

# Comprehensive Annual Financial Report

## The School District of Manatee County, Florida

for the Fiscal Year Ended June 30, 2017



School District of Manatee County  
Bradenton, Florida

# Comprehensive Annual Financial Report

The School District of  
Manatee County, Florida  
For the Fiscal Year Ended June 30, 2017



Prepared by the  
Finance Department

School District of Manatee County  
215 Manatee Avenue West  
Bradenton, Florida 34205  
[www.manatee.k12.fl.us](http://www.manatee.k12.fl.us)

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

**Comprehensive Annual Financial Report**

**For the Fiscal Year Ended June 30, 2017**

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## SCHOOL BOARD

Scott L. Hopes, M.P.H., D.B.A.  
*Chair*

Gina Messenger  
*Vice Chair*

John A. Colón  
Charlie Kennedy  
Dave "Watchdog" Miner

## SUPERINTENDENT

Diana Greene, Ph.D.

# SCHOOL DISTRICT OF MANATEE COUNTY

January 23, 2018

Dear Chair, School Board Members, and the Citizens of Manatee County:

We are pleased to submit the Comprehensive Annual Financial Report (CAFR) of the School Board of Manatee County, Florida (District) for the fiscal year ended June 30, 2017. State law requires all school districts publish within 9 months of the close of each fiscal year a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States (GAAP) and audited in accordance with generally accepted auditing standards by an independent certified public accountant.

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

This report will provide the taxpayers of the School District with financial data in a format enabling them to gain an understanding of the financial affairs and standing of the District.

### Independent Audit

Moore Stephens Lovelace, P.A., has independently audited the District's financial statements for the fiscal year ended June 30, 2017. Sections 11.45, and 218.39, Florida Statutes, require an annual audit conducted by independent certified public accountants. The goal of the independent audit is to provide reasonable assurance that the financial statements of the District are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The report on the basic financial statements by Moore Stephens Lovelace, P.A., is included in the Financial Section of the CAFR. The independent auditor concluded there was a reasonable basis for rendering an unmodified opinion that based on the audit and reports of other auditors, the District's financial statements are fairly presented in all material respects, in conformity with GAAP.

The independent audit of the financial statements of the District was part of a broader, Federally mandated "Single Audit" designed to meet the special needs of Federal grantor agencies. 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 Title 2 U.S. Code of Federal Regulations, Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements but also the audited government's internal controls and compliance with the legal requirements with special emphasis on internal controls and legal requirements involving the administration of Federal awards. Information related to this single audit, including the schedule of expenditures of Federal awards, findings and questioned costs, summary of prior audit findings, and the independent auditor's reports on the system of internal control and on compliance with applicable requirements, are included in the single audit section.

The CAFR includes all funds of the District, the Manatee School Board Leasing Corporation (Leasing Corporation), and 10 charter schools, which comprise the reporting entity. The 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 charter schools are public schools operating under performance contracts with the District. The charter schools are included in the CAFR as discretely presented component units. One charter school, the State College of Florida Collegiate School, operates under another governmental agency and therefore, is not included as a discretely presented component units of the District.

The CAFR is presented in three sections as follows:

1. The Introductory Section, which contains the Letter of Transmittal, List of Principal Officials, and an Organizational Chart of the District.
2. The Financial Section, which includes the Independent Auditor's Report, Management's Discussion and Analysis (MD&A), basic financial statements, notes to the financial statements, and other supplemental information.

The basic financial statements and notes provide an overview of the District's financial position and operating results. The other supplemental information provides more detailed information relative to the basic financial statements, which includes combining statements for non-major governmental funds, combining statements for each fund type, budget to actual statements for all governmental funds, and combining statements for the discretely presented component units. The MD&A immediately follows the independent auditor's report and provides a narrative introduction, overview and analysis of the basic financial statements. The MD&A complements the letter of transmittal and should be read in conjunction with it.

3. The Statistical Section presents on a multi-year basis, selected social and economic data, financial trends and the fiscal capacity of the District.

Reports and schedules required by *Governmental Auditing Standards* and United States Office of Management and Budget (OMB) follow the three sections identified above.



## **Profile of the School District**

The District and its governing body were created pursuant to Section 4, Article IX of the Constitution of the State of Florida. The District is an independent taxing and reporting entity managed, controlled, operated, administered, and supervised by the District in accordance with Chapter 1001, Florida Statutes. The District consists of five elected officials responsible for the adoption of policies, which govern the operation of public schools in Manatee County. The Superintendent of Schools is responsible for the administration and management of the schools within the applicable parameters of Florida Statutes, State Board of Education Rules, and District policies. Section 1010.01, Florida Statutes, requires each school district to prepare and maintain financial records and accounts as prescribed by law and rules of the State Board of Education.

The geographic boundaries of the District are those of Manatee County. The County encompasses a 742 square mile area located in west central Florida and is approximately 45 miles south of the city of Tampa. The County operates under a constitution adopted in 1921 and has a current estimated population of 357,591 persons. Within its borders are six municipalities: City of Anna Maria, Bradenton, Bradenton Beach, Holmes Beach, Palmetto and the Town of Longboat Key.

During the 2016-2017 fiscal year, the District operated 53 schools; including 32 elementary schools, 10 middle schools, 6 high schools, 3 alternative education schools (including e-TECH Virtual), 1 ESE center, and 1 post-secondary school (operated at 4 school sites). It also managed 13 contract sites; including 4 Department of Juvenile Justice sites, and 11 charter schools. The charter schools are separate not-for-profit corporations organized pursuant to Chapter 617, Florida Statutes, the Florida Not-For-Profit Corporation Act, and Section 1002.33, Florida Statutes. The average age of schools for the District is 43 years. The District reported serving approximately 48,269 unweighted, full-time equivalent students for the 2016-2017 fiscal year and projects it will enroll 48,979 students for the 2017-2018 fiscal year.

The District serves students from infants through adults. Students in the District represent a diverse community of learners, including a variety of ethnic and cultural backgrounds. The student population breaks down as follows: 47.3% White not Hispanic, 33.2% Hispanic, 13.7% Black not Hispanic, 2.1% Asian, 3.6% Multi Racial, 0.1% Native American.

In addition to the various educational programs offered to K-12 students, the District offers services including: programs for babies of teen parents who are progressing toward achieving high school diplomas; programs for special education from age 3 to 21; preschool programs for children from birth through five years; programs for eligible homeless or at risk of becoming homeless students; and voluntary pre-kindergarten services.

The District also offers programs for adults to learn the necessary skills in order to enter the workforce or increase opportunities for advancement in current positions. Students from foreign countries have the opportunity to learn communication skills through the District's English Language Learner (ELL) programs, and all citizens can take fee supported courses to increase personal development in various subjects such as computers, photography and personal financial planning.

## **Economic Condition and Outlook**

The County is part of the North Port-Bradenton-Sarasota Metropolitan Statistical Area (MSA) that includes Manatee and Sarasota Counties. Since 2010, the population of Manatee County has increased 10.8 percent to approximately 357,591. For the 2016 calendar year, The Office of Economic & Demographic Research ranks Manatee County as the 15<sup>th</sup> most populous county (out of 67 counties) in the State with 1.8 percent of Florida's population. Manatee County's unemployment rate was 4.6 percent.

The County continues to experience rapid growth in the housing market. In 2016, there were 4,168 housing units permitted in Manatee County up from 3,169 in 2015. Housing values increased by 7.1 percent. The median sales price for an existing single-family home in Manatee County is \$279,000 and expected to rise by 1 percent in 2017.

The District recognizes it benefits financially from the growth in new homes as well as the increase in property values. However, coupled with the growth in population, the District anticipates continued growth in the number of students served by District schools.

## **Major Initiatives and Accomplishments**

During the 2016-2017 fiscal year, the District focused on improving school grades. As a result, 81% of all Manatee District schools received either an A, B, or C grade. No school received an F grade for the first time since 2009. Five of the schools, including four traditional public schools and one charter school, maintained an A grade. The number of schools that received an A grade tripled in one year, from 5 in 2015 to 14 in 2016. In addition, 22 of our schools improved their grade from 2015 to 2016. Harlee Middle School and Visible Men Academy improved by two letter grades from an F to a C. Tillman Elementary School improved by three letter grades from an F to a B. In 2015-2016, the District's graduation rate was 83%. This is a 5 percent increase from 2014-2015 and exceeded the State average. However, the District is concerned with a national issue of teacher shortages. Our goal is to increase our Local Required Effort with a 1 mill increase to compete with our surrounding school districts who pay more, as well as increase our college and career options, increase STEM initiatives and support our struggling students. The District has continued to improve academically and financially to bring back the prominence of the School District of Manatee County. We continue to be strong partners with outside agencies such as the Boys and Girls Club, United Way, YMCA, Chamber of Commerce and Manatee Community Foundation. The School District of Manatee is on the Right Path.

On November 8, 2016, the extension of the one-half cent Discretionary Sales Surtax was placed on the ballot and approved by a majority of the electors of Manatee County who voted in the referendum. Collection of the extended sales tax will begin on January 1, 2018 and continue through December 31, 2032.

On November 21, 2016, the District refunded, on an advanced basis, the outstanding Series 2009A Certificates of Participation. Series 2016A, Refunding Certificates of Participation were issued to reduce the total debt service over the next 13 years and to obtain an economic gain (difference between the present value of the debt service payment on the old and new debt) of \$3,548,236. The savings will be reallocated to capital projects.

On February 23, 2017, the District closed on a Sales Tax Revenue Bond issue, Series 2017. Par value of the bonds was \$131,785,000. The bonds were sold at a premium and netted the District project funds of approximately \$151,045,513. Proceeds from this bond are primarily dedicated to new construction projects including the new North River High School, a new middle school and a new elementary school. All of which are expected to be open for attendance in August of 2019.

The State Board of Education Capital Outlay Bonds, Series 2017A was issued by the Florida Department of Education, refunding the Series, 2006A Bonds. The issuance of these certificates reduce the District's total debt service payments over the next five years by \$179,281.

The District continues the process of implementing PeopleSoft as its new Enterprise Resource Planning (ERP) system with an aggressive implementation plan led by the Business Systems Department. The District anticipates fully implementing the program in the 2017-2018 fiscal year.

The Information Technology team focused on updating the District's instructional technology and supporting computer based testing throughout the year. In addition, the team maintained 35,000 devices, 2,000 projectors, 60 telephone systems, 2,000 wireless access points, 3,000 network switches, 300 servers and hundreds of miles of fiber optic cable infrastructure.

During the 2016-2017 fiscal year, the District made changes to its health insurance and prescription drug coverage plans which resulted in a 12 percent cost savings to the plan. Certain prescription drug protocols were implemented and the formulary for prescription coverage was modified. In addition, a four-tier health plan was adopted which more closely aligns with best practices in health care plans. This change provided for more affordable access to health insurance for our employees and their dependent children.

For the third consecutive year, all employees of the District received a pay enhancement that exceeded the national cost of living increase.

### **Financial Information**

The District is responsible for maintaining budgetary controls, and ensuring spending is in compliance with the annual appropriated budget approved by the District. All governmental fund types utilized by the District are included in the annual appropriated budget. The legal level of budgetary control is established at the fund-function-object level for all funds, meaning, this is the level at which expenditures cannot exceed the appropriated amount.

At June 30, 2017, the District's General fund, fund balance was \$25,562,074; a \$9,372,956 increase over June 30, 2016. Of this amount, \$680,710 is considered nonspendable; \$6,759,806 restricted; \$5,294,697 assigned and \$12,826,861 unassigned fund balance. The District's assigned and unassigned General Fund balance increased to 4.92 percent at June 30, 2017, a 1.2 percent increase over the prior year of 3.72 percent.

District leadership continues to balance the operational needs of the District, including hiring and retaining highly qualified teachers, with their desire to improve the District's financial health. For the fourth year, the District ended the year with a fund balance which exceeded the three percent reporting requirement

## Certificate of Excellence in Financial Reporting

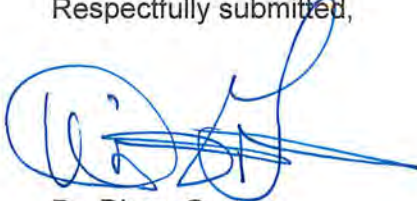
The Association of School Business Officials, International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its Comprehensive Annual Financial Report (CAFR) for the fiscal year ended June 30, 2016. This is the 11th year the District received this prestigious award. In order to be awarded the Certificate of Excellence in Financial Reporting, the District must publish an easily readable and efficiently organized CAFR. The Certificate of Excellence is valid for a period of one year only. Upon completion of the CAFR this year, the District will once again apply for consideration of this award.

## Acknowledgements

The preparation of the CAFR was made possible by the dedicated service of the entire staff of the District's Finance Department. Our sincere appreciation is extended to each member of the department for their contributions in the preparation and completion of this report.

In closing, we would like to thank the members of the District School Board and the Audit Committee for their leadership that has contributed to the accomplishments of the School District of Manatee County. We also thank the District's teachers, staff, and the citizens of Manatee County, who have contributed greatly to the educational accomplishments of the students and to the operation of this innovative school system.

Respectfully submitted,



Dr. Diana Greene  
Superintendent



Tammy Taylor  
Interim Chief Financial Officer

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**SCHOOL BOARD MEMBERS**

Mr. John Colon, Vice-Chair  
Member from District 5  
Member since September 2015  
Current term expires November 2018

Mr. Charlie Kennedy, Chair  
Member from District 2  
Member since November 2014  
Current term expires November 2018

Ms. Gina Messenger  
Member from District 1  
Member since November 2016  
Current term expires November 2020

Mr. Dave "Watchdog" Miner  
Member from District 3  
Member since November 2012  
Current term expires November 2020

Vacant,  
Member from District 4  
Current term expires November 2018

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**LIST OF PRINCIPAL OFFICIALS-APPOINTED**

Dr. Diana Greene, Superintendent

Cynthia Saunders, Deputy Superintendent of Instruction

Ron Ciranna, Deputy Superintendent Business Services and Operations

Rebecca Roberts, Chief Financial Officer

Ryan Saxe, Executive Director, Secondary Education

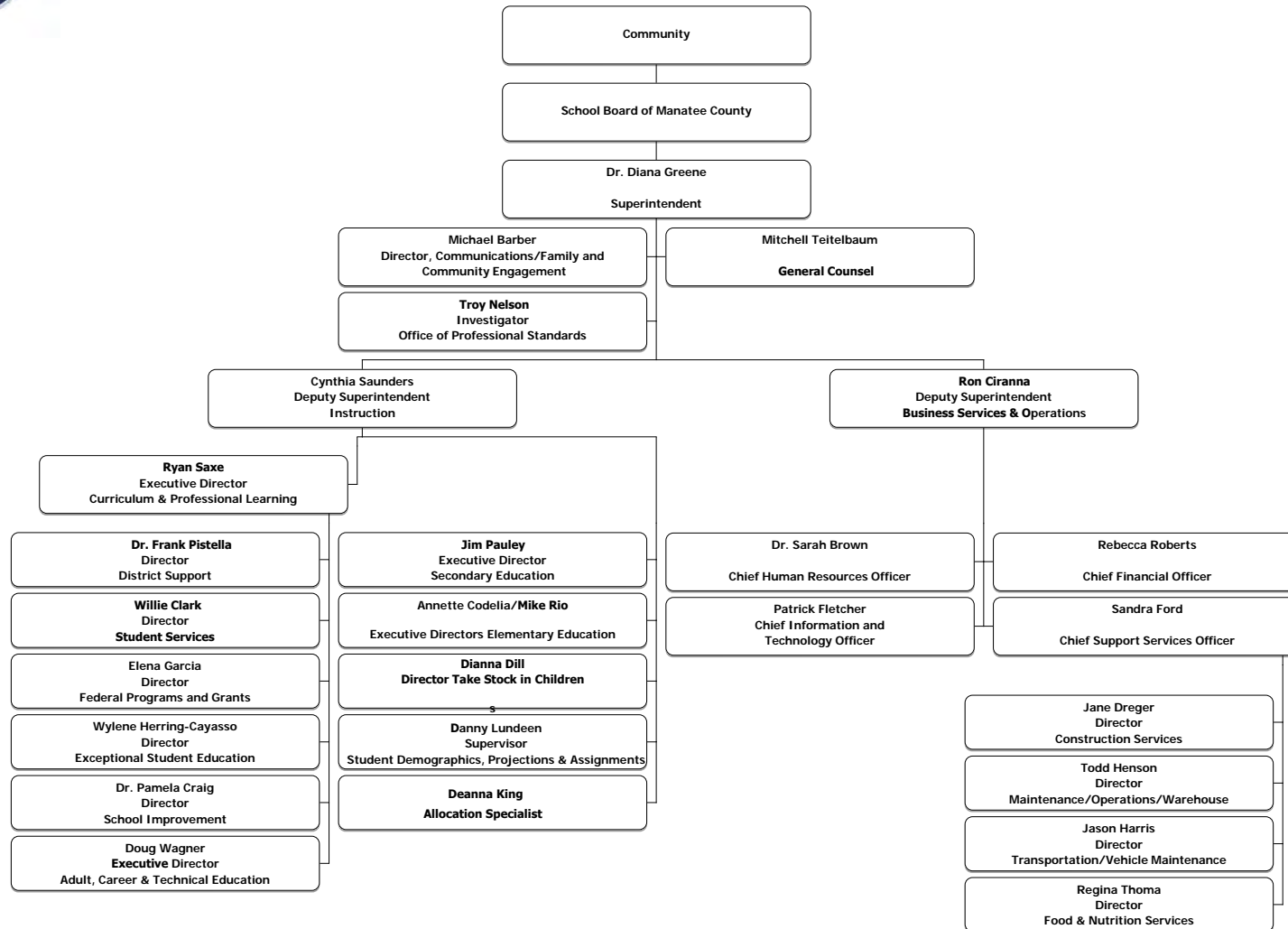
Tammy Taylor, Director of Finance

Dr. Sarah Brown, Chief Human Resources Officer

Patrick Fletcher, Chief Information & Technology Officer



**School District of Manatee County  
District Organizational Chart  
2016/2017**





ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

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

**School District of Manatee 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





## INDEPENDENT AUDITOR'S REPORT

Chair and Members of the School Board  
School District of Manatee County, Florida

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

We have audited the accompanying financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the School District of Manatee County, Florida (the "District") as of and for the fiscal 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 aggregate discretely presented component units. 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 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 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 and Required Supplementary Information, 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 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 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 fund financial statements and schedules are fairly stated, in all material respects, in relation to the financial statements as a whole.

Chair and Members of the School Board  
School District of Manatee County, Florida

**INDEPENDENT AUDITOR'S REPORT**  
*(Concluded)*

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated January 12, 2018, 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.*

**MOORE STEPHENS LOVELACE, P.A.**  
Certified Public Accountants

Tampa, Florida  
January 12, 2018



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**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**Year Ended June 30, 2017**

The management of the District School Board of Manatee County, Florida (the "District") has prepared the following discussion and analysis to (a) assist the reader in focusing on significant financial issues, (b) provide an overview and analysis of the District's financial activities, (c) identify changes in the District's financial position, (d) identify material deviations from the approved budget, and (e) highlight significant issues in individual funds.

Because the information contained in the Management's Discussion and Analysis (MD&A) is intended to highlight significant transactions, events and conditions, it should be considered in conjunction with the District's financial statements.

**Financial Highlights**

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources at June 30, 2017 by \$598,193,116(net position). Of this amount, \$145,961,707 represents a deficit unrestricted net position.
- This deficit in unrestricted net position was due primarily to the District's long-term liabilities and related deferrals for employees at June 30, 2017. Significant liabilities and deferrals included: Other Postemployment Benefits Payable \$12,394,914; Compensated Absences Payable \$21,330,400; Net Pension Liability \$221,005,958; and Deferred Inflows of Resources Related to Pensions \$7,757,956.
- The District's total net position increased by \$28,384,391, or 5.0 percent.
- As of the close of the current fiscal year, the District's governmental funds reported combined fund balances of \$224,339,514, an increase of \$160,909,133 in comparison with the prior fiscal year.
- Fitch Ratings upgraded the District's Long-Term Issuer Default Credit rating to 'A-/Stable Outlook' and assigned a rating on the 2016A Certificates of 'BBB+'. According to the Fitch Ratings report, the "Credit improvement is evidenced by the District's greater fiscal monitoring and spending controls which resulted in improvement in reserves consistent with policy levels, providing an adequate cushion to manage through unexpected budgetary challenges going forward."
- Fitch Ratings assigned an 'A-' rating to the \$150 million sales tax revenue bonds, series 2017 debt issued by the District. The Fitch report stated "Pledged revenues provide solid debt service coverage, expected growth prospects and resilience through a moderate economic downturn scenario."
- As of the close of the current fiscal year, the District's assigned and unassigned fund balance for the General Fund was \$18,121,558 or 4.92 percent of total General Fund revenues, which exceeds the 3 percent reporting threshold. The total fund balance was \$25,562,074 or 6.94 percent of total General Fund revenues.



**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**Year Ended June 30, 2017**

the results of operations, during the fiscal year. An increase or decrease in net position is an indication of whether the District's financial health is improving or deteriorating.

The statement of activities provides information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in the future fiscal periods (e.g., uncollected taxes and earned but unused vacation and sick leave).

Both of the above government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The government activities of the District include such functions as instruction, pupil personnel services, administration, pupil transportation, maintenance, and other items. The District does not report any business-type activities.

The government-wide financial statements include not only the District itself (known as the primary government), but also 10 charter schools for which the District is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself. The Manatee School Board Leasing Corporation (Leasing Corporation), although legally separate, was formed to facilitate financing for the acquisition of facilities and equipment. Due to the substantive economic relationship between the District and Leasing Corporation, the Leasing Corporation has been included as an integral part of the primary government.

The government-wide financial statements can be found on pages 17 through 19 of this report.

**Fund 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, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be put into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**Year Ended June 30, 2017**

financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains 10 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund. The General Fund, Other Federal Programs Fund, one debt service fund (Other Debt Service Fund) and two capital projects funds (Section 1011.71(2), F.S. Local Capital Improvement Tax Fund and Other Capital Projects Fund) are considered to be major funds and are presented in the same manner. Data from the other 5 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements elsewhere in this report.

The District adopts an annual appropriated budget for its governmental funds. Budgetary comparison statements have been provided for the General Fund to demonstrate compliance with this budget on pages 30 through 31 of this report.

The basic governmental fund financial statements can be found on pages 20 through 29 of this report.

**Proprietary Funds.** The District maintains one type of proprietary fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the District's various functions. The District uses the internal service fund to account for its self-insurance programs Health and Casualty/Liability. Because these services predominantly benefit governmental rather than business-type functions, they 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 statement, only in more detail. The proprietary fund financial statements provide separate information for the District's self-insurance programs. The two internal service funds are combined in a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements on pages 32 through 34 of this report.

**Fiduciary Funds.** Fiduciary funds are used to report assets held in a trustee or fiduciary capacity for the benefit of external parties, such as student activity funds. Fiduciary funds are not reflected in the government-wide statements because the resources are not available to support the District's own programs. In its fiduciary capacity, the District is responsible for ensuring the assets reported in these funds are used only for their intended purposes. The basic fiduciary fund financial statements can be found on pages 35 through 36 of this report.

**Notes to the Financial Statements.** The notes provide additional information that is essential to fully understand the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found on pages 37 through 83 of this report.



**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
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**Required Supplementary Information.** In addition to the basic financial statements and accompanying notes, this report also presents required supplementary information concerning the District's progress in funding its obligation to provide other postemployment benefits to its employees and supplementary information concerning the District's proportionate share of net pension liability and contributions to the defined benefit pension plan. The required supplementary information can be found on pages 85 through 87 of this report.

**Other Supplemental Information.** The combining statements referred to earlier in connection with non-major governmental funds are presented immediately following the notes to financial statements. Combining and individual fund statements and schedules can be found on pages 89 through 132 of this report.

**Government-Wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$598,193,116 at the close of the current fiscal year.

The largest portion of the District's net position is its investment in capital assets (e.g., land, buildings, machinery, and equipment); less any related debt used to acquire those assets that is still outstanding. The District uses these capital assets to educate the students of Manatee County, Florida; consequently, these assets are not available for future spending. Although the District's investment in 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.

