	to	44,990		16.1%

Source: District Records for Brevard County School Board employees; Brevard County Comprehensive Annual Financial Report for the year ended September 30, 2016 for all other employers.

The School Board of Brevard County, Florida
 Capital Asset Information
 Last Ten Fiscal Years
 (unaudited)

	Fiscal Year Ending									
	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008
SCHOOLS										
Elementary										
Permanent Buildings:										
Number	457	456	456	456	465	469	470	462	451	448
Square Feet	5,156,517	5,146,794	5,146,620	5,151,047	5,286,388	5,354,941	5,356,160	5,328,245	5,320,314	5,322,401
Portables:										
Number	192	182	178	177	184	172	159	164	158	163
Square Feet	148,676	140,808	137,446	141,756	147,238	137,085	125,912	126,212	120,728	123,724
Student Stations	39,549	39,585	39,527	39,545	40,726	41,434	42,118	44,781	44,638	44,656
Enrollment	35,293	35,249	35,296	35,152	36,127	36,063	35,482	35,868	36,274	36,605
Middle										
Permanent Buildings:										
Number	65	65	65	65	77	77	77	76	75	75
Square Feet	1,494,957	1,495,056	1,494,369	1,509,588	1,610,780	1,610,830	1,610,686	1,610,150	1,611,462	1,609,800
Portables:										
Number	17	18	18	18	19	23	25	26	29	18
Square Feet	16,528	13,858	13,858	14,674	15,348	18,745	20,604	21,032	23,008	13,504
Student Stations	10,946	10,946	10,961	10,911	11,765	11,765	11,818	12,192	12,326	12,033
Enrollment	7,542	7,549	7,757	7,954	8,587	8,600	8,385	8,458	8,610	8,855
High										
Permanent Buildings:										
Number	347	346	346	344	344	347	330	335	312	306
Square Feet	4,384,159	4,384,237	4,382,424	4,393,467	4,393,467	4,392,988	4,385,471	4,379,955	4,024,169	3,995,526
Portables:										
Number	129	141	147	148	147	156	166	174	192	229
Square Feet	99,720	109,164	113,892	121,631	120,505	127,901	136,161	139,975	155,247	183,089
Student Stations	30,120	30,120	30,118	30,126	30,377	30,427	30,332	33,097	31,397	31,816
Enrollment	24,271	23,868	23,778	23,297	22,841	23,374	23,352	23,677	24,150	25,019
Other										
Permanent Buildings:										
Number	56	57	57	55	34	31	31	42	50	51
Square Feet	512,936	525,645	525,645	510,471	272,407	216,539	202,910	211,247	228,066	231,125
Portables:										
Number	51	52	58	30	25	59	25	61	67	56
Square Feet	35,375	36,058	40,156	21,546	17,830	40,338	17,830	41,290	45,254	37,908
Student Stations	2,730	2,730	2,759	2,745	766	190	190	190	184	716
Enrollment	1,008	1,068	1,191	1,067	1,145	1,173	1,197	1,215	1,018	957
ADMINISTRATIVE										
Permanent Buildings:										
Number	14	14	14	14	14	14	14	14	6	6
Square Feet	227,033	227,024	227,024	228,558	228,558	228,393	228,437	228,437	212,133	207,938
Portables:										
Number	0	0	0	0	0	0	0	0	0	0

Source: District Records

The School Board of Brevard County, Florida
Student Membership Enrollment Data by School
Last Ten Years
(unaudited)