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended June 30, 2017**

	<b>Net Position, End of Year</b>	
	<u>Governmental Activities</u>	
	<u>6/30/2017</u>	<u>6/30/2016</u>
Current and other assets	\$ 292,467,762	\$ 129,922,418
Capital assets, net	868,857,097	867,878,296
<b>Total assets</b>	<u>1,161,324,859</u>	<u>997,800,714</u>
Deferred charges on refunding	6,516,426	2,651,425
Deferred outflows related to pensions	86,599,244	35,953,876
<b>Total deferred outflows of resources</b>	<u>93,115,670</u>	<u>38,605,301</u>
<b>Total assets and deferred outflows of resources</b>	<u>\$ 1,254,440,529</u>	<u>\$ 1,036,406,015</u>
Current and other liabilities	\$ 46,024,124	\$ 43,093,648
Long-term liabilities, current	36,300,088	37,599,718
Long-term liabilities, noncurrent	566,165,245	362,109,396
<b>Total Liabilities</b>	<u>648,489,457</u>	<u>442,802,762</u>
Deferred revenue	-	12,496
Deferred inflows related to pensions	7,757,956	23,782,032
<b>Total deferred inflows of resources</b>	<u>7,757,956</u>	<u>23,794,528</u>
<b>Total liabilities and deferred inflows of resources</b>	<u>\$ 656,247,413</u>	<u>\$ 466,597,290</u>
Net Position (Deficit)		
Net Investment in Capital Assets	538,676,767	660,374,668
Restricted	205,478,056	46,436,593
Unrestricted	(145,961,707)	(137,002,536)
<b>Total net position</b>	<u>\$ 598,193,116</u>	<u>\$ 569,808,725</u>
<b>Total liabilities, deferred inflows of resources, and net position</b>	<u>\$ 1,254,440,529</u>	<u>\$ 1,036,406,015</u>

An additional portion of the District's net position, \$205,478,056, represents resources that are subject to external restrictions on how they may be used. At the end of the current fiscal year, the District is able to report positive balances in all categories of net position except for a negative \$145,961,707 in unrestricted net position.

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:

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**Year Ended June 30, 2017**

	Governmental Activities	
	June 30, 2017	June 30, 2016
Revenues:		
Program Revenues:		
Charge for Services	\$ 15,113,480	\$ 13,850,464
Operating Grants and Contributions	21,799,044	21,630,789
Capital Grants and Contributions	1,908,702	1,857,788
General Revenues:		
Property Taxes Levied for Operational Purposes	172,944,705	170,841,398
Property Taxes Levied for Capital Purposes	47,865,648	44,435,342
Sales Taxes	30,278,920	30,062,884
Florida Education Finance Program	110,775,250	106,171,607
Grants and Contributions not Restricted to Specific Programs	104,951,379	104,649,976
Unrestricted Interest Earnings	1,834,486	706,695
Miscellaneous	9,376,850	4,874,338
<b>Total Revenues</b>	<b>516,848,464</b>	<b>499,081,281</b>
Functions/Program Expenses:		
Instruction	261,700,571	252,033,744
Student Support Services	18,560,266	18,028,665
Instructional Media Services	3,956,593	3,905,835
Instruction and Curriculum Development	11,933,839	10,570,509
Instructional Staff Training Services	6,258,506	5,430,234
Instruction Related Technology	1,356,836	46,919
Board	1,014,501	817,629
General Administration	2,669,390	2,785,198
School Administration	24,981,310	23,274,561
Facilities Acquisition & Construction	42,351,772	37,922,654
Fiscal Services	2,404,317	1,977,509
Food Services	25,991,762	25,710,911
Central Services	8,275,008	11,960,112
Student Transportation Services	13,865,576	12,495,737
Operation of Plant	29,565,984	28,634,346
Maintenance of Plant	9,896,369	8,888,260
Administrative Technology Services	6,617,813	6,022,660
Community Services	4,266,622	3,649,393
Interest on Long-Term Debt	12,774,042	9,042,582
Depreciation - Unallocated/Amortization Expense	22,996	23,182
<b>Total Expenses</b>	<b>488,464,073</b>	<b>463,220,640</b>
Increase (Decrease) in Net Position	28,384,391	35,860,641
Net Position, Beginning	569,808,725	533,948,084
Adjustment to Beginning Net Position	-	-
<b>Net Position, Ending</b>	<b>\$ 598,193,116</b>	<b>\$ 569,808,725</b>

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**Year Ended June 30, 2017**

**Governmental Activities.** Governmental activities increased the District's net position by \$28,384,391. The key elements in the difference between the two fiscal years are an increase in property tax values for both operational and capital purposes, an increase in interest earnings, and charges for services revenue.

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

**Major Governmental Funds**

The General Fund is the chief operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$12,826,861 while total fund balance was \$25,562,074. At June 30, 2017, the District's assigned and unassigned fund balance for the General Fund was \$18,121,558 or 4.92 percent of total General Fund revenues, while total fund balance was \$25,562,074 or 6.94 percent of total General Fund revenues. The remainder of fund balance is not available for new spending because it is (1) nonspendable in the form of inventory amounts, \$680,710 and (2) restricted for specific State categorical programs and grants, \$6,759,806.

The fund balance of the District's General Fund increased by \$9,372,956 during the current fiscal year primarily due to staffing attrition and the inability to fill vacant positions, most notably for teachers and transportation. The District continues to manage cost through improved operational efficiencies and strict cost containment measures.

The Other Federal Programs Fund - is used to report program revenues and expenditures for federal awards that are not federal economic stimulus programs.

The Debt Service - Other Debt Service Fund is used to account for the payment of principal, interest, and related costs on the sales tax bond issues, certificates of participation issues and other debt issues. This fund ended with a fund balance restricted for debt service of \$1,985,547, the fund balance increased during the fiscal year by \$194,364. The increase in fund balance was a result of QZAB installments set aside for future principal payments.

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**Year Ended June 30, 2017**

The Capital Projects – Section 1011.71(2), F.S., Local Capital Improvement Tax Fund is used to account for the funds generated by the local capital improvement tax levied under Section 1011.71(2), Florida Statutes. The restricted fund balance at year end was \$26,436,787. This was an increase of \$11,330,591 over the prior fiscal year's fund balance of \$15,106,196. The increase in fund balance is attributed to a reduction in transfers out to the General Fund.

The Capital Projects - Other Capital Projects Fund is used to account for the financial resources generated by various sources. Included in this fund were sales tax revenues and other miscellaneous capital outlay funded projects. The fund balance for this fund at the current fiscal year end, which was restricted for capital projects, was \$154,417,632. The fund balance increased during the fiscal year by \$138,021,895. The increase in fund balance is primarily due to the receipt of bond proceeds for acquisition, construction and installation of various capital improvements and educational facilities.

**Proprietary Funds.** The District's proprietary fund financial statements provide the same type of information found in the government-wide financial statements. Net position at the end of the current fiscal year for the District's Self-Insurance programs was \$17,227,569. The total increase in the District's self-insurance program's net position was \$2,463,125. A critical component of this increase was the District providing an additional contribution of \$1.2 million to the Health Insurance Fund to provide an affordable health insurance program for its employees and to ensure the fund remained self-sufficient.

### **General Fund Budgetary Highlights**

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

During the current fiscal year, the District amended its General Fund budget several times. The original budget projected a \$4,189,118 decrease in fund balance with an ending fund balance of \$12,000,000. At fiscal year-end, the District's actual ending fund balance was \$25,562,074 an increase of \$9,372,956, due to higher than anticipated attrition in teaching and operations positions and strict cost containment measures.

The variance between the final General Fund budgeted revenues and actuals, is primarily due to a shortfall in local revenues and Medicaid reimbursements. The District's actual expenditures were \$5.5 million less than budgeted. The most significant area of reduction was in the instructional function, \$2.9 million less than budgeted. The budget variances by function may be found on Exhibit E-1, Page 31.

### **Capital Assets and Debt Administration**

**Capital Assets.** The District's investment in capital assets for the governmental activities as of June 30, 2017, totals \$868,857,097 (net of accumulated depreciation). This investment in capital assets includes land; construction in progress; improvements other than buildings; buildings and

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended June 30, 2017**

fixed equipment; furniture, fixtures and equipment; motor vehicles; property under capital lease; and computer software. The total increase in the District's investment in capital assets (net of accumulated depreciation) for the current fiscal year was \$978,801 or approximately .11 percent.

The increase in net capital assets is primarily due to acquisitions exceeding disposals by \$15.7 million, offset by depreciation of \$14.7 million net of deletions.

**Capital Assets  
(net of depreciation)**

	Governmental Activities	
	June 30, 2017	June 30, 2016
Land	\$ 48,825,039	\$ 46,527,066
Construction in Progress	314,828	-
Improvements Other Than Buildings	8,093,916	8,850,580
Buildings and Fixed Equipment	785,015,687	793,410,586
Furniture, Fixtures, and Equipment	9,344,545	9,040,981
Motor Vehicles	7,659,737	6,521,926
Property Under Capital Lease	1,339,617	654,116
Computer Software	8,263,728	2,873,041
<b>Total</b>	<b><u>\$ 868,857,097</u></b>	<b><u>\$ 867,878,296</u></b>

Additional information on the District's capital assets can be found in Note 4 of the Notes to the Financial Statements.

**Long-Term Debt.** At the end of the current fiscal year, the District had total debt principal outstanding of \$339,257,794.

**Long-term Debt**

	Governmental Activities	
	June 30, 2017	June 30, 2016
Bonds Payable	\$ 170,709,298	\$ 36,791,000
Capital Lease Payable	1,181,940	560,791
Certificates of Participation	167,366,556	174,713,454
<b>Total</b>	<b><u>\$ 339,257,794</u></b>	<b><u>\$ 212,065,245</u></b>

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**MANAGEMENT'S DISCUSSION AND ANALYSIS**  
**Year Ended June 30, 2017**

Additional information on the District's long-term debt can be found in Notes 6 through 10 of the Notes to the Financial Statements.

**Fiscal Year 2018 Budget and Economic Factors**

The District's primary source of General Fund discretionary operating revenue is District School Taxes derived from local Ad Valorem taxes. Revenue from local taxes is expected to increase by 2.8 percent or \$4.8 million over the current fiscal year. The increase is attributed to the growth in new homes in Manatee County and an increase in property values related to a strong housing market. This increase in taxable value was offset by a decrease in the required local effort mileage rate, from 4.672 in the current fiscal year to 4.365 in the next fiscal year, as established by the Florida Department of Revenue.

Florida Education Finance Program (FEFP) provides funding to Florida schools districts based upon student enrollment (FTE). Enrollment is projected to increase by 1,089 students or 2.2 percent un-weighted FTE. FEFP funding for the current fiscal year increased by \$8.8 million or 7.8 percent.

Overall, General Fund operating revenues are projected to increase by 8.0 percent from the prior fiscal year.

Salaries and benefits are the largest operating expenditure of the District accounting for 68.6 percent of the operating budget or \$289 million.

The Districts self-insured health insurance program provides affordable plans for district employees and their dependent children. Spouses of employees may also participate in the district program at a rate commensurate with the cost of their claims. As a result of several structural changes to the program during 2016-17 fiscal year, the cost to provide benefits is expected to remain flat in 2017-18 fiscal year.

The District relies upon capital funding from District School Taxes (Ad Valorem) and a half-cent sales tax approved by referendum in 2002 and extended on November 8, 2016, to maintain, construct and/or purchase District facilities, equipment and technology.

District Capital School Taxes are anticipated to be \$4,205,904 higher in the next fiscal year, over the current fiscal year. Sales tax receipts are also expected to increase by \$1,211,157. The current half-cent sales tax referendum is scheduled to expire in December 2032.

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
Year Ended June 30, 2017**

**Requests for Information**

This report is designed to provide citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to demonstrate compliance and accountability for its resources. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Director of Finance, Manatee County Schools, 215 Manatee Avenue West, Bradenton, Florida 34205 or [http://www.manateeschools.net/pages/SDMC/Departments/District\\_Support\\_Services/Finance/Contacts](http://www.manateeschools.net/pages/SDMC/Departments/District_Support_Services/Finance/Contacts)



**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**STATEMENT OF NET POSITION**  
June 30, 2017

	<u>Primary Government</u>	
	<u>Governmental Activities</u>	<u>Component Units</u>
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 255,629,596	\$ 5,515,221
Cash and Cash Equivalents with Fiscal Agent	16,782,073	-
Investments	115,985	45,092
Accounts Receivable	492,549	118,088
Due from Related Parties	-	108,715
Due from Other Agencies	9,510,233	491,775
Deposits Receivable	-	28,765
Inventories	930,017	-
Prepaid Items	292,842	246,465
Other Assets	-	5,528
Restricted Assets:		
Restricted Cash and Cash Equivalents	-	1,247,685
Restricted Investments	8,714,467	-
Capital Assets:		
Non-depreciable	49,139,867	7,131,424
Depreciable (Net)	819,717,230	29,857,156
<b>Total Assets</b>	<u>1,161,324,859</u>	<u>44,795,914</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred charges on refunding	6,516,426	-
Pensions	86,599,244	3,659,595
<b>Total Deferred Outflows of Resources</b>	<u>93,115,670</u>	<u>3,659,595</u>
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</b>	<u>\$ 1,254,440,529</u>	<u>\$ 48,455,509</u>
<b>LIABILITIES</b>		
Salaries and Wages Payable	\$ 15,567,673	\$ 1,428,994
Payroll Deductions and Withholdings Payable	449,390	-
Accounts Payable	5,354,102	2,299,619
Claims Payable	2,804,973	-
Construction Contracts Payable	2,367,917	-
Construction Contracts Payable - Retainage	740,918	-
Sales Tax Payable	3,278	-
Due to Other Agencies	8,166	-
Matured Debt Payable	11,980,000	-
Matured Interest Payable	3,259,864	-
Accrued Interest Payable	3,487,843	-
Long-Term Liabilities:		
Portion Due or Payable Within One Year:		
Notes Payable	-	660,434
Capital Leases Payable	347,382	265,000
Bonds Payable	16,581,000	508,938
Certificates of Participation Payable	11,315,000	-
Early Retirement Plan Payable	33,707	-
Estimated Insurance Claims Payable	2,049,000	-
Pension Liability	2,473,999	-
Compensated Absences Payable	3,500,000	14,064
Portion Due or Payable After One Year:		
Notes Payable	-	6,104,571
Capital Leases Payable	834,558	12,713,221
Bonds Payable	154,128,298	12,476,675
Certificates of Participation Payable	156,051,556	-
Early Retirement Plan Payable	92,446	-
Estimated Insurance Claims Payable	6,301,114	-
Other Postemployment Benefits Payable	12,394,914	-
Pension Liability	218,531,959	3,665,738
Compensated Absences Payable	17,830,400	115,603
<b>Total Liabilities</b>	<u>648,489,457</u>	<u>40,252,857</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>		
Pensions	7,757,956	458,612
<b>Total Deferred Inflows of Resources</b>	<u>7,757,956</u>	<u>458,612</u>
<b>NET POSITION</b>		
Net Investment in Capital Assets	538,676,767	4,500,100
Restricted for:		
State Required Carryover Programs	6,759,806	-
Food Service	7,912,726	118,232
Debt Service	5,375,777	-
Capital Projects	179,454,340	-
Other Purposes	5,975,407	1,247,685
Unrestricted	(145,961,707)	1,878,023
<b>Total Net Position</b>	<u>598,193,116</u>	<u>7,744,040</u>
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	<u>\$ 1,254,440,529</u>	<u>\$ 48,455,509</u>

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

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**STATEMENT OF ACTIVITIES**  
**For the Fiscal Year Ended June 30, 2017**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>
<b>Primary Government:</b>				
Governmental Activities:				
Instruction	\$ 261,700,571	\$ 3,704,118	\$ -	\$ -
Student Support Services	18,560,266	-	-	-
Instructional Media Services	3,956,593	-	-	-
Instruction and Curriculum Development Services	11,933,839	-	-	-
Instructional Staff Training Services	6,258,506	-	-	-
Instruction-Related Technology	1,356,836	-	-	-
School Board	1,014,501	-	-	-
General Administration	2,669,390	-	-	-
School Administration	24,981,310	-	-	-
Facilities Services	42,351,772	-	-	441,618
Fiscal Services	2,404,317	-	-	-
Food Services	25,991,762	5,023,054	21,799,044	-
Central Services	8,275,008	706	-	-
Student Transportation Services	13,865,576	483,407	-	-
Operation of Plant	29,565,984	-	-	-
Maintenance of Plant	9,896,369	1,111,704	-	-
Administrative Technology Services	6,617,813	-	-	-
Community Services	4,266,622	4,790,491	-	-
Unallocated Interest on Long-Term Debt	12,774,042	-	-	1,467,084
Unallocated Depreciation/Amortization*	22,996	-	-	-
Total Governmental Activities	<u>488,464,073</u>	<u>15,113,480</u>	<u>21,799,044</u>	<u>1,908,702</u>
Total Primary Government	<u>\$ 488,464,073</u>	<u>\$ 15,113,480</u>	<u>\$ 21,799,044</u>	<u>\$ 1,908,702</u>
<b>Component Units:</b>				
Charter Schools	<u>\$ 47,996,725</u>	<u>\$ 1,406,724</u>	<u>\$ 2,989,309</u>	<u>\$ 1,108,478</u>

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

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

	Net (Expense) Revenue and Changes in Net Assets	
	Primary Government	Component Units
<u>Functions/Programs</u>	<u>Governmental Activities</u>	<u>Component Units</u>
<b>Primary Government:</b>		
Governmental Activities:		
Instruction	\$ (257,996,453)	\$ -
Student Support Services	(18,560,266)	-
Instructional Media Services	(3,956,593)	-
Instruction and Curriculum Development Services	(11,933,839)	-
Instructional Staff Training Services	(6,258,506)	-
Instruction-Related Technology	(1,356,836)	-
School Board	(1,014,501)	-
General Administration	(2,669,390)	-
School Administration	(24,981,310)	-
Facilities Services	(41,910,154)	-
Fiscal Services	(2,404,317)	-
Food Services	830,336	-
Central Services	(8,274,302)	-
Student Transportation Services	(13,382,169)	-
Operation of Plant	(29,565,984)	-
Maintenance of Plant	(8,784,665)	-
Administrative Technology Services	(6,617,813)	-
Community Services	523,869	-
Unallocated Interest on Long-Term Debt	(11,306,958)	-
Unallocated Depreciation/Amortization*	(22,996)	-
Total Governmental Activities	<u>(449,642,847)</u>	<u>-</u>
Total Primary Government	<u>(449,642,847)</u>	<u>-</u>
<b>Component Units:</b>		
Charter Schools	-	(42,492,214)
General Revenues:		
Taxes:		
Property Taxes, Levied for Operational Purposes	172,944,705	-
Property Taxes, Levied for Capital Projects	47,865,648	-
Sales Taxes	30,278,920	-
Grants and Contributions, not Restricted to Specific Programs	215,726,629	41,902,541
Unrestricted Investment Earnings	1,834,486	482
Miscellaneous	9,376,850	1,404,176
Total General Revenues	<u>478,027,238</u>	<u>43,307,199</u>
Changes in Net Position	<u>28,384,391</u>	<u>814,985</u>
Net Position - Beginning	<u>569,808,725</u>	<u>6,929,055</u>
Net Position - Ending	<u>\$ 598,193,116</u>	<u>\$ 7,744,040</u>

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**BALANCE SHEET**  
**GOVERNMENTAL FUNDS**  
**June 30, 2017**

	Debt Service		Capital Projects		Special Revenue
	General Fund	Other Debt Service Fund	Section 1011.71(2), F.S., Local Capital Improvement Tax Fund	Other Capital Projects Fund	Federal Contracted Programs Fund
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 37,159,824	\$ -	\$ 27,090,126	\$ 153,859,113	\$ -
Cash and Cash Equivalents with Fiscal Agent	-	16,782,073	-	-	-
Investments	-	-	-	-	-
Accounts Receivable	229,478	-	-	-	3,970
Due from Other Funds	5,894,194	-	-	-	-
Due from Other Agencies	988,642	-	9,324	3,780,864	4,714,452
Inventories	680,710	-	-	-	-
Prepaid Items	-	-	292,842	-	-
Restricted Investments	-	1,985,547	-	-	-
<b>TOTAL ASSETS</b>	<b>44,952,848</b>	<b>18,767,620</b>	<b>27,392,292</b>	<b>157,639,977</b>	<b>4,718,422</b>
<b>LIABILITIES</b>					
Liabilities:					
Salaries and Wages Payable	\$ 15,567,673	\$ -	\$ -	\$ -	\$ -
Payroll Deductions and Withholdings Payable	449,390	-	-	-	-
Accounts Payable	3,360,267	-	883,796	189,019	366,437
Accrued Interest Payable	-	-	-	-	-
Construction Contracts Payable	2,000	-	66,414	2,297,703	-
Construction Contracts Payable - Retainage	-	-	5,295	735,623	-
Sales Tax Payable	3,278	-	-	-	-
Due to Other Funds	-	1,542,209	-	-	4,351,985
Due to Other Agencies	8,166	-	-	-	-
Matured Debt Payable	-	11,980,000	-	-	-
Matured Interest Payable	-	3,259,864	-	-	-
<b>TOTAL LIABILITIES</b>	<b>19,390,774</b>	<b>16,782,073</b>	<b>955,505</b>	<b>3,222,345</b>	<b>4,718,422</b>
<b>FUND BALANCES</b>					
Nonspendable					
Inventories	680,710	-	-	-	-
Restricted					
State Required Carryover Programs	6,759,806	-	-	-	-
Food Services	-	-	-	-	-
Debt Service	-	1,985,547	-	-	-
Capital Projects	-	-	26,436,787	154,417,632	-
Assigned					
School and Local Programs	5,294,697	-	-	-	-
Unassigned	12,826,861	-	-	-	-
Total Fund Balances	<b>25,562,074</b>	<b>1,985,547</b>	<b>26,436,787</b>	<b>154,417,632</b>	<b>-</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 44,952,848</b>	<b>\$ 18,767,620</b>	<b>\$ 27,392,292</b>	<b>\$ 157,639,977</b>	<b>\$ 4,718,422</b>

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

	Other Nonmajor Governmental Funds		Total Governmental Funds
\$	8,724,928	\$	226,833,991
	-		16,782,073
	115,985		115,985
	255,204		488,652
	-		5,894,194
	16,951		9,510,233
	249,307		930,017
	-		292,842
	<u>6,728,920</u>		<u>8,714,467</u>
\$	<u>16,091,295</u>	\$	<u>269,562,454</u>

\$	-	\$	15,567,673
	-		449,390
	137,737		4,937,256
	14,284		14,284
	1,800		2,367,917
	-		740,918
	-		3,278
	-		5,894,194
	-		8,166
	-		11,980,000
	<u>-</u>		<u>3,259,864</u>
	153,821		45,222,940

	-		680,710
	-		6,759,806
	7,912,726		7,912,726
	6,863,789		8,849,336
	1,160,959		182,015,378
	-		5,294,697
	<u>-</u>		<u>12,826,861</u>
	<u>15,937,474</u>		<u>224,339,514</u>
\$	<u>16,091,295</u>	\$	<u>269,562,454</u>



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**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET POSITION  
June 30, 2017**

**Total Fund Balance - Governmental Funds** \$ 224,339,514

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. 868,857,097

Interest on long-term debt is accrued as a liability in the government-wide statements, but is not recognized in the governmental funds until due. (3,473,559)

The difference between the acquisition price and the net carrying amount of refunded debt is reported as a deferred outflow of resources in the government-wide statements, but is not reported in the governmental funds. 6,516,426

Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position. 17,227,569

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:

Obligations Under Capital Lease	\$ (1,181,940)	
Bonds Payable	(170,709,298)	
Certificates of Participation Payable	(167,366,556)	
Early Retirement Plan Payable	(126,153)	
Other Postemployment Benefits Payable	(12,394,914)	
Compensated Absences Payable	(21,330,400)	(373,109,261)

On the governmental fund statements, a net pension liability is not recorded until an amount is due and payable and the pension plan's fiduciary net position is not sufficient for payment of those benefits (no such liability exists at the end of the current fiscal year). On the Statement of Net Position, the District's proportionate share of the net pension liability of the cost-sharing defined benefit pension plans in which the District participates is reported as a noncurrent liability. Additionally, deferred outflows of resources and deferred inflows of resources related to pensions are also reported in accordance with GASB Statement No. 68.

Net Pension Liability	\$ (221,005,958)	
Deferred outflows of resources related to pensions	86,599,244	
Deferred inflows of resources related to pensions	(7,757,956)	(142,164,670)

**Total Net Position - Governmental Activities** \$ 598,193,116

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

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
For the Fiscal Year Ended June 30, 2017**

	General Fund	Debt Service	Capital Projects		Special Revenue
		Other Debt Service Fund	Section 1011.71(2), F.S., Local Capital Improvement Tax Fund	Other Capital Projects Fund	Federal Contracted Programs Fund
<b>REVENUES</b>					
Federal Direct Sources:					
Reserve Officers Training Corps (ROTC)	\$ 550,661	\$ -	\$ -	\$ -	\$ -
Other Federal Direct Sources	5,710	-	-	-	2,388,470
Miscellaneous Federal Direct	-	-	-	-	75,597
<b>Total Federal Direct Sources</b>	<b>556,371</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,464,067</b>
Federal Through State and Local Sources:					
Vocational Education Acts	30,000	-	-	-	699,053
Medicaid	1,665,922	-	-	-	-
Race-to-the-Top	2,600	-	-	-	-
Food Service	-	-	-	-	-
Other Federal Through State Sources	34,179	-	-	-	29,002,691
<b>Total Federal Through State and Local Sources</b>	<b>1,732,701</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>29,701,744</b>
State Sources:					
Florida Education Finance Program	110,775,250	-	-	-	-
Categorical/Earmarked Programs	65,872,921	-	-	-	-
CO&DS Withheld for Bond Administrative Expenses	28,161	-	-	-	-
CO&DS Withheld for SBE/COBI Bond	-	-	-	-	-
CO&DS Distribution	-	-	-	-	-
Public Education Capital Outlay	-	-	-	-	-
Charter School Capital Outlay	-	-	-	1,610,007	-
District Discretionary Lottery Funds	809,867	-	-	-	-
Other State Sources	1,214,772	-	-	63,701	-
<b>Total State Sources</b>	<b>178,700,971</b>	<b>-</b>	<b>-</b>	<b>1,673,708</b>	<b>-</b>
Local Sources:					
Ad Valorem Taxes	172,944,706	-	47,865,648	-	-
Sales Taxes	-	-	-	30,278,920	-
Food Service	-	-	-	-	-
Interest Income	802,005	53,025	-	690,060	-
Impact Fees	-	-	-	6,892,715	-
Net Increase in Fair Value of Investments	-	740	-	-	-
Other Local Sources	13,446,271	-	12,660	22	-
<b>Total Local Sources</b>	<b>187,192,982</b>	<b>53,765</b>	<b>47,878,308</b>	<b>37,861,717</b>	<b>-</b>
<b>Total Revenues</b>	<b>\$ 368,183,025</b>	<b>\$ 53,765</b>	<b>\$ 47,878,308</b>	<b>\$ 39,535,425</b>	<b>\$ 32,165,811</b>



<b>Other Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ -	\$ 550,661
-	2,394,180
<u>936,018</u>	<u>1,011,615</u>
<u>936,018</u>	<u>3,956,456</u>
-	729,053
-	1,665,922
-	2,600
21,484,432	21,484,432
<u>-</u>	<u>29,036,870</u>
<u>21,484,432</u>	<u>52,918,877</u>
-	110,775,250
-	65,872,921
-	28,161
1,466,684	1,466,684
382,582	382,582
1,111,704	1,111,704
-	1,610,007
-	809,867
<u>345,888</u>	<u>1,624,361</u>
<u>3,306,858</u>	<u>183,681,537</u>
-	220,810,354
-	30,278,920
4,994,781	4,994,781
211,069	1,756,159
-	6,892,715
77,588	78,328
<u>144,920</u>	<u>13,603,873</u>
<u>5,428,358</u>	<u>278,415,130</u>
<u>\$ 31,155,666</u>	<u>\$ 518,972,000</u>

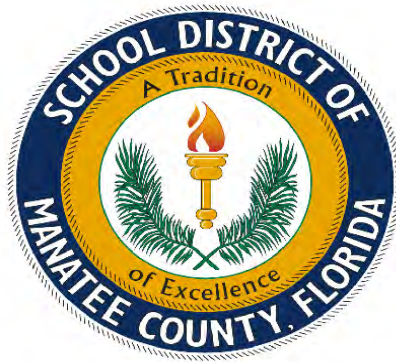
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**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA  
STATEMENT OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS  
For the Fiscal Year Ended June 30, 2017**

	Debt Service		Capital Projects		Special Revenue
	General Fund	Other Debt Service Fund	Section 1011.71(2), F.S., Local Capital Improvement Tax Fund	Other Capital Projects Fund	Federal Contracted Programs Fund
(Continued)					
<b>EXPENDITURES</b>					
Current:					
Instruction	\$ 238,917,861	\$ -	\$ -	\$ -	\$ 17,358,492
Student Support Services	16,177,763	-	-	-	1,931,178
Instructional Media Services	3,846,097	-	-	-	-
Instruction and Curriculum Development Services	5,284,970	-	-	-	6,399,693
Instructional Staff Training Services	1,843,461	-	-	-	4,250,014
Instruction-Related Technology	1,356,817	-	-	-	-
School Board	965,144	-	-	-	-
General Administration	1,444,612	-	-	-	1,126,726
School Administration	23,742,001	-	-	-	764,043
Facilities Services	2,598,542	-	9,316,521	5,350,020	-
Fiscal Services	2,291,640	-	-	-	-
Food Services	-	-	-	-	-
Central Services	8,048,840	-	-	-	4,822
Student Transportation Services	13,557,317	-	-	-	143,943
Operation of Plant	29,519,420	-	-	-	309
Maintenance of Plant	9,672,310	-	-	-	-
Administrative Technology Services	6,507,623	-	-	-	-
Community Services	4,060,662	-	-	-	-
Capital Outlay:					
Facilities Acquisition and Construction	-	-	1,320,141	15,468,418	-
Other Capital Outlay	1,335,054	-	10,230,335	1,963,657	186,591
Debt Service:					
Principal	-	27,025,000	205,831	85,849	-
Interest and Fiscal Charges	238,953	9,240,549	32,356	5,803	-
Miscellaneous (Principal and Interest Current Refunding)	-	-	-	-	-
<b>Total Expenditures</b>	<b>371,409,087</b>	<b>36,265,549</b>	<b>21,105,184</b>	<b>22,873,747</b>	<b>32,165,811</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(3,226,062)</b>	<b>(36,211,784)</b>	<b>26,773,124</b>	<b>16,661,678</b>	<b>-</b>
<b>OTHER FINANCING SOURCES (USES)</b>					
Inception of Capital Leases	-	-	912,829	-	-
Issuance of Sales Tax Bond	-	-	-	131,785,000	-
Premium on Sales Tax Bonds Issued	-	-	-	19,260,513	-
Issuance of Refunding Bond	-	-	-	-	-
Premium on Refunding Bond	-	-	-	-	-
Refunding Certificates of Participation	-	36,780,000	-	-	-
Premium on Refunding Certificates of Participation	-	7,599,659	-	-	-
Payments to Refunded COP Escrow Agent	-	(43,887,159)	-	-	-
Proceeds from Sale of Capital Assets	4,250	-	-	2,199,810	-
Transfers In	12,594,768	35,913,648	-	-	-
Transfers Out	-	-	(16,355,362)	(31,885,106)	-
<b>Total Other Financing Sources (Uses)</b>	<b>12,599,018</b>	<b>36,406,148</b>	<b>(15,442,533)</b>	<b>121,360,217</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>9,372,956</b>	<b>194,364</b>	<b>11,330,591</b>	<b>138,021,895</b>	<b>-</b>
Fund Balances, Beginning	16,189,118	1,791,183	15,106,196	16,395,737	-
Fund Balances, Ending	<u>\$ 25,562,074</u>	<u>\$ 1,985,547</u>	<u>\$ 26,436,787</u>	<u>\$ 154,417,632</u>	<u>\$ -</u>

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

<b>Other Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ -	\$ 256,276,353
-	18,108,941
-	3,846,097
-	11,684,663
-	6,093,475
-	1,356,817
-	965,144
-	2,571,338
-	24,506,044
122,457	17,387,540
-	2,291,640
25,061,536	25,061,536
-	8,053,662
-	13,701,260
-	29,519,729
-	9,672,310
-	6,507,623
-	4,060,662
414,168	17,202,727
779,846	14,495,483
1,206,000	28,522,680
1,304,773	10,822,434
964,310	964,310
<u>29,853,090</u>	<u>513,672,468</u>
<u>1,302,576</u>	<u>5,299,532</u>
-	912,829
-	131,785,000
-	19,260,513
829,000	829,000
125,699	125,699
-	36,780,000
-	7,599,659
-	(43,887,159)
-	2,204,060
843,756	49,352,172
<u>(1,111,704)</u>	<u>(49,352,172)</u>
<u>686,751</u>	<u>155,609,601</u>
1,989,327	160,909,133
<u>13,948,147</u>	<u>63,430,381</u>
<u>\$ 15,937,474</u>	<u>\$ 224,339,514</u>



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**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA  
RECONCILIATION OF THE GOVERNMENTAL FUNDS  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
TO THE STATEMENT OF ACTIVITIES  
For the Fiscal Year Ended June 30, 2017**

**Net Change in Fund Balances - Governmental Funds** \$ 160,909,133

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

Capital outlays are reported in governmental funds 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 depreciation expense exceeds capital outlays in the current period.

Capital Outlay	\$ 31,264,176	
Less Depreciation Expense	<u>(25,957,781)</u>	5,306,395

Donated capital assets are reported as revenues on the Statement of Activities, however, they do not provide current financial resources and are not reported as revenues in the governmental funds. 32,248

In the government funds, the costs of capital assets was recognized as an expenditure in the year purchased. Thus the change in net position differs from the change in fund balances by the undepreciated cost of the disposed assets. (4,359,842)

Capital lease proceeds provide current financial resources to the governmental funds, but issuance of capital leases increase long-term liabilities in the the Statement of Net Position. (912,829)

Proceeds of refunding debt are reported as other financing sources in the governmental funds, while payments to the escrow agent for advance-refunding of outstanding debt are shown as other financing uses. Government-wide statements are affected only to the extent these amounts differ. Repayment of debt principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the Statement of Net Position.

Sales Tax Bonds Issued	(131,785,000)	
Premium on Sales Tax Bonds Issued	(19,260,513)	
Refunding Bonds Issued	(829,000)	
Premium on Refunding Bonds	(125,699)	
Payment for Refunding Bonds	964,310	
Payment to Escrow Agent for Refunding COPS	43,887,159	
Refunding Certificates of Participation	(36,780,000)	
Premium on Refunding Certificates of Participation	(7,599,659)	
Principal Payments on Bonds	16,251,000	
Principal Payments on Certificates of Participation	11,980,000	
Principal Payments on Capital Leases	<u>291,680</u>	(123,005,722)

Expenses in the Statement of Activities that do not require the use of current financial resources are not reported in the governmental funds.

Amortization of Deferred Cost of Refunding	\$ (530,004)	
Amortization of Discount on Debt	(392,768)	
Amortization of Premium on Debt	2,159,256	
Increase in Accrued Interest Payable	(3,188,093)	
Increase in Other Postemployment Benefits Payable	(1,395,939)	
Decrease in Compensated Absences Payable	942,840	
Decrease in Early Retirement Plan Payable	<u>39,595</u>	(2,365,113)

Governmental funds report contributions to defined benefit pension plans as expenditures, However, in the Statement of Activities, the amount contributed to defined benefit pension plans reduces future net pension liability and is reported as part of deferred outflows of resources. 17,036,791

In the Statement of Activities, pension expense is recorded for the District's proportionate share of collective pension expense of the cost-sharing defined benefit plans in which the District participates. Also included in pension expense are amounts required to be amortized in accordance with GASB Statement No. 68. (26,719,795)

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.

Internal Service Funds - Change in Net Position		<u>2,463,125</u>
---	--	------------------

**Change in Net Position - Governmental Activities** \$ 28,384,391

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

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL - GENERAL FUND**  
**For the Fiscal Year Ended June 30, 2017**

	General Fund			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
<b>REVENUES</b>				
Federal Direct Sources:				
Reserve Officers Training Corps (ROTC)	\$ 525,000	\$ 550,661	\$ 550,661	\$ -
Other Federal Direct Sources	-	5,710	5,710	-
Total Federal Direct Sources	<u>525,000</u>	<u>556,371</u>	<u>556,371</u>	<u>-</u>
Federal Through State and Local Sources:				
Vocational Education Acts	-	30,000	30,000	-
Medicaid	2,100,000	2,100,000	1,665,922	(434,078)
IDEA	-	2,600	2,600	-
Other Federal Through State Sources	-	34,179	34,179	-
Total Federal Through State and Local Sources	<u>2,100,000</u>	<u>2,166,779</u>	<u>1,732,701</u>	<u>(434,078)</u>
State Sources:				
Florida Education Finance Program	113,812,198	110,775,250	110,775,250	-
Categorical/Earmarked Programs	67,128,077	65,873,988	65,872,921	(1,067)
CO&DS Withheld for Administrative Expenses	25,000	25,000	28,161	3,161
District Discretionary Lottery Funds	-	809,867	809,867	-
Other State Sources	-	1,283,011	1,214,772	(68,239)
Total State Sources	<u>180,965,275</u>	<u>178,767,116</u>	<u>178,700,971</u>	<u>(66,145)</u>
Local Sources:				
Ad Valorem Taxes	175,119,065	175,119,065	172,944,706	(2,174,359)
Interest Income	300,000	802,005	802,005	-
Other Local Sources	11,345,456	15,253,533	13,446,271	(1,807,262)
Total Local Sources	<u>186,764,521</u>	<u>191,174,603</u>	<u>187,192,982</u>	<u>(3,981,621)</u>
Total Revenues	<u>370,354,796</u>	<u>372,664,869</u>	<u>368,183,025</u>	<u>(4,481,844)</u>

(Continued)

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES -**  
**BUDGET AND ACTUAL - GENERAL FUND**  
**For the Fiscal Year Ended June 30, 2017**

	General Fund			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
(Continued)				
<b>EXPENDITURES</b>				
Current:				
Instruction	253,588,824	241,814,666	238,917,861	2,896,805
Student Support Services	16,765,978	16,243,470	16,177,763	65,707
Instructional Media Services	3,991,424	3,899,553	3,846,097	53,456
Instruction and Curriculum Development Services	4,442,842	5,411,441	5,284,970	126,471
Instructional Staff Training Services	2,099,318	2,032,919	1,843,461	189,458
Instruction-Related Technology	1,130,483	1,487,249	1,356,817	130,432
School Board	823,773	968,628	965,144	3,484
General Administration	1,753,444	1,444,612	1,444,612	-
School Administration	24,108,988	24,271,197	23,742,001	529,196
Facilities Services	2,446,308	2,598,542	2,598,542	-
Fiscal Services	2,142,081	2,291,640	2,291,640	-
Central Services	12,523,464	8,153,767	8,048,840	104,927
Student Transportation Services	13,223,582	13,563,775	13,557,317	6,458
Operation of Plant	29,480,601	30,384,381	29,519,420	864,961
Maintenance of Plant	9,538,411	9,725,972	9,672,310	53,662
Administrative Technology Services	6,944,339	6,507,623	6,507,623	-
Community Services	3,316,683	4,060,662	4,060,662	-
Total Current	<u>388,320,543</u>	<u>374,860,097</u>	<u>369,835,080</u>	<u>5,025,017</u>
Capital Outlay:				
Other Capital Outlay	776,615	1,860,364	1,335,054	525,310
Total Capital Outlay	<u>776,615</u>	<u>1,860,364</u>	<u>1,335,054</u>	<u>525,310</u>
Debt Service:				
Interest and Fiscal Charges	-	238,953	238,953	-
Total Debt Service	<u>-</u>	<u>238,953</u>	<u>238,953</u>	<u>-</u>
Total Expenditures	<u>389,097,158</u>	<u>376,959,414</u>	<u>371,409,087</u>	<u>5,550,327</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>(18,742,362)</u>	<u>(4,294,545)</u>	<u>(3,226,062)</u>	<u>1,068,483</u>
<b>OTHER FINANCING SOURCES</b>				
Proceeds from Sale of Capital Assets	-	4,250	4,250	-
Transfers In	14,553,244	13,663,251	12,594,768	(1,068,483)
Total Other Financing Sources	<u>14,553,244</u>	<u>13,667,501</u>	<u>12,599,018</u>	<u>(1,068,483)</u>
<b>Net Change in Fund Balance</b>	<u>(4,189,118)</u>	<u>9,372,956</u>	<u>9,372,956</u>	<u>-</u>
Fund Balance, Beginning	<u>16,189,118</u>	<u>16,189,118</u>	<u>16,189,118</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 12,000,000</u>	<u>\$ 25,562,074</u>	<u>\$ 25,562,074</u>	<u>\$ -</u>

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

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**STATEMENT OF NET POSITION**  
**PROPRIETARY FUNDS**  
**June 30, 2017**

	<b>Governmental Activities - Internal Service Funds</b>
<b>ASSETS</b>	
Current Assets:	
Cash and Cash Equivalents	\$ 28,795,605
Accounts Receivable	3,897
	28,799,502
Total Assets	
<b>LIABILITIES</b>	
Current Liabilities:	
Accounts Payable	416,846
Claims Payable	2,804,973
Estimated Insurance Claims Payable	2,049,000
	5,270,819
Total Current Liabilities	
Long-Term Liabilities:	
Estimated Insurance Claims Payable	6,301,114
	11,571,933
Total Liabilities	
<b>NET POSITION</b>	
Unrestricted	17,227,569
	17,227,569
Total Net Position	\$ 17,227,569

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



**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**STATEMENT OF REVENUES, EXPENSES, AND**  
**CHANGES IN NET POSITION**  
**PROPRIETARY FUNDS**  
**For the Fiscal Year Ended June 30, 2017**

	<b>Governmental Activities - Internal Service Funds</b>
<b>OPERATING REVENUES</b>	
Premium Revenues	\$ 48,572,810
Other Operating Revenues	150,758
	48,723,568
Total Operating Revenues	48,723,568
<b>OPERATING EXPENSES</b>	
Salaries	602,242
Employee Benefits	317,599
Purchased Services	2,621,542
Materials and Supplies	22,732
Insurance Claims	41,693,313
Insurance Premiums	440,280
Other Expenses	562,735
	46,260,443
Total Operating Expenses	46,260,443
Operating Income (Loss)	2,463,125
Change in Net Position	2,463,125
Total Net Position, Beginning	14,764,444
Total Net Position, Ending	\$ 17,227,569

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

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**STATEMENT OF CASH FLOWS**  
**PROPRIETARY FUNDS**  
**For the Fiscal Year Ended June 30, 2017**

	<b>Governmental Activities - Internal Service Funds</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>	
Cash Received from Premiums	\$ 48,573,952
Cash Received from Other Operating Revenues	150,758
Cash Payments to Suppliers for Goods and Services	(3,678,267)
Cash Payments to Employees for Services	(919,841)
Cash Payments for Insurance Claims	(41,693,313)
Cash Payment for Premiums and Other Fees	(1,003,015)
	1,430,274
Net Cash Provided (Used) by Operating Activities	1,430,274
Net Change in Cash	1,430,274
Cash and Cash Equivalents, Beginning	27,365,331
Cash and Cash Equivalents, Ending	\$ 28,795,605
<b>Reconciliation of Operating Income to Net Cash Provided (Used) by Operating Activities:</b>	
Operating Income (Loss)	\$ 2,463,125
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:	
Changes in Assets and Liabilities:	
(Increase) Decrease in Accounts Receivable	1,142
Increase (Decrease) in Accounts Payable	367,972
Increase (Decrease) in Claims Payable	(845,164)
Increase (Decrease) in Estimated Insurance Claims Payable	(556,801)
	(1,032,851)
Total Adjustments	(1,032,851)
Net Cash Provided (Used) by Operating Activities	\$ 1,430,274

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

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**June 30, 2017**

	Fiduciary Funds	
	Private-Purpose Trust Funds	Agency Funds
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 112,379	\$ 6,894,977
Investments	-	396,490
Due From Primary Government	18,578	-
Total Assets	130,957	\$ 7,291,467
<b>LIABILITIES</b>		
Internal Accounts Payable	-	7,291,467
Total Liabilities	-	\$ 7,291,467
<b>NET POSITION</b>		
Held in Trust for Scholarships and Other Purposes	\$ 130,957	

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

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS  
For the Fiscal Year Ended June 30, 2017**

	<b>Private-Purpose Trust Funds</b>
<b>ADDITIONS</b>	
Contributions:	
Gifts, Grants, and Bequests	\$ 11,712
Financial Aid Fees	224,696
<b>Total Additions</b>	<b>236,408</b>
<b>DEDUCTIONS</b>	
Materials and Supplies	7,199
Scholarships	187,888
<b>Total Deductions</b>	<b>195,087</b>
Change in Net Position	41,321
Net Position, July 1, 2016	89,636
<b>Net Position, June 30, 2017</b>	<b>\$ 130,957</b>

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

SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA  
NOTES TO THE FINANCIAL STATEMENTS  
For the Fiscal Year Ended June 30, 2017

1. ***SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES***

➤ **Reporting Entity**

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

Criteria for determining if other entities are potential component units which should be reported within the District's basic financial statements are identified and described in the Governmental Accounting Standards Board's (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*, Sections 2100 and 2600. The application of these criteria provides for identification of any legally separate entities for which the 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.

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

Blended Component Unit. The Manatee County School Board Leasing Corporation (Leasing Corporation) was formed to facilitate financing for the acquisition of facilities and equipment as further discussed in Note 7. Due to the substantive economic relationship between the School Board 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 units' columns in the basic financial statements include the financial data of the District's other component units. Manatee School of Arts and Sciences, Inc.; Renaissance Arts and Education, Inc., d/b/a Manatee School for the Arts; The Lee Foundation Inc., d/b/a Manatee Charter School; Oasis Middle School, Inc.; Palmetto Charter School, Inc.; Team Success A School of Excellence, Inc.; Visible Men Academy, Inc., and William Monroe Rowlett Academy for Arts & Communication, Inc., are charter schools and separate not-for-profit corporations organized pursuant to Chapter 617, Florida Statutes, the Florida Not For Profit Corporation Act, and Section 1002.33, Florida Statutes. Imagine – Manatee County, LLC, d/b/a Imagine Charter School at North Manatee and Imagine – East Manatee County, LLC, d/b/a Imagine School at Lakewood Ranch are organized as limited liability corporations pursuant to Chapter 608, Florida Statutes, the Florida Limited Liability Company Act, and Section 1002.23, Florida Statutes. The charter schools operate under charters approved by their sponsor, the Manatee County District School Board. The charter schools are considered to be component units of the District because the District is financially accountable for the charter schools as the District established the charter schools by approval of the charter, which is tantamount to the initial appointment of the charter schools, and there is the potential for the charter

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2017**

schools to provide specific financial burdens on the District. In addition, pursuant to the Florida Constitution, the charter schools are public schools and the District is responsible for the operation, control, and supervision of public schools within the District. The financial data reported on the accompanying financial statements was derived from the charter schools' audited financial statements for the fiscal year ended June 30, 2017. Audits of the charter schools' financial statements for the fiscal year ended June 30, 2017, were conducted by independent certified public accountants and are filed in the District's administrative offices at 215 Manatee Avenue West, Bradenton, Florida 34205.

Related Organizations. One charter school, the State College of Florida Collegiate School, operates under another governmental agency and therefore, is not included as a discretely presented component unit of the District. The school operates under a charter approved by their sponsor, the Manatee County District School Board.

➤ **Basis of Presentation – Government-wide Financial Statements**

Government-wide financial statements, i.e., the statement of net position and the statement of activities, present information about the District as a whole. These statements include the non-fiduciary financial activity of the primary government and its component units.

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. 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 capital assets are allocated to appropriate functions, while the remaining depreciation expense not readily associated with a particular function 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 is self-financing or draws from the general revenues of the District.

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

➤ **Basis of Presentation – 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. Because the focus of governmental fund financial statements differs from the focus of government-wide financial statements, a reconciliation is presented with each of the governmental fund financial statements.

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2017**

governmental fund financial statements differs from the focus of government-wide financial statements, a reconciliation is 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.

Other Federal Programs – to report program revenues and expenditures for federal awards that are not federal economic stimulus programs.

Debt Service – Other Debt Service Fund – to account for and report on the payment of principal, interest, and related costs on the sales tax revenue bond issues, certificate of participation issues, and other debt service issues.

Capital Projects – Section 1011.71(2), F.S., Local Capital Improvement Tax Fund – to account for the funds generated by the local capital improvement tax levied under Section 1011.71(2), Florida Statutes.