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>
<u>ELEMENTARY SCHOOLS</u>										
Allen	768	706	665	545	504	577	595	623	605	632
Andersen	640	696	717	756	738	771	751	714	705	701
Apollo	722	711	761	746	733	710	803	766	857	815
Atlantis	765	762	687	639	640	614	568	618	582	648
Audubon	635	574	475	496	532	473	670	646	644	599
Cambridge	502	510	536	543	564	583	620	637	666	640
Cape View	376	363	361	387	370	379	372	382	426	426
Challenger 7	494	496	489	483	500	486	508	480	514	525
Columbia	553	601	550	610	705	693	615	570	577	544
Coquina	439	405	431	468	520	555	570	569	553	523
Creel	819	760	759	930	900	946	941	972	931	940
Croton	537	515	516	585	597	629	676	653	665	615
Discovery	1,031	998	939	719	744	689	720	709	634	625
Endeavour	551	588	581	747	798	843	816	808	836	890
Enterprise	904	831	769	680	675	607	569	539	539	543
Fairglen	716	714	732	694	667	679	714	689	691	703
Gardendale	487	474	447	430	449	492	-	-	-	-
Gemini	588	607	631	610	564	536	510	503	483	451
Golfview	635	634	630	653	661	640	648	675	647	619
Harbor City	465	430	471	437	441	440	451	400	434	401
Holland	418	416	378	413	420	394	415	427	432	466
Imperial Estates	682	646	653	680	630	641	652	664	650	718
Indialantic	764	745	779	755	725	744	756	762	753	751
Jupiter	851	824	806	719	793	843	795	844	810	793
Lewis Carroll	845	789	742	670	675	657	633	620	638	660
Lockmar	713	748	787	695	734	781	770	786	721	728
Longleaf	696	686	705	737	708	654	609	599	631	683
Manatee	827	967	1,018	874	911	940	850	836	846	864
McAuliffe	920	913	824	762	763	780	769	741	744	786
Meadowlane Primary	694	700	741	752	778	737	779	780	742	748
Meadowlane Intermediate	519	505	540	973	1,076	900	890	929	1,001	1,010
Mila	365	384	420	512	516	517	481	496	495	534
Mims	531	522	489	468	448	479	602	582	517	485
Oak Park	750	705	664	646	609	687	825	847	856	922
Ocean Breeze	561	547	536	555	560	545	531	510	532	519
Palm Bay	716	696	702	803	816	848	850	859	815	799
Pinewood	421	430	405	400	353	379	431	442	479	530
Port Malabar	742	743	715	655	687	752	755	772	761	741
Quest	858	855	849	857	842	861	711	774	848	900
Riverview	470	453	405	320	297	-	-	-	-	-
Riviera	564	587	575	644	709	758	727	715	690	647
Roosevelt	462	408	413	443	439	414	409	371	375	359
Sabal	573	587	573	602	580	601	609	585	565	550
Saturn	740	702	736	792	797	829	738	748	785	763
Sea Park	301	300	305	310	354	393	321	343	330	339
Sherwood	638	608	594	524	515	515	530	544	518	485
South Lake	454	472	406	388	399	507	-	-	-	-
Sunrise	726	770	846	748	777	756	727	846	844	841
Suntree	806	828	827	679	697	644	622	629	649	657
Surfside	403	398	437	400	391	383	389	418	449	475
Tropical	760	740	712	690	668	643	674	736	766	787
Turner	765	734	696	664	741	772	715	760	689	631
University Park	553	565	517	518	585	628	675	634	617	546
Westside	825	844	839	779	821	756	803	769	700	712
Williams	812	805	796	583	602	603	552	538	559	581
Total Elementary Schools	35,352	34,997	34,577	34,168	34,718	34,683	33,712	33,859	33,796	33,850

Continued on next page.

The School Board of Brevard County, Florida
Student Membership Enrollment Data by School
Last Ten Years
(unaudited)

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>
<u>MIDDLE SCHOOLS</u>										
Central	1,003	966	969	1,096	1,270	1,263	1,278	1,237	1,142	1,098
Clearlake	418	449	405	396	422	470	-	-	-	-
DeLaura	689	711	667	651	706	803	741	699	686	703
Hoover	467	449	438	519	543	568	554	564	507	509
Jackson	656	590	636	632	623	568	538	595	578	584
Jefferson	699	689	673	685	643	623	643	651	615	606
Johnson	962	946	894	860	836	794	796	787	785	791
Kennedy	636	677	712	740	718	643	614	608	608	632
Madison	660	586	579	548	484	497	514	470	438	444
McNair	572	510	471	488	558	563	494	457	472	456
Southwest	1,428	1,372	1,352	1,016	1,023	993	966	905	882	880
Stone	665	665	662	754	774	802	816	784	836	839
Total Middle Schools	<u>8,855</u>	<u>8,610</u>	<u>8,458</u>	<u>8,385</u>	<u>8,600</u>	<u>8,587</u>	<u>7,954</u>	<u>7,757</u>	<u>7,549</u>	<u>7,542</u>
<u>HIGH SCHOOLS</u>										
Astronaut	1,382	1,309	1,228	1,153	1,171	1,128	1,144	1,137	1,108	1,132
Bayside	2,752	2,760	2,195	1,930	1,665	1,606	1,628	1,643	1,687	1,712
Cocoa Beach Jr/Sr	1,528	1,470	1,402	1,383	1,389	1,246	1,164	1,127	1,498	1,064
Cocoa	1,193	1,114	1,029	970	960	966	1,458	1,531	1,102	1,572
Eau Gallie	1,953	1,736	1,694	1,654	1,599	1,675	1,682	1,714	1,713	1,672
Edgewood Jr/Sr	946	943	948	944	942	930	940	941	949	948
Heritage	-	-	932	1,327	1,759	1,797	1,795	1,825	1,851	1,855
Melbourne	2,274	2,190	1,981	1,997	1,967	1,945	2,013	2,131	2,227	2,304
Merritt Island	1,569	1,545	1,505	1,483	1,508	1,501	1,499	1,594	1,545	1,574
Palm Bay	2,529	2,324	2,108	1,893	1,739	1,587	1,555	1,599	1,570	1,637
Rockledge	1,421	1,238	1,204	1,242	1,269	1,377	1,372	1,374	1,447	1,460
Satellite	1,450	1,259	1,200	1,165	1,169	1,272	1,290	1,319	1,345	1,356
Space Coast Jr/Sr	2,161	1,962	1,833	1,742	1,650	1,552	1,498	1,528	1,474	1,519
Titusville	1,482	1,398	1,425	1,391	1,386	1,282	1,322	1,326	1,393	1,394
Viera	1,424	1,941	2,026	2,117	2,237	2,022	1,976	2,032	2,002	2,117
West Shore Jr/Sr	955	961	967	961	964	955	961	957	957	955
Total High Schools	<u>25,019</u>	<u>24,150</u>	<u>23,677</u>	<u>23,352</u>	<u>23,374</u>	<u>22,841</u>	<u>23,297</u>	<u>23,778</u>	<u>23,868</u>	<u>24,271</u>
<u>SPECIAL CENTERS</u>										
Brevard County Jail	-	-	-	-	-	6	5	5	8	9
Brevard Virtual Instruction	-	-	41	100	132	148	131	128	121	140
Cogswell Offsite/ Central Alternative	33	47	66	43	34	54	-	-	-	-
Crosswinds	9	13	11	6	8	-	-	-	-	-
Detention Center	59	44	35	24	28	13	29	37	40	50
Devereux Hospital	37	29	39	40	39	36	43	63	40	56
Fieldston Preparatory	62	59	71	73	76	62	57	106	109	107
Group Treatment Home*	29	27	30	30	27	26	25	28	30	30
Halfway House	30	28	30	29	28	18	20	27	18	-
Horace Mann Academy	119	117	114	112	131	119	111	-	-	-
North Alternative Learning Center	32	41	31	31	40	32	57	69	44	47
Outward Bound	20	11	14	21	15	18	8	13	11	5
PRE-K ESE Services**	252	369	493	427	368	290	228	273	257	187
Project Search	-	-	-	-	27	28	19	42	41	43
Riverdale Country Day	144	119	116	120	116	115	105	141	112	111
Riverview School	-	-	-	-	-	66	110	133	132	128
South Alternative Learning Center	97	77	91	108	70	61	60	65	44	34
South Area Head Start	-	-	-	-	-	33	33	33	32	32
Space Coast Marine	34	37	33	33	34	20	-	-	-	-
Melbourne Ctr for Personal Growth	-	-	-	-	-	-	26	28	29	29
Total - Special Centers	<u>957</u>	<u>1,018</u>	<u>1,215</u>	<u>1,197</u>	<u>1,173</u>	<u>1,145</u>	<u>1,067</u>	<u>1,191</u>	<u>1,068</u>	<u>1,008</u>

Continued on next page.

The School Board of Brevard County, Florida
Student Membership Enrollment Data by School
Last Ten Years
(unaudited)