Capital Projects – Other Capital Projects Fund – to account for other capital financial resources such as Sales Tax Proceeds, Impact Fees, Sales Tax Revenue Bonds, Certificates of Participation, etc.

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

Internal Service Funds – to account for the District's individual self-insurance programs.

Private-Purpose Trust Funds – to account for financial fees and other moneys for which principal and income benefit individuals or private organizations.

Agency Funds – to account for resources of the school internal funds which are used to administer moneys collected at the schools in connection with school, student athletic, class, and club activities.

During the course of operations, the District has activity between funds for various purposes. Temporary loans between funds are reported as due from/to other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated. Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in and out. While reported in fund financial statements, transfers between the funds included in governmental activities are eliminated in the preparation of the government-wide financial statements.

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2017

➤ **Measurement Focus and Basis of Accounting**

Basis of accounting refers to when 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.

The 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 60 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.

Property taxes, sales taxes, State education funding, and interest associated with the current fiscal period are all considered to be susceptible to accrual and have been recognized as revenues of the current fiscal period. All other revenue items are considered to be measurable and available only when cash is received by the District.

The proprietary and private-purpose trust funds are reported using the economic resources measurement focus and the accrual basis of accounting. The agency funds have no measurement focus but utilize the accrual basis of accounting for reporting assets and liabilities.

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

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



**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2017

➤ **Deposits and Investments**

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term, highly liquid investments with original maturities of three months or less, except that short-term investments in the agency funds are not considered to be cash equivalents. Cash deposits are held by banks qualified as public depositories under Florida law. All deposits are insured by the Federal Depository Insurance Corporation, up to specified limits, or collateralized with securities held in Florida's multiple financial institution collateral pool as required by Chapter 280, Florida Statutes.

Investments consist of amounts placed in the State Board of Administration (SBA) debt service accounts for investment of debt service money with SBA for participation in Florida PRIME investment pool created by Section 218.405, Florida Statutes; and those made locally. The investment pool operates under investment guidelines established by Section 215.47, Florida Statutes. The District's investments in Florida PRIME, which the SBA indicates is a Securities and Exchange Commission Rule 2a7-like external investment pool, are similar to money market funds in which shares are owned in the fund rather than in the underlying investments. These investments are reported at fair value, which is amortized cost.

Investments made locally consist of money market funds, commercial paper, a United States Treasury bond, United States Treasury notes, a United States Treasury bill, and United States Treasury State and Local Government Services - Certificates of Indebtedness, and are reported at fair value. Types and amounts of investments held at fiscal year-end are described in a subsequent note on investments.

➤ **Receivables**

All receivables are deemed collectable by the District. Therefore, the District does not report an allowance for doubtful accounts.

➤ **Inventories**

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

➤ **Capital Assets**

Expenditures for capital assets acquired or constructed for general District purposes are reported in the governmental fund that financed the acquisition or construction. The capital assets so acquired are reported at cost in the government-wide statement of net position but are not reported in the governmental fund financial statements. Capital assets are defined by the District as those costing more than \$1,000. Such assets are recorded at historical cost or estimated historical cost

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Fiscal Year Ended June 30, 2017**

if purchased or constructed. Donated assets are recorded at acquisition value at the date of donation. Land and buildings acquired or constructed prior to July 1, 1967, are stated at estimated historical cost. Land acquired prior to July 1, 1967, is valued at 1974 assessed values (Manatee County Property Appraiser’s report of assessed values dated August 23, 1975). Buildings acquired prior to July 1, 1967, are valued at their “depreciated value” (estimated replacement costs, multiplied by the percent of remaining estimated life) at June 30, 1978. Improvements other than buildings (parking lots, sidewalks, fences, etc.) include assets acquired subsequent to July 1, 1979.

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

<u>Description</u>	<u>Estimated Useful Lives</u>
Improvements Other Than Buildings	10 - 35 years
Buildings and Fixed Equipment	10 - 60 years
Furniture, Fixtures, and Equipment	3 - 15 years
Motor Vehicles	5 - 10 years
Property Under Capital Lease	5 - 7 years
Audio-Visual Materials	3 - 7 years
Computer Software	5 years

Current year information relative to changes in capital assets is described in Note 4.

➤ **Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position reports a separate financial statement element for deferred outflows of resources. Deferred outflows of resources, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense) until that time. The District has two items that qualify for reporting in this category, the deferred charges on refunding and the deferred outflows related to pensions, both reported in the government-wide statement of net position. A deferred charge 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. The deferred outflows related to pensions are an aggregate of items related to pensions as calculated in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. The deferred outflows related to pensions will be recognized as either pension expense or a reduction in the net pension liability in future reporting years. The deferred outflows of resources related to pensions are discussed in a subsequent note.

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2017

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 will not be recognized as an inflow of resources (revenue) until that time. The District has one significant item that qualifies for reporting as deferred inflows of resources. This item is the deferred inflows related to pensions which are reported in the government-wide statement of net position. The deferred inflows related to pensions are an aggregate of items related to pensions as calculated in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. The deferred inflows related to pensions will be recognized as a reduction to pension expense in future reporting years. The deferred inflows of resources related to pensions are discussed in a subsequent note.

➤ **Long-Term Liabilities**

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

In the governmental fund financial statements, bonds and other long-term obligations are not recognized as liabilities until due. Governmental fund types recognize debt premiums and discounts, as well as issuance costs, during the current period. The face amount of debt issued and premiums 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 financial statements, compensated absences (i.e., paid absences for employee vacation leave and sick leave) are accrued as liabilities to the extent that it is probable that the benefits will result in termination payments. A liability is reported in the governmental fund financial statements only for the current portion of compensated absences expected to be paid using expendable available resources.

Changes in long-term liabilities for the current year are reported in Note 10.

➤ **Pensions/Net Pension Liability**

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

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2017

The District participates in both the Florida Retirement System (FRS) defined benefit pension plan and the Health Insurance Subsidy Program (HIS) defined benefit plan administered by Florida Division of Retirement (collectively, FRS/HIS).

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

➤ **Fund Balance/Net Position**

Fund balance represents the difference between the assets and liabilities under the current financial resources measurement focus of accounting. In the fund financial statements, governmental funds report fund balance classifications that comprise a hierarchy based primarily on the extent to which the District is bound to honor constraints on the specific purposes for which amounts in those funds can be spent. Fund balances are classified as follows, as applicable:

Nonspendable: Fund balances are reported as nonspendable when amounts cannot be spent because they are either (a) not in spendable form (i.e., items that are not expected to be converted to cash) or (b) legally or contractually required to be maintained intact.

Restricted: Fund balances are reported as restricted when there are limitations imposed on their use either through the enabling legislation, constitutional provisions, or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

Committed: Fund balances are reported as committed for amounts that can be used only for the specific purposes determined by a formal action of the District's highest level of decision-making authority. The District reported no committed fund balances at June 30, 2017.

Assigned: Fund balances are reported as assigned when amounts are constrained by the District's intent to be used for specific purposes, but are neither restricted nor committed. Assignments are designated by the Superintendent.

Unassigned: Fund balances are reported as unassigned as the residual amount when the balances do not meet any of the above criterion. The General Fund is the only fund that may report a positive unassigned fund. When expenditures incurred for specific purposes exceed the amounts restricted, committed, or assigned to those purposes, it is necessary to report a negative unassigned fund balance.

In addition, the District has adopted Board Policy 6235, which provides for an adequate fund balance reserve necessary to cover unforeseen events (e.g. revenue short falls, student enrollment under projections, etc.). If feasible, the Board shall maintain a general fund reserve of ending fund balance not classified as restricted, committed, or nonspendable of up to 5 percent of recurring general fund revenues, but no less than 3 percent. The additional 2 percent will be assigned by the Board as contingency funds to be used only for fiscal short falls. The reserve for contingency is defined as the assigned and unassigned fund balance and the unassigned portion shall be controlled solely by the Board.

Net position represents the difference between assets and liabilities in the government-wide and proprietary fund financial statements. Net investment in capital assets consist of capital assets, net of accumulated depreciation, reduced by the outstanding balances of any borrowings used for the acquisition, construction, or improvement of those assets. Net position is reported as restricted

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when there are limitations imposed on its use either through enabling legislation, constitutional provisions, or through external restrictions imposed by creditors, grantors, laws or regulations. All net position not reported as net investment in capital assets or restricted net position are reported as unrestricted net position.

When both restricted and unrestricted amounts of fund balance/net position are available for use for expenditures/expenses incurred, it is the District's policy to use restricted amounts first and then unrestricted amounts as they are needed. For the unrestricted amount of fund balance, it is the District's policy to use fund balance in the following order:

- Assigned
- Unassigned

➤ **State Revenue Sources**

Revenues from State sources for current operations are primarily from the Florida Education Finance Program administered by the Florida Department of Education (FDOE) under the provisions of Section 1011.62, Florida Statutes. In accordance with this law, the District determines and reports the number of full-time equivalent (FTE) students and related data to the FDOE. The FDOE performs certain edit checks on the reported number of FTE and related data, and calculates the allocation of funds to the District. The District is permitted to amend its original reporting for a period of 5 months following the date of the original reporting. Such amendments may impact funding allocations for subsequent years. The FDOE may also adjust subsequent fiscal period allocations based upon an audit of the District's compliance in determining and reporting FTE and related data. Normally, such adjustments are treated as reductions or additions of revenue in the year when the adjustments are made.

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

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

A schedule of revenue from State sources for the current year is presented in Note 13.

➤ **District Property Taxes**

The School Board is authorized by State law to levy property taxes for district school operations, capital improvements, and debt service.

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Property taxes consist of ad valorem taxes on real and personal property within the District. Property values are determined by the Manatee County Property Appraiser, and property taxes are collected by the Manatee County Tax Collector.

The School Board adopted the 2016 tax levy on September 6, 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 received by the District, except that revenue is accrued for taxes collected by the Manatee County Tax Collector at fiscal year-end but not yet remitted to the District. Because any delinquent taxes collected after June 30 would not be material, delinquent taxes receivable are not accrued, and no delinquent tax revenue is recorded.

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

➤ **Capital Outlay Surtax**

In May 2002, the voters of Manatee County approved a one-half cent discretionary sales surtax on sales in the County for 15 years, effective January 1, 2003, to pay construction, reconstruction or improvements of school facilities and related costs, land acquisitions, improvements and related costs, and costs for retrofitting and providing for technology implementation, including hardware and software for the various sites within the District in accordance with Section 212.055(6), Florida Statutes. In November 2016, the voters of Manatee County approved an extension of the one-half cent discretionary sales surtax, effective January 1, 2018 through December 31, 2032.

➤ **Educational Impact Fees**

The District received educational impact fees based on an ordinance adopted by the Manatee County Board of County Commissioners (BOCC) on May 7, 2002. At the time of the adoption, the School District was growing by approximately 1,000-1,500 students per year requiring additional classroom capacity. An economic downturn began in 2007 resulting in stalled student population growth. The School District had ample capacity to accommodate the student population at that time. Consequently, on July 27, 2009, the School Board and BOCC adopted a moratorium on collection of Impact Fees. On April 14, 2015, the Board entered an interlocal agreement with Manatee County to conduct an Impact Fee Study. Manatee County Ordinance 16-03 was adopted on January 7, 2016, reinstating the impact fee schedule effective April 18, 2016. The fees collected by the County and each municipality within the County shall be used solely for the purpose of paying the capital costs of educational facilities needed to increase the capacity of

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the school system in order to accommodate the increased demand on the District which is reasonably attributable to new residential construction, and shall not be used for any expenditure that would be classified as operational expenses, routine maintenance or repairs. The authorized uses include, but are not limited to, land acquisition, site improvement, construction costs, furniture and equipment, and payment of principal and interest for indebtedness.

➤ **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.

➤ **Use of Estimates**

The preparation of financial statements, in conformity with accounting principles generally accepted in the United States of America, requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimated.

**2. BUDGETARY COMPLIANCE AND ACCOUNTABILITY**

➤ **Budgetary Information**

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

- Budgets are prepared, public hearings are held, and original budgets are adopted annually for all governmental fund types in accordance with procedures and time intervals prescribed by law and State Board of Education rules.
- Appropriations are controlled at the object level (e.g., salaries, purchased services, and capital outlay) within each activity (e.g., instruction, student support 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 control, budget balances are encumbered when purchase orders are issued. Appropriations lapse at fiscal year-end and encumbrances outstanding are honored from the subsequent year's appropriations.

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**3. CASH AND INVESTMENTS**

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

Investment	Maturities	Fair Value
State Board of Administration (SBA):		
Florida PRIME (1), (6)	39 Day Average	\$ 13,945,715
Debt Service Accounts	6 Months	115,985
Money Market Funds:		
Dreyfus Cash Management - Institutional Shares (1)	20 Day Average	3,546,257
First American Treasury Obligations Fund Class Y (2)	41 Day Average	16,791,431
Florida Education Investment Trust Fund (FEITF) (1)	37 Day Average	2,670,522
Florida Fixed Income Trust (FIT) (1)	90 Day Average	51,993,825
Florida Fixed Income Trust (FIT) (STRB) (1)	90 Day Average	147,872,357
Florida Cooperative Liquid Assets Securities System (FLCLASS) (1)	54 Day Average	32,258,120
United States Treasury Bond (3)	8/15/2029	174,856
United States Treasury Notes (4)	9/30/2017	5,997,493
United States Treasury Notes (4)	7/21/2017	1,116,442
United States Treasury State and Local Government Services - Certificates of Indebtedness (4)	10/1/2029	548,967
Commercial Paper (5)	12/20/2017	867,352
Total Investments		<u>\$ 277,899,322</u>

- (1) Investments are reported as cash equivalents.
- (2) At June 30, 2017, investments are held under trust agreements in connection with the Certificates of Participation, Series 2007 (\$3,002,041), Series 2015 (\$3,907,205), Series 2008A (\$5,463,978), Series 2009A (\$896,825), Series 2010 QSCB (\$7,604), Series 2011A (\$2,561,038), Series 2004A QZAB (\$785), Series 2005 QZAB (\$968), Series, 2016A (\$950,987). Of this amount, \$7,604, \$785, and \$968 are reported as cash and cash equivalents. (See Note 7).
- (3) At June 30, 2017, investments are held under trust agreements in connection with the Series 2010A Qualified School Construction Bonds (\$174,856). This amount is reported as cash and cash equivalents. (See Note 7).
- (4) At June 30, 2017, investments are held under trust agreements in connection with the Series 2010A Qualified School Construction Bonds (\$5,997,493 and \$548,967), and Series 2004A QZAB (\$1,116,442). (See Note 7).
- (5) At June 30, 2017, investments are held under trust agreements in connection with the Series 2005 Qualified Zone Academy Bonds. (See Note 7).
- (6) At June 30, 2017, investments held by the Agency Funds in Florida PRIME totaling \$102,806 are not considered cash equivalents.



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A reconciliation of cash and investments as shown in the statement of net position follows:

	Total		
Cash on Hand and Carrying Amount of Deposits	\$		10,746,645
Carrying Amount of Investments			277,899,322
			\$ 288,645,967

	Government-wide	Fiduciary	Total
Cash and Cash Equivalents	\$ 255,629,596	\$ 7,007,356	\$ 262,636,952
Cash and Cash Equivalents with Fiscal Agent	16,782,073	-	16,782,073
Investments	115,985	396,490	512,475
Restricted Investments	8,714,467	-	8,714,467
	\$ 281,242,121	\$ 7,403,846	\$ 288,645,967

**Interest Rate Risk**

- Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Section 218.415(17), Florida Statutes, limits investment maturities to provide sufficient liquidity to pay obligations as they come due.
- Florida PRIME, the money market funds, FEITF, FLCLASS and Florida FIT use a weighted average days to maturity. A portfolio's WAM reflects the average maturity in days based on final maturity or reset date, in the case of floating rate instruments. WAM measures the sensitivity of the portfolio to interest rate changes.
- For Florida PRIME, Chapter 218.409(8)(a), Florida Statutes, states that "The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the Executive Director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the Trustees, the Joint Legislative Auditing Committee, the Investment Advisory Council, and the Participant Local Government Advisory Council. The Trustees shall convene an emergency meeting as soon as practicable from the time the Executive Director has instituted such measures and review the necessity of those measures. If the Trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the Executive Director until the Trustees are able to meet to review the necessity for the moratorium. If the Trustees agree with such measures, the Trustees shall vote to continue the measures for up to an additional 15 days. The Trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the Trustees exceed 15 days. As of June 30, 2017, there were no redemption fees or maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.

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Credit Risk

- The District's investment policy authorizes the following investments which are limited to credit quality ratings from nationally recognized rating agencies as follows:
  - Florida PRIME when rated at least AAAM by Standard & Poor's or the equivalent by another Nationally Recognized Statistical Rating Organization (NRSRO)
  - United States Government Securities
  - United States Government Agencies
  - Federal Instrumentalities (United States Government Sponsored Enterprise ("GSE") limited to the Federal Farm Credit Bank (FFCB), Federal Home Loan Bank or its District banks (FHLB), Federal National Mortgage Association (FNMA) and the Federal Home Loan Mortgage Corporation (Freddie-Mac) including Federal Home Loan Mortgage Corporation participation certificates.
  - Interest Bearing Time Deposit or Savings Accounts
  - Repurchase Agreements
  - Commercial Paper of any United States company that is rated, at the time of purchase, Prime 1 by Moody's and A-1 by Standards & Poor's (prime commercial paper)
  - 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 single A category by any two NRSROs
  - State and/or Local Government Taxable and/or Tax-Exempt Debt, general obligation and/or revenue bonds, rated at the time of purchase, at a minimum single A category by any two NRSROs for long-term debt, or rated at least MIG-1 by Moody's or SP-1 by Standard & Poor's for short-term debt
  - Money Market Mutual Funds rated AAAM by Standard & Poor's or the equivalent by another NRSRO
  - Short Term Bonds rated AAF or better by Standard and Poor's or the equivalent by another NRSRO
  - Intergovernmental Investment Pools rated AAAM/AAF by Standard & Poor's or the equivalent by another NRSRO
  
- The District's investments in the SBA Debt Service Accounts are to provide for debt service payments on bond debt issued by the State Board of Education for the benefit of the District. The District relies on policies developed by the SBA for managing interest rate risk and credit risk for this account. Disclosures for the Debt Service Accounts are included in the notes to financial statements of the State's Comprehensive Annual Financial Report.

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- The District's investment in Florida PRIME is rated AAAM by Standard & Poor's.
- The District's investments in the following money market funds, Dreyfus Cash Management - Institutional Shares and First American Treasury Obligations Fund are rated AAAM by Standard & Poor's.
- The District's investment in the FEITF was rated AAAM by Standard & Poor's.
- The District's investment in the FLCLASS was rated AAAM by Standard & Poor's.
- The District's investment in the Florida FIT was rated AAAf/S1+ by Standard & Poor's.
- Commercial paper was rated P-1 short term by Moody's Investors Service.

**Custodial Credit Risk**

- Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the District will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. Section 218.415(18), Florida Statutes, requires the District to earmark all investments and (1) if registered with the issuer or its agents, the investment must be immediately placed for safekeeping in a location that protects the governing body's interest in the security; (2) if in book-entry form, the investment 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 this State, 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 this State, and must be kept by the depository in an account separate and apart from the assets of the financial institution; or (3) if physically issued to the holder but not registered with the issuer or its agents, must be immediately placed for safekeeping in a secured vault.

The District's investment policy requires that all investment securities purchased by the District shall be held by third party custodians and be properly designated as an asset of the District. All investments, except for investments in money market funds, and the Florida Prime Fund, and all local government investment pools, will be held in third-party custodial accounts in the District's name.

**Concentration of Credit Risk**

- The District's investment policy has established permitted investment sectors which are designed to reduce concentration of credit risk of the District's investment portfolio.
- Investments of \$867,352 in commercial paper are 0.3 percent of the District's total investments and 4.6 percent of the investments in the Debt Service - Other Debt Service Fund, respectively. These investments are made pursuant to agreements with Qualified Zone Academy Bonds paying agents (see Note 7).

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Fair Value Disclosures

- The District implemented GASB Statement No. 72, *Fair Value Measurement and Application*, to categorize its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset.
- Level 1 inputs are quoted prices in active markets for identical assets;
  - Level 2 inputs are significant other observable inputs; and
  - Level 3 inputs are significant unobservable inputs.

The District's investments other than Florida Prime, FEITF, FLCLASS, Florida FIT and the money market funds are Level 1 inputs and measured at their fair value level as of June 30, 2017. Florida Prime, FEITF, FLCLASS, Florida FIT, and the money market funds are measured at net asset value.

Certain investments are measured at fair value using the net asset value per share (or its equivalent) and have not been classified in the fair value hierarchy. All investments may be redeemed without advance notice and there are no limitations as to the frequency of redemptions for any investment pool. The District has no unfunded commitments to invest in any investment pool.

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For the Fiscal Year Ended June 30, 2017

**4. CHANGES IN CAPITAL ASSETS**

Changes in capital assets are presented in the table below:

	Balance July 1, 2016	Additions	Deletions	Balance June 30, 2017
<b>GOVERNMENTAL ACTIVITIES</b>				
Capital Assets Not Being Depreciated:				
Land	\$ 46,527,066	\$ 2,336,802	\$ 38,829	\$ 48,825,039
Construction in Progress	-	314,828	-	314,828
<b>Total Capital Assets Not Being Depreciated</b>	<b>46,527,066</b>	<b>2,651,630</b>	<b>38,829</b>	<b>49,139,867</b>
Capital Assets Being Depreciated:				
Improvements Other Than Buildings	23,853,896	478,115	246,698	24,085,313
Buildings and Fixed Equipment	1,059,128,377	13,895,892	8,266,868	1,064,757,401
Furniture, Fixtures, and Equipment	64,883,904	3,071,493	6,125,864	61,829,533
Motor Vehicles	25,169,576	2,622,323	903,570	26,888,329
Property Under Capital Lease	855,529	912,829	-	1,768,358
Audio-Visual Materials	159,257	-	38,213	121,044
Computer Software	5,937,750	7,664,142	-	13,601,892
<b>Total Capital Assets Being Depreciated</b>	<b>1,179,988,289</b>	<b>28,644,794</b>	<b>15,581,213</b>	<b>1,193,051,870</b>
Less Accumulated Depreciation for:				
Improvements Other Than Buildings	15,003,316	1,162,755	174,675	15,991,397
Buildings and Fixed Equipment	265,717,791	18,093,037	4,069,114	279,741,714
Furniture, Fixtures, and Equipment	55,842,923	2,754,400	6,112,335	52,484,988
Motor Vehicles	18,647,650	1,446,806	865,863	19,228,592
Property Under Capital Lease	201,413	227,328	-	428,741
Audio-Visual Materials	159,257	-	38,213	121,044
Computer Software	3,064,709	2,273,455	-	5,338,164
<b>Total Accumulated Depreciation</b>	<b>358,637,059</b>	<b>25,957,781</b>	<b>11,260,200</b>	<b>373,334,640</b>
<b>Total Capital Assets Being Depreciated, Net</b>	<b>821,351,230</b>	<b>2,687,013</b>	<b>4,321,013</b>	<b>819,717,230</b>
<b>Governmental Activities Capital Assets, Net</b>	<b>\$ 867,878,296</b>	<b>\$ 5,338,643</b>	<b>\$ 4,359,842</b>	<b>\$ 868,857,097</b>

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
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Depreciation expense was charged to functions as follows:

<u>Governmental Activities:</u>	<u>Amount</u>
Instruction	\$ 640,286
Student Support Services	2,678
Instructional Media Services	47,869
Instruction and Curriculum Development Services	28,461
Instructional Staff Training Services	45,273
School Administration	4,951
Facilities Services	24,494,616
Fiscal Services	375
Food Services	481,391
Central Services	12,793
Student Transportation Services	4,426
Operation of Plant	55,496
Maintenance of Plant	94,079
Administrative Technology Services	22,091
Unallocated	<u>22,996</u>
 Total Depreciation Expense - Governmental Activities	 <u><u>\$ 25,957,781</u></u>

**5. CHANGES IN SHORT-TERM DEBT**

The following is a schedule of changes in short-term debt:

Note proceeds were used to pay operating expenses of the District prior to receipt of budgeted revenues.

	<u>Balance</u> <u>July 1, 2016</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2017</u>
GOVERNMENTAL ACTIVITIES				
 Tax Anticipation Note, Series 2016, issued September 15, 2016, with an interest rate of 1.01 percent, and a maturity date of March 15, 2017	 <u>\$ -</u>	 <u>\$ 28,000,000</u>	 <u>\$ 28,000,000</u>	 <u>\$ -</u>

**6. OBLIGATION UNDER CAPITAL LEASES**

The class and amount of property acquired under capital leases is as follows:

<u>Asset Description</u>	<u>Asset Balance</u>
Computer & Office Equipment	<u>\$1,768,358</u>

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
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The amortization of assets recorded under capital leases is included with depreciation expense in the accompanying financial statements.