	<u>2007-08</u>	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>
<u>MILLENNIUM SCHOOLS</u>										
Freedom 7 Elementary School	412	414	413	403	414	410	404	407	413	409
Stevenson Elementary School	427	449	464	480	484	489	485	483	489	484
West Melbourne Elementary School	414	414	414	431	447	545	551	547	551	550
Total Millennium Schools	<u>1,253</u>	<u>1,277</u>	<u>1,291</u>	<u>1,314</u>	<u>1,345</u>	<u>1,444</u>	<u>1,440</u>	<u>1,437</u>	<u>1,453</u>	<u>1,443</u>
<u>CHARTER SCHOOLS</u>										
Campus Primary	154	132	125	152	138	140	142	134	135	112
Educational Horizons	60	73	68	93	99	92	97	100	109	112
Einstein Montessori	-	-	-	-	-	-	-	-	-	-
Explorer	-	-	-	-	-	-	-	-	-	-
Emma Jewel Academy	-	-	-	-	-	-	202	300	317	312
Imagine School of West Melbourne	-	-	628	673	402	218	174	217	246	343
Oakwood	-	-	-	-	-	-	-	-	-	-
Odyssey	522	544	550	565	623	762	911	940	1,026	1,170
Odyssey Preparatory Academy	-	-	-	-	-	-	179	234	266	319
Osprey	-	-	-	-	-	-	-	-	-	-
Palm Bay Academy	403	544	527	509	580	518	559	621	623	597
Palm Bay Community/Patriot	996	746	646	734	-	-	-	-	-	-
Palm Bay Municipal High School	-	-	16	43	-	-	-	-	-	-
Pineapple Cove	-	-	-	-	-	-	-	-	421	531
River's Edge Academy	300	407	-	-	-	-	-	-	-	-
Royal Palm	186	185	195	216	253	281	334	354	344	344
Sculptor	399	418	445	469	491	518	531	542	545	546
Sawgrass Academy	-	-	-	-	-	-	-	-	-	-
Viera Charter	-	-	-	-	-	-	644	838	961	963
Total Charter Schools	<u>3,020</u>	<u>3,049</u>	<u>3,200</u>	<u>3,454</u>	<u>2,586</u>	<u>2,529</u>	<u>3,773</u>	<u>4,280</u>	<u>4,993</u>	<u>5,349</u>
Other: McKay Scholarship recipients and Home Education students	<u>779</u>	<u>899</u>	<u>934</u>	<u>1,043</u>	<u>1,110</u>	<u>1,297</u>	<u>1,351</u>	<u>1,383</u>	<u>1,497</u>	<u>1,551</u>
Total District	<u><u>75,235</u></u>	<u><u>74,000</u></u>	<u><u>73,352</u></u>	<u><u>72,913</u></u>	<u><u>72,906</u></u>	<u><u>72,526</u></u>	<u><u>72,594</u></u>	<u><u>73,685</u></u>	<u><u>74,224</u></u>	<u><u>75,014</u></u>

Source: District records

The School Board of Brevard County, Florida
Number of Personnel
Last Ten Fiscal Years
(unaudited)

Fiscal Year	Instructional	Administrative	Support	Total	(1) Ratio Students to Instructional	Ratio Instructors to School Administrators
2016-17	5,147	272	3,905	9,324	13.54 : 1	18.91 : 1
2015-16	5,044	272	3,857	9,173	13.73 : 1	18.54 : 1
2014-15	4,990	265	3,603	8,858	13.91 : 1	18.83 : 1
2013-14	5,013	263	3,547	8,823	13.73 : 1	19.06 : 1
2012-13	5,335	267	3,653	9,255	13.12 : 1	19.98 : 1
2011-12	5,281	270	3,575	9,126	13.32 : 1	19.56 : 1
2010-11	5,360	259	3,549	9,168	12.96 : 1	20.69 : 1
2009-10	5,333	275	3,802	9,410	13.15 : 1	19.39 : 1
2008-09	5,253	290	3,899	9,442	13.51 : 1	18.11 : 1
2007-08	5,432	292	4,003	9,727	13.29 : 1	18.60 : 1

Source: District Records

(1) Student membership less charter schools

The School Board of Brevard County, Florida
Teacher Base Salaries (10 Month)
Last Ten Fiscal Years
(unaudited)

<u>Fiscal</u> <u>Year</u>	<u>Minimum</u> <u>Salary</u>	<u>Maximum</u> <u>Salary</u>	<u>Median</u> <u>Salary</u>
2016-17	\$ 38,490	\$ 59,145	\$ 43,884
2015-16	38,490	59,145	43,884
2014-15	37,840	58,495	43,234
2013-14	37,840	58,495	43,234
2012-13	36,000	56,350	41,314
2011-12	36,000	56,350	41,314
2010-11	36,000	56,350	41,314
2009-10	36,000	56,350	41,314
2008-09	36,000	56,350	41,314
2007-08	36,000	56,350	41,314

Source: District records

The School Board of Brevard County, Florida
Food Services Operating Data
Last Ten Fiscal Years
(unaudited)

	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017
Days meals were served - total	180	178	180	180	180	179	180	180	180	177
Average number of free and reduced meals served daily	28,843	30,843	32,384	33,973	36,168	36,389	35,804	37,499	39,048	39,318
Number of free and reduced meals served	5,191,817	5,490,005	5,829,068	6,115,086	6,510,228	6,469,966	6,444,663	6,749,804	7,028,556	6,959,350
Average daily subsidy received	\$ 72,051	\$ 80,219	\$ 87,701	\$ 95,623	\$ 104,743	\$ 108,206	\$ 110,785	\$ 120,821	\$ 129,142	\$ 133,004
Total subsidy received	\$ 12,969,118	\$ 14,278,997	\$ 15,786,166	\$ 17,212,164	\$ 18,853,824	\$ 19,368,922	\$ 19,941,338	\$ 21,747,719	\$ 23,245,543	\$ 23,541,672
Average number of meals served daily	52,842	52,517	52,212	52,912	54,210	52,551	50,679	51,954	54,200	55,047
Number of full paid meals served	4,319,715	3,858,005	3,569,110	3,409,160	3,247,490	2,893,069	2,677,498	2,601,918	2,727,495	2,783,971
Average daily revenue	\$ 153,313	\$ 159,232	\$ 160,687	\$ 164,126	\$ 169,735	\$ 169,477	\$ 168,698	\$ 173,777	\$ 180,905	\$ 184,250
Total revenue	\$ 27,596,366	\$ 28,343,225	\$ 28,923,745	\$ 29,542,729	\$ 30,552,233	\$ 30,336,345	\$ 30,365,679	\$ 31,279,838	\$ 32,562,947	\$ 32,612,318
Average daily cost	\$ 163,762	\$ 156,841	\$ 154,664	\$ 152,081	\$ 159,062	\$ 162,319	\$ 169,111	\$ 174,166	\$ 174,977	\$ 180,885
Total cost	\$ 29,477,101	\$ 27,917,777	\$ 27,839,470	\$ 27,374,592	\$ 28,631,205	\$ 29,055,050	\$ 30,440,026	\$ 31,349,804	\$ 31,495,857	\$ 32,016,618

Source: District records





The School Board of Brevard County, Florida
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2017

Federal Grantor/Pass-Through Grantor/Program Title	Catalog of Federal Domestic Assistance Number	Pass - Through Grantor Number	Amount of Federal Expenditures (1)	Amount Provided to Subrecipients
United States Department of Agriculture:				
Indirect:				
Child Nutrition Cluster:				
Florida Department of Agriculture and Consumer Services:				
School Breakfast Program	10.553	16002, 17002 16001, 17001,	\$ 5,464,426	\$ -
National School Lunch Program	10.555 (2)	16003, 17003 16006, 17006,	17,159,821	-
Summer Food Service Program for Children	10.559	16007, 17007	196,999	-
Total Child Nutrition Cluster			<u>22,821,246</u>	<u>-</u>
Florida Department of Agriculture and Consumer Services:				
Fresh Fruit and Vegetable Program	10.582	16004, 17004	114,550	-
Florida Department of Health				
Child and Adult Care Food Program	10.558	A-4383, S-4279	262,070	-
Total United States Department of Agriculture			<u>23,197,866</u>	<u>-</u>
United States Department of Justice				
Direct:				
Office of Community Oriented Policing Services:				
Public Safety Partnership and Community Policing Grants	16.560	N/A	500,421	-
United States Department of Education:				
Direct:				
Impact Aid	84.041	N/A	403,202	-
Magnet Schools Assistance	84.165	N/A	1,732,517	-
Fund for the Improvement of Education	84.215	N/A	26,153	-
Total Direct			<u>2,161,872</u>	<u>-</u>
Indirect:				
Special Education Cluster:				
Florida Department of Education:				
Special Education - Grants to States	84.027	262, 263	17,773,545	-
Special Education - Preschool Grants	84.173	266, 267	714,614	-
Total Special Education Cluster			<u>18,488,159</u>	<u>-</u>
Florida Department of Education:				
Adult Education - Basic Grants to States	84.002	191 192, 193, 194	577,589	-
Title I Grants to Local Educational Agencies	84.010	212, 223, 226	18,013,219	-
Career and Technical Education - Basic Grants to States	84.048	161	685,278	-
Education for Homeless Children and Youth	84.196	127	88,771	-
Charter Schools	84.282	298	148,352	148,352
Twenty-First Century Community Learning Centers	84.287	244	1,965,749	-
English Language Acquisition Grants	84.365	102	375,176	-
Improving Teacher Quality State Grants	84.367	224	2,425,371	-
Total Indirect			<u>42,767,664</u>	<u>148,352</u>
Total United States Department of Education			<u>44,929,536</u>	<u>148,352</u>