Future minimum capital lease obligations and the present value of the minimum lease payments as of June 30 are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2018	\$ 382,932	\$ 347,382	\$ 35,550
2019	291,280	267,230	24,050
2020	291,280	276,064	15,216
2021	245,020	238,744	6,276
2022	53,092	52,520	572
Total Minimum Lease Payments	<u>1,263,604</u>	<u>\$ 1,181,940</u>	<u>\$ 81,664</u>
Less Interest	<u>(81,664)</u>		
Present Value of Minimum Payments	<u>\$ 1,181,940</u>		

The stated interest rates range from 3.17 percent to 3.35 percent.

**7. CERTIFICATES OF PARTICIPATION**

The District entered into a master financing arrangement on July 9, 1996. The financing arrangement is characterized as a lease-purchase agreement, with the Manatee School Board Leasing Corporation (Leasing Corporation) whereby the District has secured financing of various educational facilities in the total amount of \$281,585,000. Except for the Qualified Zone Academy Bond (QZAB) and Qualified School Bond (QSCB) Certificates which are discussed below, the financing was accomplished through the issuance of Certificates of Participation, Series 2007 for \$60,040,000; Series 2008A for \$59,380,000; Series 2009A for \$47,065,000, Series 2011A for \$39,850,000, Series 2015 for \$38,470,000, and Series 2016 for \$36,780,000 to be repaid from the proceeds of rents paid by the District.

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Certificates of Participation payable at June 30, 2017, are as follows:

	Amount Issued	Amount Outstanding	Interest Rates (Percent)	Annual Maturity To
Certificates of Participation				
Series 2004, QZAB	\$ 1,306,000	\$ 1,306,000	(1)	2018
Series 2005, QZAB	1,327,454	1,327,454	(1)	2021
Series 2007	60,040,000	6,005,000	4.000 - 5.000	2019
Series 2008A, Refunding	59,380,000	21,005,000	4.000 - 4.250	2021
Series 2009A	47,065,000	1,775,000	4.000 - 5.125	2019
Series 2010A, QSCB	21,600,000	19,920,000	(1)	2029
Series 2011A	39,850,000	39,850,000	4.500 - 5.625	2031
Series 2015, Refunding	38,470,000	32,035,000	2.920	2027
Series 2016, Refunding	36,780,000	36,780,000	5.000	2029
Total Certificates of Participation	\$ 305,818,454	\$ 160,003,454		

Note (1): the Federal government pays Interest on QZAB and QSCB certificates to the purchasers of the certificates in the form of tax credits.

As a condition of the financing arrangement, the District has given a ground lease on District property to the Leasing Corporation, with a rental fee of \$10 per year for each of the Series 2007, 2008A, 2009A, 2011A, 2015, and 2016 Certificates. The properties covered by the ground leases are, together with the improvements constructed thereon from the financing proceeds, leased back to the District through a master lease-purchase agreement. The master lease-purchase agreement is automatically renewable each fiscal year through July 1, 2031. If the District fails to renew the ground leases and to provide for the rent payments, the District may be required to surrender the sites included under the ground lease agreements, together with the improvements thereon, to the Trustee for the benefit of the securers of the Certificates.



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The District has the following ground leases at June 30, 2017:

Certificates of Participation	Commencement Date	Term Date
Series 2004, QZAB	July 22, 2004	July 21, 2018
Series 2005, QZAB	December 20, 2005	December 20, 2021
Series 2007	May 1, 2007	July 1, 2019
Series 2008A, Refunding	February 1, 2008	July 1, 2021
Series 2009A	May 1, 2009	July 1, 2019
Series 2010A, QSCB	October 1, 2010	October 1, 2029
Series 2011A	May 1, 2011	July 1, 2031
Series 2015, Refunding	December 15, 2015	July 1, 2027
Series 2016, Refunding	September 27, 2016	July 1, 2029

On July 22, 2004, and December 20, 2005, the District entered into financing arrangements (School Board of Manatee County, Florida Master Lease Program, Series 2004-QZAB and Series 2005-QZAB, respectively) characterized as lease-purchase agreements with the Leasing Corporation. These agreements were structured to qualify as “Qualified Zone Academy Bonds” pursuant to Section 1397E of the Internal Revenue Code, as amended. There is no interest cost to the District for borrowing moneys under this program. Interest on the Series 2004-QZAB and Series 2005-QZAB is paid by the Federal government in the form of annual tax credits to the banks or other eligible financial institutions that hold the certificates. Mandatory annual deposits, for the Series 2004-QZAB, of \$78,455 are made to a sinking fund account with a paying agent beginning July 21, 2005, and ending July 21, 2018. Mandatory annual deposits, for the Series 2005-QZAB, of \$67,616 are made to a sinking fund account with a paying agent beginning December 20, 2006, and ending December 20, 2021. Such deposits are held and accumulated by the paying agent to be applied solely to the payments due under the leases on the final rental payment date.

The American Recovery and Reinvestment Act (ARRA) of 2009, signed into law on February 17, 2009, created a new category of direct subsidy debt for school districts known as QSCBs. The QSCB does not represent incremental Federal funding; the District must repay it.

As a condition of the financing arrangement, the District has given a ground lease on District property to the Leasing Corporation, with a rental fee of \$10 per year. The initial term of the lease for the Series 2010A-QSCB is 19 years commencing October 29, 2010. The properties covered by the ground lease are, together with the improvements constructed thereon from the financing proceeds, leased back to the District. If the District fails to renew the lease and to provide for the rent payments through to term, the District may be required to surrender the sites included under the Ground Lease Agreement for the benefit of the securers of the certificates.

For the Series 2010A-QSCB, the principal portion of the basic lease payment, \$19,920,000, is due on October 1, 2029. The interest portion of the basic lease payments is due each April 1 and October 1, commencing April 1, 2011. The sinking fund payments are made by the District with respect to the Series 2010A-QSCB and are deposited by the Trustee into the Series 2010 Sinking

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Fund Account pursuant to the Trust Agreement. Such funds are invested in investment securities in accordance with the Trust Agreement. The District may offset sinking fund payments with the interest earnings on amounts in the Series 2010 Sinking Fund Account, provided that the sinking fund payments will be funded at a rate not more rapid than equal, annual installments in an aggregate amount not in excess of the principal component due at maturity. Sinking fund payments on deposit in the Series 2010 Sinking Fund Account will be retained therein until transferred to the Series 2010 Lease Payment Account and applied to the payment of the \$19,920,000 principal component due on the Series 2010 Certificates at maturity (October 1, 2029) or upon earlier prepayment.

The District properties included in the various ground leases are as follows:

**Series 2007 Certificates of Participation**

Annie Lucy Williams Elementary School  
Daughtrey Elementary School  
King Middle School  
Palmetto Elementary School  
Manatee Technical Institute – Public Safety Academy  
Manatee Technical Institute – Fire Academy  
Sea Breeze Elementary School  
Myakka Elementary School

**Series 2008A Certificates of Participation – Refunds 1998 Series**

Bayshore High School  
Carlos Haile Middle School  
Lakewood Ranch High School

**Series 2009A Certificates of Participation**

G. D. Rogers Garden Elementary  
Transportation and Maintenance Facility  
Palmetto High School Auditorium  
Myakka Elementary School

**Series 2004-QZAB Certificates of Participation**

Daughtrey Elementary School  
Manatee Elementary School

**Series 2005-QZAB Certificates of Participation**

Manatee Elementary School  
Orange Ridge/Bullock Elementary School  
Oneco Elementary School  
Palm View Elementary School

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**Series 2010A-QSCB Certificates of Participation**  
Manatee High School (Davis Building project)

**Series 2011A Certificates of Participation**  
Manatee Technical Institute

**Series 2015 Certificates of Participation – Refunds Series 2005A and Partially Refunds Series 2007**  
Anna Maria Elementary School  
King Middle School

**Series 2016 Certificates of Participation –Partially Refunds Series 2009A**  
G. D. Rogers Garden Elementary  
Transportation and Maintenance Facility  
Palmetto High School Auditorium  
Myakka Elementary School

The lease payments are payable by the District, semiannually, on July 1 and January 1. The following is a schedule by years of future minimum lease payments under the lease agreements together with the present value of minimum lease payments as of June 30:

<u>Fiscal Year Ending June 30</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2018	\$ 17,373,841	\$ 11,315,000	\$ 6,058,841
2019	18,420,630	12,821,000	5,599,630
2020	16,889,733	11,775,000	5,114,733
2021	16,893,130	12,245,000	4,648,130
2022	14,305,296	10,152,454	4,152,842
2023-2027	65,228,810	50,270,000	14,958,810
2028-2032	<u>54,802,218</u>	<u>51,425,000</u>	<u>3,377,218</u>
Total Minimum Lease Payments	<u>\$ 203,913,658</u>	160,003,454	<u>\$ 43,910,204</u>
Add: Unamortized Premium		7,522,541	
Less: Unamortized Discount		<u>(159,439)</u>	
Total Certificates of Participation		<u>\$ 167,366,556</u>	

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**8. BONDS PAYABLE**

Bonds payable at June 30, 2017, are as follows:

Bond Type	Amount Outstanding	Interest Rates (Percent)	Annual Maturity To	Issued Amount
<b>State School Bonds:</b>				
Series 2009A	\$ 1,045,000	4.0 - 5.0	2029	\$ 1,815,000
Series 2010A-Refunding	360,000	4.0 - 5.0	2022	600,000
Series 2010A	1,295,000	3.5 - 5.0	2030	1,725,000
Series 2011A-Refunding	445,000	3.0 - 5.0	2023	640,000
Series 2014B-Refunding	1,120,000	2.0 - 5.0	2020	2,769,000
Series 2017A-Refunding	<u>829,000</u>	5.0	2026	<u>829,000</u>
Total State School Bonds	<u>5,094,000</u>			<u>\$ 8,378,000</u>
<b>District Revenue Bonds:</b>				
Series 2005, Sales Tax	3,100,000	5.00	2018	\$ 30,000,000
Series 2012, Sales Tax - Refunding	12,225,000	1.28	2018	49,490,000
Series 2017, Sales Tax	<u>131,785,000</u>	5.00	2033	<u>131,785,000</u>
Total District Revenue Bonds	<u>147,110,000</u>			<u>\$ 211,275,000</u>
Total Minimum Bond Payments	152,204,000			
Add: Unamortized Premium on Debt	18,505,298			
Less: Unamortized Discount on Debt	<u>-</u>			
Total Bonds Payable	<u>\$ 170,709,298</u>			

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

➤ **State School Bonds**

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

➤ **District Revenue Bonds**

The Sales Tax Revenue Bonds, Series 2005, are authorized by the Constitution and Laws of Florida, including particularly Chapter 1001, Florida Statutes, Chapter 212, Florida Statutes, and other applicable provisions of law, and the Sales Tax Revenue Bond Resolution authorizing the issuance of the bonds duly adopted by the Board on February 18, 2003, as supplemented by a Resolution duly adopted by the Board on November 14, 2005. The issuance of the bonds was approved by referendum of the voters

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of Manatee County duly held on May 21, 2002. The bonds were validated and confirmed by a final judgment of the Twelfth Judicial Circuit in and for Manatee County, Florida, entered on June 5, 2003. The bonds are secured by a prior lien upon and pledge of the proceeds received by the District from the levy and collection of a one-half cent discretionary sales surtax pursuant to Section 212.055(6), Florida Statutes. The School Board issued Sales Tax Revenue Bonds, Series 2005 in the amount of \$30,000,000 on December 19, 2005. Proceeds of the bonds were used to finance the cost of acquisition, construction, and installation of, and renovation to, certain capital improvements and educational facilities.

The District issued Sales Tax Revenue Refunding Bonds, Series 2012 on April 3, 2012, in the amount of \$49,490,000. The bonds were issued to advance refund the District's outstanding Sales Tax Revenue Bonds, Series 2003 maturing on October 1, 2014, through and including October 1, 2017, and pay certain costs and expenses associated with the issuance of the Series 2012 bonds.

The District issued Sales Tax Revenue Bonds, Series 2017 on February 23, 2017, in the amount of \$131,785,000. The bonds are secured by a prior lien upon and pledge of the proceeds received by the District from the levy and collection of a one-half cent discretionary sales surtax pursuant to Section 212.055(6), Florida Statutes. The bonds were issued to finance the cost of acquisition, construction, and installation of, and renovation to, various capital improvements and educational facilities within the District.

The sales tax collections began on January 1, 2003. On November 8, 2016, the voters of Manatee County approved the referendum for a new one-half cent Sales Tax to be effective January 1, 2018 through December 31, 2032, thereby maintaining revenues statutorily available to be used for capital expenditures to reduce overcrowding, reduce portable classrooms, renovate existing schools, build new schools where needed, purchase technology, and improve student safety and achievement.

During the 2016-2017 fiscal year, the District recognized sales tax revenues totaling \$30,278,920 and expended \$16,148,989 (53.33 percent) of these revenues for debt service directly collateralized by these revenues.

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Annual requirements to amortize all bonded debt outstanding as of June 30, 2017, are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
State School Bonds:			
2018	\$ 1,472,007	\$ 1,256,000	\$ 216,007
2019	665,563	499,000	166,563
2020	608,112	465,000	143,112
2021	511,712	388,000	123,712
2022	520,913	416,000	104,913
2023-2027	1,754,062	1,455,000	299,062
2028-2032	<u>660,563</u>	<u>615,000</u>	<u>45,563</u>
Total State School Bonds	<u>6,192,932</u>	<u>5,094,000</u>	<u>1,098,932</u>
District Revenue Bonds:			
2018	21,928,368	15,325,000	6,603,368
2019	12,553,150	6,215,000	6,338,150
2020	12,549,550	6,465,000	6,084,550
2021	12,512,125	6,725,000	5,787,125
2022	12,502,500	7,060,000	5,442,500
2023-2027	62,373,625	40,965,000	21,408,625
2028-2032	62,088,750	52,280,000	9,808,750
2033-2037	<u>12,376,875</u>	<u>12,075,000</u>	<u>301,875</u>
Total District Revenue Bonds	<u>208,884,943</u>	<u>147,110,000</u>	<u>61,774,943</u>
Total	<u>\$ 215,077,875</u>	<u>\$ 152,204,000</u>	<u>\$ 62,873,875</u>

**9. DEFEASED DEBT**

On November 21, 2016, the Board entered into an agreement to refund, on an advanced basis, the outstanding Series 2009A Certificates maturing on July 1 in the years 2020 through 2022, inclusive, 2026 and 2029 (collectively, the “Refunded Certificates”). The refunding was accomplished through the issuance and direct placement of \$36,780,000 of Certificates of Participation, Refunding Series 2016A with an interest rate of 5.00 percent. At the time of closing, the District contributed \$667,246 into escrow for the refunding arrangement. The principal and additional contribution was used to advance refund \$39,510,000 principal amount for the District’s Certificates of Participation, Series 2009A.

The net proceeds and additional contribution of \$45,046,906, less payments of \$492,500 in underwriting fees and other issuance costs were placed in an irrevocable trust to call all of the outstanding Certificates of Participation, Series 2009A, maturing July 1, 2020, through July 1, 2029, on July 1, 2019.

As a result, \$39,510,000 of the Certificates of Participation, Series 2009A was defeased and the liability for these certificates has been removed from the government-wide financial statements.

The Series 2016A, Refunding Certificates of Participation were issued to reduce the total debt service over the next 13 years by \$4,228,977 and to obtain an economic gain (difference between the present value of the debt service payment on the old and new debt) of \$3,548,236.

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In April 2017, the State Board of Education Capital Outlay Bonds, Series 2006A were refunded by the Florida Department of Education and considered defeased in substance by placing the proceeds of the new State Board of Education Capital Outlay Bonds, Series 2017A, in an irrevocable trust to provide for future debt service payments. Accordingly, the trust account assets and liability for the in-substance defeased State School Bonds are not included in the District's financial statements. On June 30, 2017, outstanding State School Bonds, Series 2006A are considered defeased in substance. The Series 2017A certificates were refunded to reduce the District's total debt service payments over the next five years by \$179,281.

**10. CHANGES IN LONG-TERM LIABILITIES**

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

Description	Balance July 1,2016	Additions	Deductions	Balance June 30, 2017	Due in One Year
<b>GOVERNMENTAL ACTIVITIES</b>					
Obligations Under Capital Leases	\$ 560,791	\$ 912,829	\$ 291,680	\$ 1,181,940	\$ 347,382
Bonds Payable	36,791,000	132,614,000	17,201,000	152,204,000	16,581,000
Plus: Premium on Bonds	512,813	19,386,211	1,393,726	18,505,298	-
Less: Discount on Bonds	(3,953)	-	(3,953)	-	-
Total Bonds Payable	37,299,860	152,000,211	18,590,773	170,709,298	16,581,000
Certificates of Participation Payable	174,713,454	36,780,000	51,490,000	160,003,454	11,315,000
Plus: Premium on COP's	688,412	7,599,659	765,530	7,522,541	-
Less: Discount on COP's	(551,791)	350,419	(41,933)	(159,439)	-
Total Certificates of Participation Payable	174,850,075	44,730,078	52,213,597	167,366,556	11,315,000
Early Retirement Plan Payable	165,748	(5,481)	34,114	126,153	33,707
Estimated Insurance Claims Payable	8,906,915	41,693,313	42,250,114	8,350,114	2,049,000
Other Postemployment Benefits Payable	10,998,975	3,432,321	2,036,382	12,394,914	-
Net Pension Liability	144,653,510	130,284,847	53,932,399	221,005,958	2,473,999
Compensated Absences Payable	22,273,240	2,949,381	3,892,221	21,330,400	3,500,000
Total Governmental Activities	\$ 399,709,114	\$ 375,997,499	\$ 173,241,280	\$ 602,465,333	\$ 36,300,088

For the governmental activities, compensated absences, early retirement plan benefits, net pension liability, and other postemployment benefits payable are generally liquidated with resources of the General Fund. The estimated insurance claims payable are generally liquidated with resources of the internal service funds.

**11. ENCUMBRANCES**

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

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The following is a schedule of encumbrances at June 30, 2017:

Major Funds				
Capital Projects -				
Section	Capital	Other	Total	
1011.71(2), F.S.,	Projects -	Nonmajor	Governmental	
Local Capital	Other Capital	Governmental	Governmental	
General	Improvement Tax	Projects	Funds	Funds
<u>\$ 2,706,353</u>	<u>\$ 7,762,862</u>	<u>\$27,519,790</u>	<u>\$ 263,670</u>	<u>\$ 38,252,675</u>

**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:		
General	\$ 5,894,194	\$ -
Other Federal Programs	-	4,351,985
Debt Service:		
Other Debt Service	-	1,542,209
Other Nonmajor Governmental	-	-
Total	<u>\$ 5,894,194</u>	<u>\$ 5,894,194</u>

Interfund receivables and payables are temporary loans of cash between funds allowable under Section 1011.09(2), Florida Statutes, for a period of less than 13 months. The temporary loans do not restrict, impede, or limit implementation or fulfillment of the original purposes for which the moneys were received in the funding providing the advancement. All amounts are expected to be repaid within the 2017-2018 fiscal year.



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

Funds	Interfund	
	Transfers In	Transfers Out
Governmental Funds:		
Major Funds:		
General	\$ 12,594,768	\$ -
Debt Service:		
Other Debt Service	35,913,648	-
Capital Projects:		
Section 1011.71(2), F.S., Local		
Capital Improvement Tax	-	16,355,362
Other Capital Projects	-	31,885,106
Other Nonmajor	843,756	1,111,704
Total	\$ 49,352,172	\$ 49,352,172

The transfers into the General Fund from the Capital Projects – Other Capital Projects Fund, Capital Projects – Section 1011.71(2), F.S., Local Capital Improvement Tax Fund, and Other Nonmajor Funds were for capital outlay to charter schools, reimbursing the General Fund for maintenance, repairs and equipment costs, and payment of premiums for property and casualty insurance.

The other transfers from Capital Projects – Other Capital Projects Fund and Capital Projects – Section 1011.71(2), F.S., Local Capital Improvement Tax Fund to the Debt Service – Other Debt Service Fund and Other Nonmajor Funds were made for debt service payments.

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**13. SCHEDULE OF STATE REVENUE SOURCES**

The following is a schedule of the District's State revenue for the 2016-2017 fiscal year:

<u>Source</u>	<u>Amount</u>
Florida Education Finance Program	\$ 110,775,250
Categorical Educational Programs:	
Class Size Reduction/Operating Funds	53,364,352
Workforce Development	9,311,561
Discretionary Lottery Funds	809,867
Motor Vehicle License Tax (Capital Outlay & Debt Service)	1,908,702
Charter School Capital Outlay	1,610,007
Gross Receipt Tax (Public Education Capital Outlay)	1,111,704
Mobile Home License Tax	338,933
Workforce Education Performance Incentive	341,681
Food Service Supplement	314,613
Miscellaneous	<u>3,794,867</u>
Total	<u>\$ 183,681,537</u>

Accounting policies relating to certain State revenue sources are described in Note 1.

**14. PROPERTY TAXES**

The following is a summary of millages and taxes levied on the 2016 tax roll for the 2016-2017 fiscal year:

<u>GENERAL FUND</u>	<u>Millage</u>	<u>Taxes Levied</u>
Nonvoted School Tax:		
Required Local Effort	4.672	\$ 154,827,937
Basic Discretionary Local Effort	0.748	24,788,382
CAPITAL PROJECTS - SECTION 1011.71(2), F.S., LOCAL CAPITAL IMPROVEMENT TAX FUND		
<hr/>		
Nonvoted Tax:		
Local Capital Improvements	<u>1.500</u>	<u>49,709,377</u>
Total	<u>6.920</u>	<u>\$ 229,325,696</u>

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**15. PENSION OBLIGATIONS**

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

**General Information about the FRS**

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

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

The District's FRS and HIS pension expense totaled \$26,719,794 for the fiscal year ended June 30, 2017.

**FRS Pension Plan**

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

- Regular Class – Members of the FRS who do not qualify for membership in the other classes.
- Senior Management Service Class (SMSC) – Members in senior management level positions.
- Elected County Officers (EOC) – Elected School Board members.

Employees enrolled in the FRS Pension Plan prior to July 1, 2011, vest at 6 years of creditable service and employees enrolled in the FRS Pension Plan on or after July 1, 2011, vest at 8 years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal

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retirement benefits at age 62 or at any age after 30 years of service. All members enrolled in the Plan on or after July 1, 2011, once vested, are eligible for normal retirement benefits at age 65 or any time after 33 years of creditable service. Members of the FRS Pension Plan may include up to 4 years of credit for military service toward creditable service. The FRS Pension 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 to eligible participants.

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the FRS Pension Plan to defer receipt of monthly benefit payments while continuing employment with an FRS participating employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate. During the period of DROP participation, deferred monthly benefits are held in the 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 based on age and/or years of service, average final compensation, and service credit. Credit for each year of service is expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the 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 or regular disability and survivors' benefits.

The following chart shows the percentage value for each year of service credit earned:

<u><b>Class, Initial Enrollment, and Retirement Age/Years of Service</b></u>	<u><b>Percent Value</b></u>
<b>Regular Class members initially enrolled before July 1, 2011</b>	
Retirement up to age 62 or up to 30 years of service	1.60
Retirement at age 63 or with 31 years of service	1.63
Retirement at age 64 or with 32 years of service	1.65
Retirement at age 65 or with 33 or more years of service	1.68
<b>Regular Class members initially enrolled on or after July 1, 2011</b>	
Retirement up to age 65 or up to 33 years of service	1.60
Retirement at age 66 or with 34 years of service	1.63
Retirement at age 67 or with 35 years of service	1.65
Retirement at age 68 or with 36 or more years of service	1.68
<b>Elected County Officers</b>	<b>3.00</b>
<b>Senior Management Service Class</b>	<b>2.00</b>

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Pension benefits of certain retirees and annuitants are increased each July 1 by a cost-of-living adjustment. As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3 percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3 percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3 percent. FRS Pension Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement. Only the Florida Legislature with a change in the Statutes governing the Plan may amend terms of the benefits provided by the FRS Pension Plan.

**Contributions.** The Florida Legislature establishes contribution rates for participating employers and employees. The District’s employer and employee contribution rates are established in Section 121.71, Florida Statutes. The Plan actuary recommends employer contribution rates under the uniform rate structure (a blending of both the FRS Pension Plan and Investment Plan rates) but set by the Legislature.

Statutes require any unfunded actuarial liability be amortized over 30 plan years. Contribution rates during the 2016-2017 fiscal year were as follows:

Class	Percent of Gross Salary	
	Employee	Employer (1)
Florida Retirement System, Regular	3.00	7.52
Florida Retirement System, Elected County Officers	3.00	42.47
Florida Retirement System, Senior Management Service	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	(2)	(2)

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

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

The District’s contributions to the FRS Pension Plan totaled \$13,298,480 for the fiscal year ended June 30, 2016.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.** At June 30, 2017, the District reported a liability of \$135,191,544 for its proportionate share of the FRS Pension Plan net pension liability. The net

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pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016. The District's proportionate share of the net pension liability was based on the District's 2015-2016 fiscal year contributions relative to the total 2015-2016 fiscal year contributions of all participating members. At June 30, 2016, the District's proportionate share was 0.5354 percent, which was a decrease of 0.02 percent from its proportionate share of 0.5554 percent measured as of June 30, 2015.

For the fiscal year ended June 30, 2017, the District recognized pension expense of \$19,728,400 for the FRS Pension Plan.

At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions for the FRS Pension Plan from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 10,351,304	\$ 1,258,725
Change in assumptions	8,178,684	-
Net difference between projected and actual earnings on pension plan investments	34,945,366	-
Changes in proportion and differences between District contributions and proportionate share of contributions	-	3,864,954
District contributions subsequent to the measurement date	<u>13,298,480</u>	<u>-</u>
Total	<u>\$ 66,773,834</u>	<u>\$ 5,123,679</u>

The deferred outflows of resources related to pensions totaling \$13,298,480 resulting from District contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30.

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Other amounts reported for the FRS Pension Plan as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30	Amount
2018	\$ 6,307,136
2019	6,307,136
2020	19,931,010
2021	13,660,173
2022	1,649,570
Thereafter	496,650
 Total	 \$ 48,351,675

**Actuarial Assumptions.** The total pension liability for the FRS Pension Plan was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actuarial assumptions below.

Valuation date	July 1, 2016
Measurement date	June 30, 2016
Discount rate	7.60 percent
Long-term expected rate of return, net of investment expense	7.60 percent
Municipal bond rate	N/A
Inflation	2.60 percent
Salary increases, including inflation	3.25 percent
Mortality	Generational RP-2000 with Projection Scale BB
Actuarial cost method	Individual Entry Age

The actuarial assumptions that determined the total pension liability of the FRS Pension Plan are based on the results of the most recent experience study completed in 2014 for the period July 1, 2008 through June 30, 2013.

The following changes in actuarial assumptions occurred in 2015:

- FRS Pension Plan: The inflation rate assumption remained at 2.60 percent, payroll growth; including inflation remained at 3.25 percent. The long-term expected rate of return was decreased from 7.65% to 7.60%, and the active member mortality rate was updated.

The discount rate used to measure the total pension liability for the FRS Pension was 7.60 percent. The Plan's fiduciary net position was projected to be available to make all projected future benefit

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payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return.

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

<u>Asset Class</u>	<u>Target Allocation (1)</u>	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>	<u>Standard Deviation</u>
Cash	1%	3.0%	3.0%	1.7%
Fixed Income	18%	4.7%	4.6%	4.6%
Global Equity	53%	8.1%	6.8%	17.2%
Real Estate (Property)	10%	6.4%	5.8%	12.0%
Private Equity	6%	11.5%	7.8%	30.0%
Strategic Investments	12%	6.1%	5.7%	11.1%
<b>Total</b>	<u>100%</u>			
Assumed Inflation - Mean		2.6%		1.9%

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

**Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate.** The following presents the District's proportionate share of the net pension liability of the FRS Pension Plan calculated using the discount rate of 7.60 percent. Also presented is what the District's proportionate share of the FRS Pension Plan net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (6.60 percent) or 1 percentage point higher (8.60 percent) than the current rate:

	<u>1% Decrease (6.60%)</u>	<u>Current Discount Rate (7.60%)</u>	<u>1% Increase (8.60%)</u>
Districts proportionate share of FRS Pension Plan net pension liability	\$248,289,445	\$135,191,544	\$40,546,947

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



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the FRS is available by mail at P.O. Box 9000, Tallahassee, Florida 32315-9000; by telephone toll free at (844) 377-1888 or (850) 907-6500; by e-mail at rep@dms.myflorida.com; or at the Division's Web site:

([http://www.dms.myflorida.com/workforce\\_operations/retirement/publications](http://www.dms.myflorida.com/workforce_operations/retirement/publications)).

**Retiree Health Insurance Subsidy (HIS) Program Defined Benefit Pension Plan**

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

**Benefits Provided.** For the fiscal year ended June 30, 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 not 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 Federal Medicare.

**Contributions.** The HIS Pension Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended June 30, 2017, the contribution rate was 1.66 percent of payroll pursuant to Section 112.363, Florida Statutes. The District contributed 100 percent of its statutorily required contributions for the current and preceding 3 years. HIS Pension Plan contributions are deposited in a separate trust fund from which HIS payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

The District's contributions to the HIS Pension Plan totaled \$3,738,311 for the fiscal year ended June 30, 2016.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.** At June 30, 2017, the District reported a net pension liability of \$85,814,414 for its proportionate share of the HIS Pension Plan's net pension liability. The current portion of the net pension liability is the District's proportionate share of benefit payments expected to be paid within one year, net of the District's proportionate share of the pension plan's fiduciary net position available to pay that amount. The net pension liability was measured as of June 30, 2016, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2015, and update procedures were used to determine liabilities as of July 1, 2016. The District's proportionate share of the net pension liability was based on the District's 2015-2016 fiscal year contributions relative to the total 2015-2016 fiscal year contributions of all participating members. At June 30, 2016, the

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District's proportionate share was 0.7363 percent, which was an increase of 0.0214 percent from its proportionate share of 0.7149 measured as of June 30, 2015.

For the year ended June 30, 2017, the District recognized pension expense of \$6,991,394 for the HIS Pension Plan. At June 30, 2017, the District reported deferred outflows of resources and deferred inflows of resources related to pensions for the HIS Pension Plan from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 195,454
Change in assumptions	13,466,463	-
Net difference between projected and actual earnings on pension plan investments	43,390	-
Changes in proportion and differences between District contributions and proportionate share of contributions	2,577,246	2,438,823
District contributions subsequent to the measurement date	<u>3,738,311</u>	<u>-</u>
<b>Total</b>	<u><u>\$ 19,825,410</u></u>	<u><u>\$ 2,634,277</u></u>

The deferred outflows of resources related to pensions totaling \$3,783,311 resulting from District contributions subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the year ended June 30, 2018. Other amounts reported for the HIS Pension plan as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<u>Fiscal Year Ending June 30</u>	<u>Amount</u>
2018	\$ 2,245,489
2019	2,245,489
2020	2,237,227
2021	2,233,261
2022	2,377,946
Thereafter	<u>2,113,410</u>
<b>Total</b>	<u><u>\$ 13,452,822</u></u>

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**Actuarial Assumptions.** The total pension liability for the HIS Pension Plan was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actuarial assumptions below, and was then projected to the measurement date.

Valuation date	July 1, 2016
Measurement date	June 30, 2016
Discount rate	2.85 percent
Long-term expected rate of return, net of investment expense	N/A
Municipal bond rate	2.85 percent
Inflation	2.60 percent
Salary increases, including inflation	3.25 percent
Mortality	Generational RP-2000 With Projection Scale BB
Actuarial cost method	Individual Entry Age

While an experience study had not been completed for the HIS Pension 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 following changes in actuarial assumptions occurred in 2016:

- HIS Pension Plan: The municipal rate used to determining total pension liability was decreased from 3.80 percent to 2.85 percent.

**Discount Rate.** 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 Pension Plan 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 plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

**Long-Term Expected Rate of Return.** As stated above, the HIS Pension Plan is essentially funded on a pay-as-you-go basis. As such, there is no assumption for a long-term expected rate of return on a portfolio, no assumptions for cash flows into and out of the pension plan, or assumed asset allocation.

**Sensitivity of the District’s Proportionate Share of the Net Pension Liability to Changes in the Discount Rate.** The following presents the District’s proportionate share of the net pension liability of the HIS Pension Plan calculated using the discount rate of 2.85 percent.

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Also presented is what the District’s proportionate share of the HIS Pension Plan net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.85 percent) or 1 percentage point higher (3.85 percent) than the current rate:

	<u>1% Decrease (1.85%)</u>	<u>Current Discount Rate (2.85%)</u>	<u>1% Increase (3.85%)</u>
District’s proportionate share of the HIS Pension Plan net pension liability	\$98,448,628	\$85,814,414	\$75,328,704

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

**Florida Retirement System (FRS) Investment 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 SBA, and is reported in the SBA’s annual financial statements and in the State of Florida Comprehensive Annual Financial Report. As provided in Section 121.4501, Florida Statutes, eligible FRS members may elect to participate in the Investment Plan in lieu of the FRS defined benefit plan. District employees already participating in DROP are not eligible to participate in this program.

Service retirement benefits are based upon the value of the member’s account upon retirement. Law defines employer and employee contributions, including amounts contributed to individual member’s accounts, but the ultimate benefit depends in part on the performance of investment funds. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular Class, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of plan members. Allocations to the Investment Plan members’ accounts during the 2016-2017 fiscal year were as follows:

<u>Class</u>	<u>Percent of Gross Compensation</u>
FRS, Regular	6.30
FRS, Elected County Officers	11.34
FRS, Senior Management Service	7.67

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For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the 5-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of Investment Plan members. For the fiscal year ended June 30, 2017, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the District.

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

The District's FRS Investment Plan pension expense (not including the 1.66 percent HIS Program Contributions or employee contributions) totaled \$6,991,394 for the fiscal year ended June 30, 2017.

**Payables to Pension Plan**

Included in the amounts reported as Salaries and Wages Payable is \$3,781,102 payable to the FRS. The amount is for required contributions based on the June 2017 payroll not remitted to the pension plans until July 2017 and is reported in the General Fund as well as in the governmental activities column on the statement of net position.

The amount included both employee contributions withheld in the month of June as well as the required employer contributions on June payroll, for all FRS related plans, as follows:

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<u>Payable to Pension Plan:</u>	<u>Employee Withholding Contributions</u>	<u>Employer Benefit Contributions</u>	<u>Total Payable to Pension Plan</u>
Defined Benefits Plans:			
FRS Pension Plan	\$ 794,182	\$ 2,342,877	\$ 3,137,059
HIS Pension Plan	-	42,147	42,147
Defined Contribution Plans:			
FRS Investment Plan	165,811	436,085	601,896
Total	<u>\$ 959,993</u>	<u>\$ 2,821,109</u>	<u>\$ 3,781,102</u>

**16. OTHER POSTEMPLOYMENT BENEFITS PAYABLE**

**Plan Description.** The Other Postemployment Benefits Plan (OPEB Plan) is a single-employer defined benefit plan administered by the District. Pursuant to the provisions of Section 112.0801, Florida Statutes, employees who retire from the District, and eligible dependents, may continue to participate in the District's health and hospitalization plan for medical and prescription coverage. The District subsidizes the premium rates paid by the retirees by allowing them to participate in the OPEB Plan at the blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the OPEB Plan on average than those of active employees. The District does not offer any explicit subsidies for retiree coverage. Retirees are required to enroll in the Federal Medicare program for their primary coverage as soon as they are eligible. The rates paid by retirees eligible for Medicare are reduced by the Medicare premium. The OPEB Plan does not issue a stand-alone report and is not included in the report of a public employee retirement system or another entity.

**Funding Policy**

Plan contribution requirements of the District and OPEB Plan members are established and may be amended through negotiations between the District and respective unions. The District has not advance-funded or established a funding methodology for the annual OPEB costs or the net OPEB obligation. For the 2016-2017 fiscal year, the most recent valuation date available, there were 340 retirees receiving postemployment health care benefits. The District provided required contributions of \$2,036,382 toward annual OPEB costs, net of retiree contributions totaling \$3,008,846, which represents 1.27 percent of covered payroll.

**Annual OPEB Cost and Net OPEB Obligations.** The District's annual OPEB cost (expense) is calculated based on the annual required contribution (ARC) an amount actuarially determined in accordance with the parameters of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*. The ARC represents a level of funding that is paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities over a period not to exceed 30 years.

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The following table shows the District's annual OPEB, the amount actually contributed to the OPEB Plan, and changes in the District's net OPEB obligation:

<u>Description</u>	<u>Amount</u>
Normal Cost (service cost for one year)	\$ 1,280,525
Amortization of Unfunded Actuarial Accrued Liability	2,301,809
Interest on Normal Cost and Amorization	<u>143,293</u>
Annual Required Contribution	3,725,627
Interest on Net OPEB Obligation	439,959
Adjustment to Annual Required Contribution	<u>(733,265)</u>
Annual OPEB Cost (Expense)	3,432,321
Contribution Toward the OPEB Cost	<u>(2,036,382)</u>
Increase in Net OPEB Obligation	1,395,939
Net OPEB Obligation, Beginning of Year	<u>10,998,975</u>
Net OPEB Obligation, End of Year	<u><u>\$ 12,394,914</u></u>

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

<u>OPEB Cost</u>	<u>Annual OPEB Cost Contributed</u>	<u>Obligation</u>
780,464	365.64%	12,959,677
670,074	392.61%	10,998,975
3,432,321	59.33%	12,394,914

**Funded Status and Funding Progress.** As of July 1, 2016, the most recent valuation date, the funded status of the plan is as follows:

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Actuarial Accrued Liability (a)	\$	35,114,216
Actuarial Value of Plan Assets (b)		-
Unfunded Actuarial Accrued Liability (c)=(a-b)	\$	35,114,216
Funded Ratio (b/a)		0.00%
Covered Payroll (Active Plan Members) (d)	\$	237,502,842
UAAL as a Percentage of Covered Payroll (c/d)		14.8%

Actuarial valuations of an ongoing OPEB 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 required 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 the OPEB 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 OPEB 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 the calculations.

The District’s OPEB actuarial valuation as of July 1, 2016, used the entry age normal cost actuarial method to estimate the unfunded actuarial accrued liability as of June 30, 2017, and estimate the District’s 2016-2017 fiscal year annual required contribution. Because the OPEB liability is currently unfunded, the actuarial assumptions included a 4 percent discount rate. The actuarial assumptions also included a payroll growth rate of 3.25 percent annually, and an annual healthcare cost trend rate of 7.9 percent for preretirement and 8.6 percent for postretirement for the fiscal year ending June 30, 2018, reduced by various decrements each year, to an ultimate rate of 4.5 percent in the 2025-2026 fiscal year. The investment rate of return and payroll growth rate include a general price inflation of 2.6 percent. The unfunded actuarial accrued liability is being amortized as a level percentage of projected payrolls on an open basis.

**17. EARLY RETIREMENT PLAN PAYABLE**

On March 20, 1995, the School Board approved the Manatee County School Board One-time Only Retirement Incentive Plan (Plan). This plan provided that eligible employees who elected to retire by June 30, 1995, be paid special termination benefits. The Plan was offered to members of the instructional and classified bargaining units and administrative personnel who signed an



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agreement to participate in the Plan, who agreed to retire from employment under the provisions of the Florida Retirement System (FRS), and who met certain age and length of service requirements. One hundred fifty-nine (159) employees elected to participate in the Plan. Special termination benefits included payment for 100 percent of accrued sick and vacation leave, either a bonus based on 25 percent of the retiree's final year's compensation or an amount to compensate the employee for the FRS early retirement penalty, single coverage for health insurance, and a specified amount of life insurance. The Plan provided that the accrued sick and vacation leave, bonus pay, and the FRS early retirement penalty be paid out to the retirees and to a third-party administrator over a period of 5 years. The premiums for health insurance are to be paid for a period of 8 years, while the premiums for the life insurance are to be paid out over the respective retiree's life. The total paid by the District pursuant to this retirement incentive during the 2016-2017 fiscal year was \$17,165. The District reported a liability of \$51,504 in the statement of net position representing the present value of the estimated future payments under the Plan.

On May 9, 2011, the School Board approved an On-Time Retirement Incentive Program for all Supervisory, Administrative and Managerial personnel (SAMP) and non-bargaining employees. Eligible employees received 1 month of salary (20 days), a 10-year life insurance policy in the amount of \$25,000 paid by the District, and 3 months of retiree single health insurance immediately following resignation. Employees were required to retire or resign no later than December 31, 2011. Twenty (20) employees elected to participate in the program. The total paid by the District pursuant to this retirement incentive during the 2016-2017 fiscal year was \$8,456. The District reported a liability in the amount of \$32,184 in the statement of net position representing the present value of the estimated future payments under the program.

On October 22, 2012, the School Board approved an On-Time Retirement Incentive Program for all Supervisory, Administrative and Managerial personnel (SAMP) and non-bargaining employees. Eligible employees will receive 1 month of salary (20 days), a 10-year life insurance policy in the amount of \$25,000 paid by the District, and 3 months of single health insurance immediately following resignation. Employees were required to retire or resign no later than December 31, 2012, with an effective date of no later than July 31, 2013. Nineteen (19) employees elected to participate in the program. The total paid by the District pursuant to this retirement incentive during the 2016-2017 fiscal year was \$8,493. The District reported a liability in the amount of \$42,465 in the statement of net position representing the present value of the estimated future payments under the program.

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**18. CONSTRUCTION CONTRACT COMMITMENTS**

The following is a summary of major construction contract commitments at fiscal year-end:

Project	<u>Contract Amount</u>	<u>Completed to Date</u>	<u>Balance Committed</u>
North County - New High School			
Architect	\$ 5,600,000	\$ 745,357	\$ 4,854,643
Permitting & Inspection	9,600,000	121,404	9,478,596
Contractor	64,800,000	159,250	64,640,750
North County - New Elementary School			
Architect	1,400,000	-	1,400,000
Permitting & Inspection	2,400,000	836	2,399,164
Contractor	16,200,000	-	16,200,000
East County - New Middle School			
Architect	2,200,000	-	2,200,000
Permitting & Inspection	6,350,000	839	6,349,161
Contractor	36,450,000	-	36,450,000
Total	<u>\$ 145,000,000</u>	<u>\$ 1,027,686</u>	<u>\$ 143,972,314</u>

**19. RISK MANAGEMENT PROGRAMS**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Workers' compensation, automobile liability, and general liability coverage are being provided on a self-insured basis up to specified limits. The District has entered into agreements with various insurance companies to provide specific excess coverage of property claim amounts above the self-insured retention amount (currently \$100,000 for property excluding named storm, wind/hail and flood damages. Named windstorm deductible is 3 percent of replacement value per building, per occurrence for wind and hail damages with \$250,000 minimum, and \$1,000,000 for automobile and general liability). The District has contracted with an insurance administrator, Johns Eastern Company to administer these self-insurance programs, including the processing, investigating, and payment of claims.

A third-party administrator, Florida Blue, Inc., administers the District's health and hospitalization insurance program. In plan year 2016, the District paid \$37.85 per employee per month administrative fees. The payment agreement with Florida Blue provides for liability limits based on fixed rates and average numbers of insured employees and dependents. In 2016, there was a \$450,000 specific stop loss deductible and an aggregating specific deductible of \$100,000 including medical and pharmacy, with an unlimited lifetime maximum per covered member, while maintaining the annual benefit maximum per covered member of \$3,000,000 to provide protection to the District. In 2017, the stop loss coverage changed and the deductible increased to \$1,000,000. To remain in compliance with health care reform and the Patient Protection and Affordable Care Act, there are no longer lifetime maximums included in the Florida Blue plans.

Settled claims resulting from the risks described above have not exceeded commercial insurance coverage in any of the past 4 fiscal years.

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**NOTES TO THE FINANCIAL STATEMENTS**  
For the Fiscal Year Ended June 30, 2017

A liability in the amount of \$8,350,114 was actuarially determined to cover estimated incurred, but not reported, insurance claims payable at June 30, 2017. The estimated insurance claims payable for the workers' compensation/property/liability programs of \$6,301,114 was determined using the actuarial central estimate for unpaid losses on a discounted basis. The discounted basis recognized the expected rate of return on investments held in the Internal Service Fund using a discount rate of 4 percent. The estimated insurance claims payable for the self-insured health insurance program is \$2,049,000, including medical and pharmacy claims. This figure was not discounted and was calculated according to Actuarial Standards of Practice No. 5.

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

	Beginning-of- Fiscal-Year Liability	Current-Year Claims and Changes in Estimates	Claims Payments	Balance at Fiscal Year-End
2015-2016	\$ 10,878,009	\$ 44,737,247	\$ (46,705,341)	\$ 8,909,915
2016-2017	8,906,915	41,693,313	(42,250,114)	8,350,114

**20. LITIGATION**

The District has a self-insured retention and may become contingently liable with respect to lawsuits and other claims that arise in the ordinary course of its operations. Management believes that any liability arising from such claims should not materially affect the District's financial position.

**21. OTHER LOSS CONTINGENCIES**

The District received financial assistance from Federal and State agencies in the form of grants and appropriations. The disbursement of funds received under these programs generally requires compliance with specified terms and conditions and is subject to final determination by the applicable Federal and State agencies. Any disallowed claims could become a liability of the General Fund or other applicable funds.

**22. SUBSEQUENT EVENT**

The District successfully priced \$55,890,000 Refunding Certificates of Participation, Series 2017A (the "2017A Certificates") with a closing date of December 20, 2017. The 2017A Certificates were issued to refund the District's outstanding existing Certificates of Participation, Series 2008A and to advance refund portions of the Certificates of Participation, Series 2011A. The District was able to achieve Net Present Value Debt Service Savings of over \$4,300,000 or 8.28% of the refunded par amount.



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**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION  
OTHER POSTEMPLOYMENT BENEFITS  
SCHEDULE OF FUNDING PROGRESS**

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b) (1)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll [b-a/c]
7/1/2016	\$ -	\$ 35,114,216	\$ 35,114,216	0.00%	\$ 237,502,842	14.8%
7/1/2015	-	7,482,510	7,482,510	0.00%	238,019,028	3.1%
7/1/2014	-	9,534,191	9,534,191	0.00%	229,970,080	4.1%

(1) The District's OPEB actuarial valuation used the entry age normal cost actuarial method to estimate the actuarial accrued liability.

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION  
Schedule of District's Proportionate Share of Net Pension Liability  
Florida Retirement System (FRS) Defined Benefit Pension Plan**

District Fiscal Year Ending June 30,	Plan Sponsor Measurement Date June 30,	District's Proportion of the FRS Net Pension Liability	District's Proportionate Share of the FRS Net Pension Liability	District's Covered Employee Payroll	District's Proportionate Share of the FRS Net Pension Liability as a Percentage of Covered Payroll	FRS Plan Fiduciary Net Position as a Percentage of Total Pension Liability
2017	2016	0.5354%	\$ 135,191,544	\$ 194,024,689	69.68%	84.88%
2016	2015	0.5554%	71,741,222	185,990,132	38.57%	92.00%
2015	2014	0.5561%	33,932,975	183,742,917	18.47%	96.09%
2014	2013	0.5718%	98,428,154	175,279,396	56.16%	88.54%

Notes:

- 1) The District implemented GASB Statement No. 68 for the fiscal year ended June 30, 2015, including a restatement as of June 30, 2014. Information for prior years is not available.

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION  
Schedule of District's Proportionate Share of Net Pension Liability  
Retiree Health Insurance Subsidy (HIS) Program Defined Benefit Pension Plan**

District Fiscal Year Ending June 30,	Plan Sponsor Measurement Date June 30,	District's Proportion of the HIS Net Pension Liability	District's Proportionate Share of the HIS Net Pension Liability	District's Covered Employee Payroll	District's Proportionate Share of the HIS Net Pension Liability as a Percentage of Covered Payroll	HIS Plan Fiduciary Net Position as a Percentage of Total Pension Liability
2017	2016	0.7363%	\$85,814,414	\$ 227,455,559	37.73%	0.97%
2016	2015	0.7149%	72,912,288	217,014,659	33.60%	0.50%
2015	2014	0.7019%	65,629,435	216,899,444	30.26%	0.99%
2014	2013	0.7499%	65,290,530	200,373,000	32.58%	1.78%

Notes:

- 1) The District implemented GASB Statement No. 68 for the fiscal year ended June 30, 2015, including a restatement as of June 30, 2014. Information for prior years is not available.
- 2) Changes in Assumptions: The municipal rate used to determine total pension liability decreased from 3.80 percent to 2.85 percent.