(Continued)

**The School Board of Brevard County, Florida
Schedule of Expenditures of Federal Awards
For the Fiscal Year Ended June 30, 2017**

<u>Federal Grantor/Pass-Through Grantor/Program Title</u>	<u>Catalog of Federal Domestic Assistance Number</u>	<u>Pass - Through Grantor Number</u>	<u>Amount of Federal Expenditures (1)</u>	<u>Amount Provided to Subrecipients</u>
United States Department of Health and Human Services:				
Direct:				
Head Start	93.600 (3)	N/A	\$ 4,768,587	\$ -
United States Department of Defense:				
Direct:				
Army Junior Reserve Officers Training Corps	None	N/A	497,793	-
Air Force Junior Reserve Officers Training Corps	None	N/A	265,135	-
Navy Junior Reserve Officers Training Corps	None	N/A	144,944	-
Marines Junior Reserve Officers Training Corps	None	N/A	67,269	-
Total United States Department of Defense:			<u>975,141</u>	<u>-</u>
Total Expenditures of Federal Awards			<u>\$ 74,371,551</u>	<u>\$ 148,352</u>

- Notes:
- (1) Basis of Presentation. The Schedule of Expenditures of Federal Awards represents amounts expended from Federal programs during the fiscal year as determined based on the modified accrual basis of accounting. The amounts reported on the Schedule have been reconciled to and are in material agreement with amounts recorded in the District's accounting records from which the basic financial statements have been reported.
 - (2) Noncash Assistance - National School Lunch Program. This includes \$2,117,587 of donated food received during the year. Donated foods are valued at fair value as determined at the time of donation. This also includes the After School Snack Program in the amount of \$294,901.
 - (3) Head Start - Expenditures are for grant number 0CH4640/05.
 - (4) De Minimus Cost Rate. The District did not elect to use the 10% de minimus cost rate as covered by 2 CFR Section 200.414.



Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Chairman and Members of
The District School Board of Brevard County, Florida

We have audited, in accordance with the 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, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District School Board of Brevard County, Florida (the "District") as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated October 30, 2017. Our report includes a reference to other auditors who audited the financial statements of the discretely presented component units, as described in our report on the District's financial statements. This report does not include the results of the other auditors' testing of internal control over financial reporting or compliance and other matters that are reported on separately by those auditors.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the District's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the District's internal control. Accordingly, we do not express an opinion on the effectiveness of the District's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Chairman and Members of
The District School Board of Brevard County, Florida

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Pursuant to provisions of Chapter 10.800, *Rules of the Auditor General*, we reported certain matters to management of the District in a separate management letter and Independent Accountant's Report dated October 30, 2017.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in blue ink that reads "Moore Stephens Lovelace, P.A." The signature is written in a cursive style.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
October 30, 2017



Certified Public Accountants

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR
EACH MAJOR FEDERAL PROGRAM AND ON INTERNAL CONTROL
OVER COMPLIANCE AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL
AWARDS IN ACCORDANCE WITH THE
UNIFORM GUIDANCE AND CHAPTER 10.550, RULES OF THE AUDITOR GENERAL**

Chairman and Members of
The District School Board of Brevard County, Florida

Report on Compliance for Each Major Federal Program

We have audited the compliance of the District School Board of Brevard County, Florida (the "District") with the types of compliance requirements described in the U.S. Office of Management and Budget ("OMB") *Compliance Supplement*, that could have a direct and material effect on each of the District's major federal programs for the year ended June 30, 2017. The District's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the District's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the District's compliance.

Opinion on Each Major Federal Program

In our opinion, the District complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2017.

Report on Internal Control over Compliance

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to in the first paragraph. In planning and performing our audit of compliance, we considered the District's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the District's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by Uniform Guidance

We have audited the basic financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District as of and for the year ended June 30, 2017, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated October 30, 2017, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. Our report on the basic financial statements included disclosures regarding our reference to the reports of other auditors. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis, as required by Uniform Guidance, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements.