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION  
Schedule of District Contributions  
Florida Retirement System (FRS) Defined Benefit Pension Plan**

District Fiscal Year Ending June 30,	FRS Contractually Required Contribution	FRS Contributions in Relation to the Contractually Required Contribution	FRS Contribution Deficiency (Excess)	District's Covered Employee Payroll	FRS Contributions as a Percentage of Covered Payroll
2017	\$ 13,298,480	\$ 13,298,480	\$ -	\$ 194,024,689	6.85%
2016	13,056,836	13,056,836	-	185,990,132	7.02%
2015	13,541,853	13,541,853	-	183,742,917	7.37%
2014	12,181,918	12,181,918	-	175,279,396	6.95%

Notes:

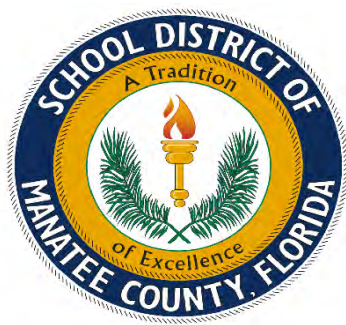
- 1) The District implemented GASB Statement No. 68 for the fiscal year ended June 30, 2015, including a restatement as of June 30, 2014. Information for prior years is not available.
- 2) Changes in Assumptions: The long-term expected rate of return was decreased from 7.65% to 7.60%, and the active member mortality rate was updated.

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION  
Schedule of District Contributions  
Retiree Health Insurance Subsidy (HIS) Program Defined Benefit Pension Plan**

District Fiscal Year Ending June 30,	FRS Contractually Required Contribution	FRS Contributions in Relation to the Contractually Required Contribution	FRS Contribution Deficiency (Excess)	District's Covered Employee Payroll	FRS Contributions as a Percentage of Covered Payroll
2017	\$ 3,738,311	\$ 3,738,311	\$ -	\$ 227,455,559	1.64%
2016	3,774,082	3,774,082	-	217,014,659	1.74%
2015	2,732,933	2,732,933	-	216,899,444	1.26%
2014	2,404,476	2,404,476	-	200,373,000	1.20%

Notes:

- 1) The District implemented GASB Statement No. 68 for the fiscal year ended June 30, 2015, including a restatement as of June 30, 2014. Information for prior years is not available.
- 2) Changes in Assumptions: The municipal rate used to determine total pension liability decreased from 3.80 percent to 2.85 percent.



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## **Nonmajor Governmental Funds**

### **Special Revenue Funds**

The Special Revenue Funds account for certain revenues derived from the State of Florida, Federal government, and other local and private sources that are required to finance designated activities. Activities included within the fund are as follows:

**Food Services Fund - To account for and report on activities of the food service program in serving breakfast and lunch at the schools.**

### **Debt Service Funds**

The Debt Service Funds account for the payment of principal and interest on long-term debt.

**ARRA Economic Stimulus Fund - To account for the accumulation of resources for and the payment of sinking fund interest and related costs on the Certificates of Participation, Series 2010A Qualified School Construction Bonds.**

**State Board of Education Bonds Fund - To account for and report on the payment of principal, interest, and related costs of the 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**

The Capital Projects Funds are used to account for the financing and acquisition or construction of major capital facilities, such as new school buildings or additions to existing buildings, or for major renovation projects. Specific funding sources included herein are:

**Public Education Capital Outlay Fund - To account for and report on funds received from the State for the construction and maintenance of schools.**

**Capital Outlay & Debt Service Fund - To account for and report on the excess dollars received through the State's Capital Outlay and Debt Service program used for construction and maintenance of schools.**

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**COMBINING BALANCE SHEET**  
**NONMAJOR GOVERNMENTAL FUNDS**  
**June 30, 2017**

	<b>Total Nonmajor Governmental Funds</b>	<b>Special Revenue Funds</b>	
		<b>Total Nonmajor Special Revenue Funds</b>	<b>Food Services Fund</b>
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 8,724,928	\$ 7,547,752	\$ 7,547,752
Investments	115,985	-	-
Accounts Receivable	255,204	255,204	255,204
Due from Other Agencies	16,951	-	-
Inventories	249,307	249,307	249,307
Restricted Investments	6,728,920	-	-
<b>Total Assets</b>	<b>\$ 16,091,295</b>	<b>\$ 8,052,263</b>	<b>\$ 8,052,263</b>
<b>LIABILITIES</b>			
Liabilities:			
Accounts Payable	\$ 137,737	\$ 137,737	\$ 137,737
Accrued Interest Payable	14,284	-	-
Construction Contracts Payable	1,800	1,800	1,800
<b>Total Liabilities</b>	<b>153,821</b>	<b>139,537</b>	<b>139,537</b>
<b>FUND BALANCES</b>			
Restricted			
Food Services	7,912,726	7,912,726	7,912,726
Debt Service	6,863,789	-	-
Capital Projects	1,160,959	-	-
<b>Total Fund Balances</b>	<b>15,937,474</b>	<b>7,912,726</b>	<b>7,912,726</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 16,091,295</b>	<b>\$ 8,052,263</b>	<b>\$ 8,052,263</b>

Debt Service Funds			Capital Projects Funds		
Total Nonmajor Debt Service Funds	ARRA Economic Stimulus Fund	State Board of Education Bonds Fund	Total Nonmajor Capital Projects Funds	Public Education Capital Outlay Fund	Capital Outlay & Debt Service Fund
\$ 33,168	\$ 33,168	\$ -	\$ 1,144,008	\$ -	\$ 1,144,008
115,985	-	115,985	-	-	-
-	-	-	-	-	-
-	-	-	16,951	-	16,951
-	-	-	-	-	-
6,728,920	6,728,920	-	-	-	-
<u>\$ 6,878,073</u>	<u>\$ 6,762,088</u>	<u>\$ 115,985</u>	<u>\$ 1,160,959</u>	<u>\$ -</u>	<u>\$ 1,160,959</u>
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
14,284	-	14,284	-	-	-
-	-	-	-	-	-
<u>14,284</u>	<u>-</u>	<u>14,284</u>	<u>-</u>	<u>-</u>	<u>-</u>
-	-	-	-	-	-
6,863,789	6,762,088	101,701	-	-	-
-	-	-	1,160,959	-	1,160,959
<u>6,863,789</u>	<u>6,762,088</u>	<u>101,701</u>	<u>1,160,959</u>	<u>-</u>	<u>1,160,959</u>
<u>\$ 6,878,073</u>	<u>\$ 6,762,088</u>	<u>\$ 115,985</u>	<u>\$ 1,160,959</u>	<u>\$ -</u>	<u>\$ 1,160,959</u>

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 For the Fiscal Year Ended June 30, 2017**

	Total Nonmajor Governmental Funds	Special Revenue Funds	
		Total Nonmajor Special Revenue Funds	Food Services Fund
<b>REVENUES</b>			
Federal Direct Sources:			
Miscellaneous Federal Direct	\$ 936,018	\$ -	\$ -
Total Federal Direct Sources	<u>936,018</u>	<u>-</u>	<u>-</u>
Federal Through State and Local Sources:			
Food Service	21,484,432	21,484,432	21,484,432
Total Federal Through State and Local Sources	<u>21,484,432</u>	<u>21,484,432</u>	<u>21,484,432</u>
State Sources:			
CO&DS Withheld for SBE/COBI Bond	1,466,684	-	-
CO&DS Distribution	382,582	-	-
Public Education Capital Outlay	1,111,704	-	-
Other State Sources	345,888	314,613	314,613
Total State Sources	<u>3,306,858</u>	<u>314,613</u>	<u>314,613</u>
Local Sources:			
Food Service	4,994,781	4,994,781	4,994,781
Interest Income	211,069	91,290	91,290
Net Increase in Fair Value of Investments	77,588	-	-
Other Local Sources	144,920	144,920	144,920
Total Local Sources	<u>5,428,358</u>	<u>5,230,991</u>	<u>5,230,991</u>
Total Revenues	<u>\$ 31,155,666</u>	<u>\$ 27,030,036</u>	<u>\$ 27,030,036</u>

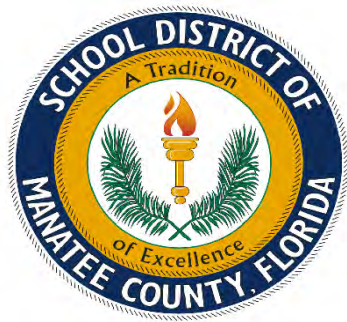
Debt Service Funds			Capital Projects Funds		
Total Nonmajor Debt Service Funds	ARRA Economic Stimulus Fund	State Board of Education Bonds Fund	Total Nonmajor Capital Projects Funds	Public Education Capital Outlay Fund	Capital Outlay & Debt Service Fund
\$ 936,018	\$ 936,018	\$ -	\$ -	\$ -	\$ -
936,018	936,018	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,466,684	-	1,466,684	-	-	-
-	-	-	382,582	-	382,582
-	-	-	1,111,704	1,111,704	-
400	-	400	30,875	-	30,875
1,467,084	-	1,467,084	1,525,161	1,111,704	413,457
-	-	-	-	-	-
119,440	119,440	-	339	-	339
77,588	77,588	-	-	-	-
-	-	-	-	-	-
197,028	197,028	-	339	-	339
\$ 2,600,130	\$ 1,133,046	\$ 1,467,084	\$ 1,525,500	\$ 1,111,704	\$ 413,796

(Continued)

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
 AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 For the Fiscal Year Ended June 30, 2017**

	<b>Total Nonmajor Governmental Funds</b>	<b>Special Revenue Funds</b>	
		<b>Total Nonmajor Special Revenue Funds</b>	<b>Food Services Fund</b>
<b>EXPENDITURES</b>			
Current:			
Facilities Services	\$ 122,457	\$ -	\$ -
Food Services	25,061,536	25,061,536	25,061,536
Capital Outlay:			
Facilities Acquisition and Construction	414,168	414,168	414,168
Other Capital Outlay	779,846	779,846	779,846
Debt Service:			
Principal	1,206,000	-	-
Interest and Fiscal Charges	1,304,773	-	-
Miscellaneous (Principal and Interest Current Refunding)	964,310	-	-
<b>Total Expenditures</b>	<b>29,853,090</b>	<b>26,255,550</b>	<b>26,255,550</b>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>1,302,576</b>	<b>774,486</b>	<b>774,486</b>
<b>OTHER FINANCING SOURCES (USES)</b>			
Issuance of Refunding Bonds	829,000	-	-
Premium on Refunding Bonds	125,699	-	-
Transfers In	843,756	-	-
Transfers Out	(1,111,704)	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>686,751</b>	<b>-</b>	<b>-</b>
<b>Net Change in Fund Balances</b>	<b>1,989,327</b>	<b>774,486</b>	<b>774,486</b>
Fund Balances, Beginning	13,948,147	7,138,240	7,138,240
Fund Balances, Ending	<b>\$ 15,937,474</b>	<b>\$ 7,912,726</b>	<b>\$ 7,912,726</b>

Debt Service Funds			Capital Projects Funds		
Total Nonmajor Debt Service Funds	ARRA Economic Stimulus Fund	State Board of Education Bonds Fund	Total Nonmajor Capital Projects Funds	Public Education Capital Outlay Fund	Capital Outlay & Debt Service Fund
\$ -	\$ -	\$ -	\$ 122,457	\$ -	\$ 122,457
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,206,000	-	1,206,000	-	-	-
1,303,345	1,007,710	295,635	1,428	-	1,428
964,310	-	964,310	-	-	-
2,509,345	1,007,710	2,465,945	123,885	-	123,885
(873,525)	125,336	(998,861)	1,401,615	1,111,704	289,911
829,000	-	829,000	-	-	-
125,699	-	125,699	-	-	-
843,756	843,756	-	-	-	-
-	-	-	(1,111,704)	(1,111,704)	-
1,798,455	843,756	954,699	(1,111,704)	(1,111,704)	-
924,930	969,092	(44,162)	289,911	-	289,911
5,938,859	5,792,996	145,863	871,048	-	871,048
\$ 6,863,789	\$ 6,762,088	\$ 101,701	\$ 1,160,959	\$ -	\$ 1,160,959



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### **Special Revenue Funds**

The Special Revenue Funds account for certain revenues derived from the State of Florida, Federal government, and other local and private sources that are required to finance designated activities. Activities within the funds are as follows:

#### **Major Special Revenue Funds**

**Federal Contracted Programs Fund - To account for and report on activities of various Federal programs according to the specifications and requirements of each funding source.**

#### **Nonmajor Special Revenue Funds**

**Food Services Fund - To account for and report on activities of the food service program in serving breakfast and lunch at the schools.**



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**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
SPECIAL REVENUE - FOOD SERVICES FUND  
For the Fiscal Year Ended June 30, 2017**

	<b>Food Services Fund</b>			<b>Variance with Final Budget - Positive (Negative)</b>
	<b>Budgeted Amounts</b>		<b>Actual Amounts</b>	
	<b>Original</b>	<b>Final</b>		
<b>REVENUES</b>				
Federal Through State Sources:				
Food Service	\$ 21,874,886	\$ 22,243,538	\$ 21,484,432	\$ (759,106)
Total Federal Through State Sources	<u>21,874,886</u>	<u>22,243,538</u>	<u>21,484,432</u>	<u>(759,106)</u>
State Sources:				
Other State Sources	<u>297,619</u>	<u>297,619</u>	<u>314,613</u>	<u>16,994</u>
Total State Sources	<u>297,619</u>	<u>297,619</u>	<u>314,613</u>	<u>16,994</u>
Local Sources:				
Food Service	5,099,062	5,099,062	4,994,781	(104,281)
Interest Income	-	-	91,290	91,290
Other Local Sources	<u>121,000</u>	<u>118,866</u>	<u>144,920</u>	<u>26,054</u>
Total Local Sources	<u>5,220,062</u>	<u>5,217,928</u>	<u>5,230,991</u>	<u>13,063</u>
Total Revenues	<u>27,392,567</u>	<u>27,759,085</u>	<u>27,030,036</u>	<u>(729,049)</u>
<b>EXPENDITURES</b>				
Current:				
Food Services:	26,532,567	27,090,798	25,061,536	2,029,262
Capital Outlay:				
Facilities Acquisition and Construction	-	403,882	414,168	(10,286)
Other Capital Outlay	<u>860,000</u>	<u>699,900</u>	<u>779,846</u>	<u>(79,946)</u>
Total Capital Outlay	<u>860,000</u>	<u>1,103,782</u>	<u>1,194,014</u>	<u>(90,232)</u>
Total Expenditures	<u>27,392,567</u>	<u>28,194,580</u>	<u>26,255,550</u>	<u>1,939,030</u>
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<u>-</u>	<u>(435,495)</u>	<u>774,486</u>	<u>1,209,981</u>
<b>Net Change in Fund Balance</b>	<u>-</u>	<u>(435,495)</u>	<u>774,486</u>	<u>1,209,981</u>
Fund Balance, Beginning	<u>7,138,240</u>	<u>7,138,240</u>	<u>7,138,240</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 7,138,240</u>	<u>\$ 6,702,745</u>	<u>\$ 7,912,726</u>	<u>\$ 1,209,981</u>

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
SPECIAL REVENUE - FEDERAL CONTRACTED PROGRAMS FUND  
For the Fiscal Year Ended June 30, 2017**

	Federal Contracted Programs Fund			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
<b>REVENUES</b>				
Federal Direct Sources:				
Other Federal Direct Sources	\$ -	\$ 2,402,228	\$ 2,388,470	\$ (13,758)
Miscellaneous Federal Direct Sources	-	80,610	75,597	(5,013)
Total Federal Direct Sources	-	2,482,838	2,464,067	(18,771)
Federal Through State and Local Sources:				
Vocational Education Acts	-	699,877	699,053	(824)
Adult Migrant Education	-	348,799	347,902	(897)
Adult General Education	-	96,506	96,506	-
English Literacy and Civics Education	-	514,893	514,893	-
Language Instruction Title III	607,188	1,246,793	973,855	(272,938)
Twenty-First Century Schools	-	263,529	195,810	(67,719)
Special Education Cluster	10,468,560	11,863,705	10,108,596	(1,755,109)
Title I Grants to Local Educational Agencies	13,270,263	19,423,761	14,464,141	(4,959,620)
Other Federal Through State and Local Sources	3,540	4,718,731	2,300,988	(2,417,743)
Total Federal Through State and Local Sources	24,349,551	39,176,594	29,701,744	(9,474,850)
Total Revenues	24,349,551	41,659,432	32,165,811	(9,493,621)
<b>EXPENDITURES</b>				
Current:				
Instruction	23,392,222	21,220,618	17,358,492	3,862,126
Student Support Services:	-	2,404,601	1,931,178	473,423
Instruction and Curriculum Development:	222	7,193,530	6,399,693	793,837
Instructional Staff Training Services:	1,950	7,327,623	4,250,014	3,077,609
Instruction Related Technology	-	15	-	15
School Board:	-	38	-	38
General Administration:	955,157	1,508,848	1,126,726	382,122
School Administration:	-	1,273,345	764,043	509,302
Fiscal Services:	-	18,715	-	18,715
Central Services:	-	141,823	4,822	137,001
Student Transportation Services:	-	227,247	143,943	83,304
Operation of Plant:	-	309	309	-
Capital Outlay:				
Other Capital Outlay	-	342,720	186,591	156,129
Total Expenditures	24,349,551	41,659,432	32,165,811	9,493,621
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	-	-	-	-
<b>Net Change in Fund Balance</b>	-	-	-	-
Fund Balance, Beginning	-	-	-	-
Fund Balance, Ending	\$ -	\$ -	\$ -	\$ -

### **Debt Service Funds**

The Debt Service Funds are used to account for the payment of principal and interest on long-term debt.

#### **Major Debt Service Funds**

**Other Debt Service Fund - To account for and report on the payment of principal, interest, and related costs on the sales tax bond issues, certificates of participation issues, and other debt issues.**

#### **Nonmajor Debt Service Funds**

**ARRA Economic Stimulus Fund - To account for the accumulation of resources for and the payment of sinking fund interest and related costs on the Certificates of Participation, Series 2010A Qualified School Construction Bonds.**

**State Board of Education Bonds Fund - To account for and report on the payment of principal, interest, and related costs on the 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.**

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
DEBT SERVICE - OTHER DEBT SERVICE FUND  
For the Fiscal Year Ended June 30, 2017**

	Other Debt Service Fund			Variance with Final Budget - Positive  (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
<b>REVENUES</b>				
Local Sources:				
Interest Income	\$ -	\$ 53,025	\$ 53,025	\$ -
Net Increase (Decrease) in Fair Value of Investments	-	740	740	-
Total Local Sources	-	53,765	53,765	-
Total Revenues	-	53,765	53,765	-
<b>EXPENDITURES</b>				
Debt Service:				
Principal	27,171,071	27,171,071	27,025,000	146,071
Interest and Fiscal Charges	7,130,929	9,240,549	9,240,549	-
Total Expenditures	34,302,000	36,411,620	36,265,549	146,071
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(34,302,000)</b>	<b>(36,357,855)</b>	<b>(36,211,784)</b>	<b>146,071</b>
<b>OTHER FINANCING SOURCES (USES)</b>				
Refunding Certificates of Participation	-	36,780,000	36,780,000	-
Premium on Refunding Certificates of Participation	-	7,599,659	7,599,659	-
Payments to Refunded COP Escrow Agent	-	(43,887,159)	(43,887,159)	-
Transfers In	34,302,000	35,913,648	35,913,648	-
Total Other Financing Sources	34,302,000	36,406,148	36,406,148	-
<b>Net Change in Fund Balance</b>	<b>-</b>	<b>48,293</b>	<b>194,364</b>	<b>146,071</b>
Fund Balance, Beginning	1,791,183	1,791,183	1,791,183	-
Fund Balance, Ending	<u>\$ 1,791,183</u>	<u>\$ 1,839,476</u>	<u>\$ 1,985,547</u>	<u>\$ 146,071</u>

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
DEBT SERVICE - ARRA ECONOMIC STIMULUS FUND  
For the Fiscal Year Ended June 30, 2017**

	ARRA Economic Stimulus Fund			Variance with Final Budget - Positive  (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
<b>REVENUES</b>				
Federal Direct Sources:				
Miscellaneous Federal Direct	\$ -	\$ 936,018	\$ 936,018	\$ -
Total Federal Direct Sources	-	936,018	936,018	-
Local Sources:				
Interest Income	-	119,440	119,440	-
Net Increase (Decrease) in Fair Value of Investments	-	77,588	77,588	-
Total Local Sources	-	197,028	197,028	-
Total Revenues	-	1,133,046	1,133,046	-
<b>EXPENDITURES</b>				
Debt Service:				
Principal	842,006	842,006	-	842,006
Interest and Fiscal Charges	1,994	1,007,710	1,007,710	-
Total Expenditures	844,000	1,849,716	1,007,710	842,006
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	<b>(844,000)</b>	<b>(716,670)</b>	<b>125,336</b>	<b>842,006</b>
<b>OTHER FINANCING SOURCES</b>				
Transfers In	844,000	843,756	843,756	-
Total Other Financing Sources	844,000	843,756	843,756	-
<b>Net Change in Fund Balance</b>	<b>-</b>	<b>127,086</b>	<b>969,092</b>	<b>842,006</b>
Fund Balance, Beginning	5,792,996	5,792,996	5,792,996	-
Fund Balance, Ending	\$ 5,792,996	\$ 5,920,082	\$ 6,762,088	\$ 842,006

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
DEBT SERVICE - STATE BOARD OF EDUCATION BONDS FUND  
For the Fiscal Year Ended June 30, 2017**

	State Board of Education Bonds Fund			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
<b>REVENUES</b>				
State Sources:				
CO&DS Withheld for SBE/COBI Bond	\$ 1,498,000	\$ 1,466,684	\$ 1,466,684	\$ -
Other State Sources	-	400	400	-
Total State Sources	1,498,000	1,467,084	1,467,084	-
Total Revenues	1,498,000	1,467,084	1,467,084	-
<b>EXPENDITURES</b>				
Debt Service:				
Principal	1,206,000	1,206,000	1,206,000	-
Interest and Fiscal Charges	292,000	295,635	295,635	-
Miscellaneous (Principal and Interest Current Refunding)	-	964,310	964,310	-
Total Expenditures	1,498,000	2,465,945	2,465,945	-
<b>Excess (Deficiency) of Revenues Over (Under) Expenditures</b>	-	(998,861)	(998,861)	-
<b>OTHER FINANCING SOURCES (USES)</b>				
Issuance of Refunding Bonds	-	829,000	829,000	-
Premium on Refunding Bonds	-	125,699	125,699	-
Total Other Financing Sources (Uses)	-	954,699	954,699	-
<b>Net Change in Fund Balance</b>	-	(44,162)	(44,162)	-
Fund Balance, Beginning	145,863	145,863	145,863	-
Fund Balance, Ending	\$ 145,863	\$ 101,701	\$ 101,701	\$ -



### **Capital Projects Funds**

The Capital Projects Funds are used to account for the financing and acquisition or construction of major capital facilities, such as new school buildings, additions to existing buildings, or major renovation projects. Specific funding sources included herein are:

#### **Major Capital Projects Funds**

**Section 1011.71(2), F.S., Local Capital Improvement Tax 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, renovation and remodeling projects, and debt service payments on revenue anticipation notes and certificates of participation.**

**Other Capital Projects Fund - To account for and report on funds received from various sources designated for construction remodeling and renovation, expansion of schools and ancillary facilities, and maintenance of schools. Those various sources include sales tax funds collected through a voter approved sales tax referendum; funds received through the issuance of certificates of participation; impact fees levied by the county and city which are transferred to the District through an interlocal agreement; and local capital improvement funds not required to be accounted for separately.**

#### **Nonmajor Capital Projects Funds**

**Public Education Capital Outlay Fund - To account for and report on funds received from the State for the construction and maintenance of schools.**

**Capital Outlay & Debt Service Fund - To account for and report on the excess dollars received through the State's Capital Outlay & Debt Service program used for construction and maintenance of schools.**

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
CAPITAL PROJECTS - SECTION 1011.71(2), F.S., LOCAL CAPITAL IMPROVEMENT TAX FUND  
For the Fiscal Year Ended June 30, 2017**