Chairman and Members of
The District School Board of Brevard County, Florida

Report on Schedule of Expenditures of Federal Awards Required by Uniform Guidance (Cont.)

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

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
October 30, 2017

DISTRICT SCHOOL BOARD OF BREVARD COUNTY, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For The Year Ended June 30, 2017

Section I - Summary of Independent Auditor's Results

Financial Statements

Type of Auditor's Report Issued:

Unmodified Opinion

Internal control over financial reporting:

- Material weakness(es) identified? ___ Yes X No
- Significant deficiency(ies) identified? ___ Yes X None reported

Noncompliance material to financial statements noted? ___ Yes X No

Federal Awards

Internal control over major programs:

- Material weakness(es) identified? ___ Yes X No
- Significant deficiency(ies)? ___ Yes X None reported

Type of report issued on compliance for major federal program: **Unmodified Opinion**

Any audit findings disclosed that are required to be reported in accordance with 200.516 of the Uniform Guidance? ___ Yes X No

Identification of Major Programs:

<u>CFDA Numbers</u>	<u>Name of Federal Program or Cluster</u>
84.027, 84.173	Special Education Cluster

Dollar threshold used to distinguish between Type A and Type B programs: \$2,231,147

Auditee qualified as low-risk auditee? X Yes ___ No

DISTRICT SCHOOL BOARD OF BREVARD COUNTY, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (*Cont.*)

For The Year Ended June 30, 2017

Section II - Findings Related to the Financial Statement Audit, as required to be reported in accordance with *Government Auditing Standards*.

No matters are reported.

Section III - Federal Award Findings and Questioned Costs Section reported in accordance with the Uniform Guidance.

No matters are reported.

DISTRICT SCHOOL BOARD OF BREVARD COUNTY, FLORIDA

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

For The Year Ended June 30, 2017

FEDERAL AUDIT FINDINGS

No matters were reported in the prior year affecting federal financial assistance programs.



Certified Public Accountants

INDEPENDENT AUDITOR'S MANAGEMENT LETTER

Chairman and Members of
The District School Board of Brevard County, Florida

Report on the Financial Statements

We have audited the financial statements of the District School Board of Brevard County, Florida (the "District") as of and for the year ended June 30, 2017, and have issued our report thereon dated October 30, 2017.

Auditor's Responsibility

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; the audit requirements of Title 2 U.S. *Code of Federal Regulations*, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance"); and Chapter 10.800, *Rules of the Auditor General*.

Other Reporting Requirements

We have issued our Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards*, Independent Auditor's Report on Compliance Required by the Uniform Guidance, Schedule of Findings and Questioned Costs, and our Independent Accountant's Report in accordance with the provisions of Chapter 10.800, *Rules of the Auditor General*. Disclosures in those reports and schedule, which are dated October 30, 2017, should be considered in conjunction with this management letter.

Prior Audit Findings

Section 10.804(1)(f)1., *Rules of the Auditor General*, requires that we determine whether or not corrective actions have been taken to address findings and recommendations made in the preceding annual financial report. There were no recommendations made in the preceding annual financial report.

Financial Condition and Management

Section 10.804(1)(f)2., *Rules of the Auditor General*, requires us to communicate whether or not the District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and identification of specific condition(s) met. In connection with our audit, we determined that the District did not meet any of the conditions described in Section 218.503(1), Florida Statutes.

Chairman and Members of
The District School Board of Brevard County, Florida

Pursuant to Sections 10.804(1)(f)5a. and 10.805(7), *Rules of the Auditor General*, we applied financial condition assessment procedures. It is management's responsibility to monitor the District's financial condition, and our financial condition assessment was based, in part, on representations made by management and the review of financial information provided by the same.

Section 10.804(1)(f)3., *Rules of the Auditor General*, requires that we address in the management letter any recommendations to improve financial management. In conjunction with our audit, we did not have any such recommendations.

Transparency

Section 10.804(1)(f)6., *Rules of the Auditor General*, requires that we report the results of our determination as to whether the District maintains on its website the information specified in Section 1011.035, Florida Statutes. In connection with our audit, we determined that the District maintained on its website the information specified in Section 1011.035, Florida Statutes.

Additional Matters

Section 10.804(1)(f)4., *Rules of the Auditor General*, requires that we address noncompliance with provisions of contracts or grant agreements, or abuse, that have occurred, or are likely to have occurred, that have an effect on the financial statements that is less than material but which warrants the attention of those charged with governance. In connection with our audit, we did not have any such findings.

Purpose of this Letter

Our management letter is intended solely for the information and use of the Legislative Auditing Committee, members of the Florida Senate and the Florida House of Representatives, the Florida Auditor General, federal and other granting agencies, the District School Board members, and applicable management and is not intended to be, and should not be, used by anyone other than these specified parties.



MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
October 30, 2017



Certified Public Accountants

INDEPENDENT ACCOUNTANT'S REPORT

Chairman and Members of
The District School Board of Brevard County, Florida

We have examined the District School Board of Brevard County, Florida's (the "District") compliance with the requirements of Section 218.415, Florida Statutes, during the fiscal year ended June 30, 2017. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with specified requirements.

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the fiscal year ended June 30, 2017.

Moore Stephens Lovelace, P.A.

MOORE STEPHENS LOVELACE, P.A.
Certified Public Accountants

Orlando, Florida
October 30, 2017





NON-DISCRIMINATION NOTICE

The School Board of Brevard County strictly prohibits discrimination on the basis of race, color, national origin, sex (including sexual orientation, transgender status, or gender identity), disability (including HIV, AIDS, or sickle cell trait), pregnancy, marital status, age (except as authorized by law), religion, military status, ancestry, or genetic information or any other factor protected under applicable federal, state, or local law. This notice applies to all educational programs, activities, or employment practices/procedures of the School Board of Brevard County. The School Board of Brevard County is in compliance with the Americans with Disabilities Act of 1990 (ADA) and the Amendment Act of 2008 (ADAA), the Florida Education Equity Act of 1984, Age Discrimination Act of 1967 and Section 504 of the Rehabilitation Act of 1973, Civil Rights Act of 1964 including: Title II, Title VI, and Title VII, United States Education Amendments of 1972 - Title IX, Age Discrimination in Employment Act (ADEA), Individuals with Disabilities Act (IDEA), and the Boy Scouts of America Equal Access Act.

Students, parents, or the public with inquiries regarding this non-discrimination policy are encouraged to review Board Policy 2260.01 - Nondiscrimination Grievance Procedure and Board Policy 5517 - Harassment. Students, parents, or the public with questions or wish to file a grievance may contact their school administrator directly or if there is an issue in doing this, you may contact:

Student Equity Coordinator

Ms. Stephanie Archer
Asst. Supt. Equity, Innovation, and Choice
2700 Judge Fran Jamieson Way
Melbourne, FL 32940
(321) 631-1911, Ext. 500
CSC@Brevardschools.org

Exceptional Education/504 Coordinator

Dr. Patricia Fontan
Director, Exceptional Student Education
2700 Judge Fran Jamieson Way
Melbourne, FL 32940
(321) 631-1911 Ext. 505
Fontan.Patricia@Brevardschools.org

Employees or job applicants with inquiries regarding this non-discrimination policy are encouraged to review Board Policy 3122 - Equal Employment Opportunity and 3362 - Anti-Harassment. Employees or job applicants with questions or wish to file a grievance may contact their school/department administrator or if there is an issue in doing this, you may contact:

Employee/Job Applicant Equity Coordinator

Mr. Rivers Lewis
Director, Human Resources and Labor Relations
2700 Judge Fran Jamieson Way
Melbourne, FL 32940
(321) 631-1911 Ext. 265
Lewis.rivers@brevardschools.org

Reasonable accommodations are available for persons with disabilities to complete the application and/or interview process. Applicants/Individuals with disabilities requesting accommodations under the Americans with Disabilities Act (ADA) may contact the Employee/Job Applicant Equity Coordinator for assistance. All policies and procedures of the School Board of Brevard County as indicated above can be located on the World Wide Web at the following web address: <http://www.neola.com/brevardco-fl/>. This Publication or portions of this publication can be made available to persons with disabilities in a variety of formats, including large print, braille or audiotape. Telephone or written request should include your name, address, and telephone number. Requests should be made to Kim Parker, Exceptional Education Projects, (321) 633-1000, ext. 535, at least two (2) weeks prior to the time you need the publication.

**THIS IS
JUST THE
BEGINNING...**