Section 1011.71(2), F.S., Local Capital Improvement Tax Fund				
	Budgeted Amounts		Actual Amounts	Variance with Final Budget - Positive (Negative)
	Original	Final		
<b>REVENUES</b>				
Local Sources:				
Ad Valorem Taxes	\$ 47,719,076	\$ 47,865,648	\$ 47,865,648	\$ -
Other Local Sources	-	12,660	12,660	-
Total Local Sources	<u>47,719,076</u>	<u>47,878,308</u>	<u>47,878,308</u>	<u>-</u>
Total Revenues	<u>47,719,076</u>	<u>47,878,308</u>	<u>47,878,308</u>	<u>-</u>
<b>EXPENDITURES</b>				
Current:				
Facilities Services	<u>18,303,267</u>	<u>14,034,290</u>	<u>9,316,521</u>	<u>4,717,769</u>
Capital Outlay:				
Facilities Acquisition and Construction:	13,290,436	3,531,201	1,320,141	2,211,060
Other Capital Outlay:	<u>11,503,897</u>	<u>13,308,640</u>	<u>10,230,335</u>	<u>3,078,305</u>
Total Capital Outlay	<u>24,794,333</u>	<u>16,839,841</u>	<u>11,550,476</u>	<u>5,289,365</u>
Debt Service:				
Principal	86,249	486,249	205,831	280,418
Interest	<u>18,878</u>	<u>118,878</u>	<u>32,356</u>	<u>86,522</u>
Total Debt Service	<u>105,127</u>	<u>605,127</u>	<u>238,187</u>	<u>366,940</u>
Total Expenditures	<u>43,202,727</u>	<u>31,479,258</u>	<u>21,105,184</u>	<u>10,374,074</u>
<b>Excess of Revenues Over Expenditures</b>	<u>4,516,349</u>	<u>16,399,050</u>	<u>26,773,124</u>	<u>10,374,074</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Inception of Capital Leases	-	912,829	912,829	-
Transfers Out	<u>(19,622,545)</u>	<u>(17,423,844)</u>	<u>(16,355,362)</u>	<u>1,068,482</u>
Total Other Financing Sources (Uses)	<u>(19,622,545)</u>	<u>(16,511,015)</u>	<u>(15,442,533)</u>	<u>1,068,482</u>
<b>Net Change in Fund Balance</b>	<u>(15,106,196)</u>	<u>(111,965)</u>	<u>11,330,591</u>	<u>11,442,556</u>
Fund Balance, Beginning	<u>15,106,196</u>	<u>15,106,196</u>	<u>15,106,196</u>	<u>-</u>
Fund Balance, Ending	<u>\$ -</u>	<u>\$ 14,994,231</u>	<u>\$ 26,436,787</u>	<u>\$ 11,442,556</u>

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
CAPITAL PROJECTS - OTHER CAPITAL PROJECTS FUND  
For the Fiscal Year Ended June 30, 2017**

	Other Capital Projects Fund			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
<b>REVENUES</b>				
State Sources:				
Charter School Capital Outlay	\$ 1,500,000	\$ 1,610,007	\$ 1,610,007	\$ -
Other State Sources	75,000	63,701	63,701	-
Total State Sources	<u>1,575,000</u>	<u>1,673,708</u>	<u>1,673,708</u>	-
Local Sources:				
Sales Taxes	31,265,399	30,278,920	30,278,920	-
Interest Income	-	690,060	690,060	-
Impact Fees	6,695,425	6,892,715	6,892,715	-
Other Local Sources	-	22	22	-
Total Local Sources	<u>37,960,824</u>	<u>37,861,717</u>	<u>37,861,717</u>	-
Total Revenues	<u>39,535,824</u>	<u>39,535,425</u>	<u>39,535,425</u>	-
<b>EXPENDITURES</b>				
Current:				
Facilities Services	4,107,244	6,530,481	5,350,020	1,180,461
Capital Outlay:				
Facilities Acquisition and Construction	23,095,113	34,964,083	15,468,418	19,495,665
Other Capital Outlay:	672,557	2,504,921	1,963,657	541,264
Total Capital Outlay	<u>23,767,670</u>	<u>37,469,004</u>	<u>17,432,075</u>	<u>20,036,929</u>
Debt Service:				
Principal	85,849	85,849	85,849	-
Interest	5,803	5,803	5,803	-
Total Debt Service	<u>91,652</u>	<u>91,652</u>	<u>91,652</u>	-
Total Expenditures	<u>27,966,566</u>	<u>44,091,137</u>	<u>22,873,747</u>	<u>21,217,390</u>
Excess of Revenues Over Expenditures	<u>11,569,258</u>	<u>(4,555,712)</u>	<u>16,661,678</u>	<u>21,217,390</u>
<b>OTHER FINANCING SOURCES (USES)</b>				
Sales Tax Bonds Issued	-	131,785,000	131,785,000	-
Proceeds from Sales of Capital Assets	-	2,199,810	2,199,810	-
Premium on Sales Tax Bonds Issued	-	19,260,513	19,260,513	-
Transfers Out	(27,964,995)	(31,885,106)	(31,885,106)	-
Total Other Financing Sources (Uses)	<u>(27,964,995)</u>	<u>121,360,217</u>	<u>121,360,217</u>	-
<b>Net Change in Fund Balance</b>	<b>(16,395,737)</b>	<b>116,804,505</b>	<b>138,021,895</b>	<b>21,217,390</b>
Fund Balance, Beginning	<u>16,395,737</u>	<u>16,395,737</u>	<u>16,395,737</u>	-
Fund Balance, Ending	<u>\$ -</u>	<u>\$ 133,200,242</u>	<u>\$ 154,417,632</u>	<u>\$ 21,217,390</u>

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
CAPITAL PROJECTS - PUBLIC EDUCATION CAPITAL OUTLAY FUND  
For the Fiscal Year Ended June 30, 2017**

	Public Education Capital Outlay Fund			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
<b>REVENUES</b>				
State Sources:				
Public Education Capital Outlay	\$ 1,111,704	\$ 1,111,704	\$ 1,111,704	\$ -
Total State Sources	1,111,704	1,111,704	1,111,704	-
Total Revenues	1,111,704	1,111,704	1,111,704	-
<b>Excess of Revenues Over Expenditures</b>	1,111,704	1,111,704	1,111,704	-
<b>OTHER FINANCING USES</b>				
Transfers Out	(1,111,704)	(1,111,704)	(1,111,704)	-
Total Other Financing Uses	(1,111,704)	(1,111,704)	(1,111,704)	-
<b>Net Change in Fund Balance</b>	-	-	-	-
Fund Balance, Beginning	-	-	-	-
Fund Balance, Ending	\$ -	\$ -	\$ -	\$ -

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA  
SCHEDULE OF REVENUES, EXPENDITURES, AND  
CHANGES IN FUND BALANCES - BUDGET AND ACTUAL  
CAPITAL PROJECTS - CAPITAL OUTLAY & DEBT SERVICE FUND  
For the Fiscal Year Ended June 30, 2017**

	Capital Outlay & Debt Service Fund			Variance with Final Budget - Positive (Negative)
	Budgeted Amounts		Actual Amounts	
	Original	Final		
<b>REVENUES</b>				
State Sources:				
CO&DS Distribution	\$ 271,408	\$ 382,582	\$ 382,582	\$ -
Other State Sources	-	30,875	30,875	-
Total State Sources	<u>271,408</u>	<u>413,457</u>	<u>413,457</u>	<u>-</u>
Local Sources:				
Interest Income	-	339	339	-
Total Local Sources	<u>-</u>	<u>339</u>	<u>339</u>	<u>-</u>
Total Revenues	<u>271,408</u>	<u>413,796</u>	<u>413,796</u>	<u>-</u>
<b>EXPENDITURES</b>				
Current:				
Facilities Services	150,000	122,457	122,457	-
Capital Outlay:				
Facilities Acquisition & Construction:	992,456	-	-	-
Debt Service:				
Interest and Fiscal Charges	-	1,428	1,428	-
Total Expenditures	<u>150,000</u>	<u>123,885</u>	<u>123,885</u>	<u>-</u>
<b>Excess of Revenues Over Expenditures</b>	<u>121,408</u>	<u>289,911</u>	<u>289,911</u>	<u>-</u>
<b>Net Change in Fund Balance</b>	<u>121,408</u>	<u>289,911</u>	<u>289,911</u>	<u>-</u>
Fund Balance, Beginning	<u>871,048</u>	<u>871,048</u>	<u>871,048</u>	<u>-</u>
Fund Balance, Ending	<u>\$ 992,456</u>	<u>\$ 1,160,959</u>	<u>\$ 1,160,959</u>	<u>\$ -</u>



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### **Internal Service Funds**

**Internal Service Funds are nonmajor proprietary funds reported as governmental activities. They are used to account for the self-insurance activities of the school district. The following funds are included in the Internal Service Funds:**

**Self Insurance - Health and Life - To account for and report on funds received for and used to pay for healthcare and life insurance claims under the District's self-insured health and life program.**

**Self Insurance - Casualty, Liability, and Workers' Compensation - To account for and report on funds received for and used to pay for claims under the District's self-insured property, casualty, liability, and workers' compensation program.**

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA  
 PROPRIETARY FUNDS - ALL INTERNAL SERVICE FUNDS  
 COMBINING STATEMENT OF NET POSITION  
 June 30, 2017  
 (With Comparative Totals for June 30, 2016)**

	Governmental Activities			
	Proprietary Funds - Internal Service Funds			
	Self-Insurance		Totals	
	Health and Life	Casualty, Liability, etc	2017	2016
<b>ASSETS</b>				
Current Assets:				
Cash and Cash Equivalents	\$ 19,857,204	\$ 8,938,401	\$ 28,795,605	\$ 27,365,331
Accounts Receivable	3,897	-	3,897	5,039
Total Assets	<u>19,861,101</u>	<u>8,938,401</u>	<u>28,799,502</u>	<u>27,370,370</u>
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts Payable	397,981	18,865	416,846	49,354
Claims Payable	2,804,973	-	2,804,973	3,649,657
Estimated Insurance Claims Payable	2,049,000	-	2,049,000	2,994,000
Total Current Liabilities	<u>5,251,954</u>	<u>18,865</u>	<u>5,270,819</u>	<u>6,693,011</u>
Long-Term Liabilities:				
Estimated Insurance Claims Payable	-	6,301,114	6,301,114	5,912,915
Total Liabilities	<u>5,251,954</u>	<u>6,319,979</u>	<u>11,571,933</u>	<u>12,605,926</u>
<b>NET POSITION</b>				
Unrestricted	<u>\$ 14,609,147</u>	<u>\$ 2,618,422</u>	<u>\$ 17,227,569</u>	<u>\$ 14,764,444</u>



**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**PROPRIETARY FUNDS - ALL INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF REVENUES, EXPENSES,**  
**AND CHANGES IN FUND NET POSITION**  
**For the Fiscal Year Ended June 30, 2017**  
**(With Comparative Totals for the Fiscal Year Ended June 30, 2016)**

	Governmental Activities			
	Proprietary Funds - Internal Service Funds			
	Self-Insurance		Totals	
	Health and Life	Casualty, Liability, etc	2017	2016
<b>OPERATING REVENUES</b>				
Premium Revenues	\$ 47,649,575	\$ 923,235	\$ 48,572,810	\$ 55,048,450
Other Operating Revenues	150,758	-	150,758	203,579
Total Operating Revenues	<u>47,800,333</u>	<u>923,235</u>	<u>48,723,568</u>	<u>55,252,029</u>
<b>OPERATING EXPENSES</b>				
Salaries	410,824	191,418	602,242	567,528
Employee Benefits	255,440	62,159	317,599	315,153
Purchased Services	2,621,542	-	2,621,542	2,972,077
Materials & Supplies	22,732	-	22,732	4,655
Capital Outlay	-	-	-	4,181
Insurance Claims	38,786,118	2,907,195	41,693,313	44,734,247
Insurance Premiums	440,280	-	440,280	555,285
Other Expenses	248,153	314,582	562,735	653,831
Total Operating Expenses	<u>42,785,089</u>	<u>3,475,354</u>	<u>46,260,443</u>	<u>49,806,957</u>
Operating Income (Loss)	<u>5,015,244</u>	<u>(2,552,119)</u>	<u>2,463,125</u>	<u>5,445,072</u>
Change in Net Position	5,015,244	(2,552,119)	2,463,125	5,445,072
Total Net Position, Beginning	<u>9,593,903</u>	<u>5,170,541</u>	<u>14,764,444</u>	<u>9,319,372</u>
Total Net Position, Ending	<u>\$ 14,609,147</u>	<u>\$ 2,618,422</u>	<u>\$ 17,227,569</u>	<u>\$ 14,764,444</u>

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**PROPRIETARY FUNDS - ALL INTERNAL SERVICE FUNDS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**For the Fiscal Year Ended June 30, 2017**  
**(With Comparative Totals for the Fiscal Year Ended June 30, 2016)**

	Governmental Activities			
	Proprietary Funds - Internal Service Funds			
	Self-Insurance		Totals	
	Health and Life	Casualty, Liability, etc	2017	2016
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash Received from Premiums	\$ 47,650,717	\$ 923,235	\$ 48,573,952	\$ 55,050,352
Cash Received from Other Operating Revenues	150,758	-	150,758	203,579
Cash Payments to Suppliers for Goods and Services	(4,036,217)	357,950	(3,678,267)	(2,750,620)
Cash Payments to Employees for Services	(666,264)	(253,577)	(919,841)	(882,681)
Cash Payments for Insurance Claims	(38,786,118)	(2,907,195)	(41,693,313)	(46,705,341)
Cash Payments for Premiums and Other Fees	(688,433)	(314,582)	(1,003,015)	(1,206,577)
	<u>3,624,443</u>	<u>(2,194,169)</u>	<u>1,430,274</u>	<u>3,708,712</u>
Net Cash Provided (Used) by Operating Activities				
Net Change in Cash	3,624,443	(2,194,169)	1,430,274	3,708,712
Cash and Cash Equivalents, Beginning	16,232,761	11,132,570	27,365,331	23,656,619
Cash and Cash Equivalents, Ending	<u>\$ 19,857,204</u>	<u>\$ 8,938,401</u>	<u>\$ 28,795,605</u>	<u>\$ 27,365,331</u>
<b>Reconciliation of Operating Income (Loss) to Net Cash Provided (Used) by Operating Activities:</b>				
Operating Income (Loss)	\$ 5,015,244	\$ (2,552,119)	\$ 2,463,125	\$ 5,445,072
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:				
Changes in Assets and Liabilities:				
(Increase) Decrease in Accounts Receivable	1,142	-	1,142	1,902
Increase (Decrease) in Accounts Payable	398,221	(30,249)	367,972	(153,986)
Increase (Decrease) in Claims Payable	(845,164)	-	(845,164)	386,818
Increase (Decrease) in Estimated Insurance Claims Payable	(945,000)	388,199	(556,801)	(1,971,094)
Total Adjustments	<u>(1,390,801)</u>	<u>357,950</u>	<u>(1,032,851)</u>	<u>(1,736,360)</u>
Net Cash Provided (Used) by Operating Activities	<u>\$ 3,624,443</u>	<u>\$ (2,194,169)</u>	<u>\$ 1,430,274</u>	<u>\$ 3,708,712</u>

## Fiduciary Funds

**Fiduciary Funds are used to account for assets held by the District on behalf of outside related organizations or on behalf of other funds within the District.**

**The Private-Purpose Trust Fund serves to account for financial aid trust fund fees and other moneys for which principal and income benefit individuals or private organizations. They include:**

**The Donations Trust Fund accounts for employee and public donations held by the District to be used to assist homeless students enrolled in Manatee County schools.**

**The Financial Aid Fee Trust Fund accounts for the collection of financial aid fees at Manatee Technical Institute. These fees provide scholarships for students meeting the criteria for the award.**

**Agency Funds are used to account for resources held by the District in a trustee capacity or as an agent for individuals or private organizations. These resources include student and club activity funds that are held in trust for student, athletic, class, and club activities, and other resources held in trust. The District retains no equity interest in these funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of the results of operations.**

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA  
 COMBINING STATEMENT OF FIDUCIARY NET POSITION  
 FIDUCIARY FUNDS  
 June 30, 2017**

	Total Private-Purpose Trust Funds	Donations Trust Fund	Financial Aid Fee Trust Fund
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 112,379	\$ 12,326	\$ 100,053
Due from Other Agencies	18,578	-	18,578
<b>Total Assets</b>	<b>130,957</b>	<b>12,326</b>	<b>118,631</b>
<b>LIABILITIES</b>			
Accounts Payable	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>NET POSITION</b>			
Held in Trust for Scholarships and Other Purposes	\$ 130,957	\$ 12,326	\$ 118,631

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**For the Fiscal Year Ended June 30, 2017**

	Total Private-Purpose Trust Funds	Donations Trust Fund	Financial Aid Fee Trust Fund
<b>Additions:</b>			
Contributions:			
Gifts, Grants, and Bequests	\$ 11,712	\$ 11,712	\$ -
Financial Aid Fees	224,696	-	224,696
<b>Total Additions</b>	<u>236,408</u>	<u>11,712</u>	<u>224,696</u>
<b>Deductions:</b>			
Purchased Services	-	-	-
Materials and Supplies	7,199	7,199	-
Dues & Fees	187,888	-	187,888
<b>Total Deductions</b>	<u>195,087</u>	<u>7,199</u>	<u>187,888</u>
Changes in Net Position	41,321	4,513	36,808
Net Position July 1, 2016	<u>89,636</u>	<u>7,813</u>	<u>81,823</u>
<b>Net Position, June 30, 2017</b>	<u>\$ 130,957</u>	<u>\$ 12,326</u>	<u>\$ 118,631</u>

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES**  
**FIDUCIARY FUNDS - AGENCY FUNDS**  
**For the Fiscal Year Ended June 30, 2017**

	<b>Student and Club Activities Funds</b>			
	<b>June 30, 2016</b>	<b>Additions</b>	<b>Deletions</b>	<b>June 30, 2017</b>
<b>Assets</b>				
Cash and Cash Equivalents	\$ 5,990,178	\$ 17,606,945	\$ 16,702,146	\$ 6,894,977
Investments	483,459	1,139	88,108	396,490
<b>Total Assets</b>	<b>\$ 6,473,637</b>	<b>\$ 17,608,084</b>	<b>\$ 16,790,254</b>	<b>\$ 7,291,467</b>
<b>Liabilities</b>				
Internal Accounts Payable	\$ 6,473,637	\$ 17,608,084	\$ 16,790,254	\$ 7,291,467
<b>Total Liabilities</b>	<b>\$ 6,473,637</b>	<b>\$ 17,608,084</b>	<b>\$ 16,790,254</b>	<b>\$ 7,291,467</b>

### **Discretely Presented Component Units**

The component units' columns in the basic financial statements, pages 17 through 19, include the financial data of the District's discretely presented component units.

### **Nonmajor Discretely Presented Component Units**

Manatee School of Arts and Sciences, Inc.; Renaissance Arts and Education, Inc., d/b/a Manatee School for the Arts; The Lee Foundation, Inc, d/b/a Manatee Charter School; Oasis Middle School, Inc.; Palmetto Charter School, Inc.; Team Success A School of Excellence, Inc.; Just for Girls Academy, Inc., Visible Men Academy, Inc., and William Monroe Rowlett Academy for Arts & Communication, Inc. are charter schools and separate not-for-profit corporations organized pursuant to Chapter 617, F.S., the Florida Not For Profit Corporation Act, and Section 1002.33, F.S.. Imagine – Manatee County, LLC, d/b/a Imagine Charter School at North Manatee and Imagine - East Manatee County, LLC, d/b/a Imagine School at Lakewood Ranch are organized as a limited liability corporations pursuant to Chapter 608, F.S., the Florida Limited Liability Company Act, and Section 1002.23, F.S. The charter schools operate under charters approved by their sponsor, the Manatee County District School Board. The charter schools are considered to be component units of the District because the District is financially accountable for the charter schools as the District established the charter schools by approval of the charter, which is tantamount to the initial appointment of the charter schools, and there is the potential for the charter schools to provide specific financial burdens on the District. In addition, pursuant to the Florida Constitution, the charter schools are public schools, and the District is responsible for the operation, control, and supervision of public schools within the District.

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**COMBINING STATEMENT OF NET POSITION**  
**COMPONENT UNITS**  
**June 30, 2017**

	Imagine School at Lakewood Ranch	Imagine Charter School at North Manatee	Manatee Charter School	Manatee School for the Arts	Manatee School of Arts and Sciences, Inc.	Oasis Middle School, Inc.
<b>ASSETS</b>						
Cash and Cash Equivalents	\$ 139,516	\$ 442,685	\$ 489,199	\$ 1,211,448	\$ 222,450	\$ 237,335
Investments	-	-	-	-	-	-
Accounts Receivable	-	-	34,809	35,684	-	-
Due from Related Parties	-	8,001	35,182	-	-	65,532
Due from Other Agencies	13,600	12,500	191,385	50,678	4,266	-
Deposits Receivable	-	-	5,485	-	-	-
Prepaid Items	58,879	12,470	5,090	24,503	-	-
Other Assets	2,720	2,133	-	-	-	675
Restricted Cash and Cash Equivalents	-	-	-	1,247,685	-	-
Capital Assets (net of accumulated Depreciation):						
Land	-	-	-	3,230,869	250,252	-
Construction in Progress	-	-	-	-	-	-
Buildings and Fixed Equipment	-	-	11,053,644	12,906,635	1,046,771	-
Furniture, Fixtures, and Equipment	2,079	8,440	105,108	567,278	36,470	2,828
Motor Vehicles	56,265	12,700	-	-	-	128,442
Computer software	-	-	100,440	-	-	-
Other Capital Assets	-	-	-	-	-	-
<b>Total Assets</b>	<b>273,059</b>	<b>498,929</b>	<b>12,020,342</b>	<b>19,274,780</b>	<b>1,560,209</b>	<b>434,812</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>						
Pensions	-	-	-	-	-	-
Total Deferred Outflows of Resources	-	-	-	-	-	-
<b>TOTAL ASSETS AND DEFERRED OUTFLOWS</b>	<b>\$ 273,059</b>	<b>\$ 498,929</b>	<b>\$ 12,020,342</b>	<b>\$ 19,274,780</b>	<b>\$ 1,560,209</b>	<b>\$ 434,812</b>
<b>LIABILITIES</b>						
Salaries and Wages Payable	\$ 139,447	\$ 167,921	\$ 153,969	\$ 872,716	\$ 59,175	\$ -
Accounts Payable	75,267	309,867	548,192	311,196	2,218	38,233
Long-Term Liabilities:						
Portion Due or Payable Within One Year:						
Notes Payable	193,139	47,220	-	40,834	45,882	14,955
Bonds Payable	-	-	-	508,938	-	-
Capital Leases Payable	-	-	265,000	-	-	-
Compensated Absences Payable	-	-	14,064	-	-	-
Portion Due or Payable After One Year:						
Notes Payable	-	-	-	638,477	342,147	57,371
Bonds Payable	-	-	-	12,476,675	-	-
Capital Leases Payable	-	-	12,713,221	-	-	-
Compensated Absences Payable	-	-	4,688	-	-	-
Net Pension Liability	-	-	-	-	-	-
<b>Total Liabilities</b>	<b>407,853</b>	<b>525,008</b>	<b>13,699,134</b>	<b>14,848,836</b>	<b>449,422</b>	<b>110,559</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>						
Pensions	-	-	-	-	-	-
Total Deferred Inflows of Resources	-	-	-	-	-	-
<b>TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES</b>	<b>407,853</b>	<b>525,008</b>	<b>13,699,134</b>	<b>14,848,836</b>	<b>449,422</b>	<b>110,559</b>
<b>NET POSITION</b>						
Net Investment in Capital Assets	58,344	21,140	(1,719,029)	3,039,858	945,464	58,944
Restricted for:						
Food Services	-	-	-	-	-	-
Other Purposes	-	-	-	1,247,685	-	-
Unrestricted	(193,138)	(47,219)	40,237	138,401	165,323	265,309
Total Net Position - Component Units	(134,794)	(26,079)	(1,678,792)	4,425,944	1,110,787	324,253
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION</b>	<b>\$ 273,059</b>	<b>\$ 498,929</b>	<b>\$ 12,020,342</b>	<b>\$ 19,274,780</b>	<b>\$ 1,560,209</b>	<b>\$ 434,812</b>



<b>Palmetto Charter School, Inc.</b>	<b>Team Success A School of Excellence, Inc.</b>	<b>Visible Men Academy, Inc.</b>	<b>William Monroe Rowlett Academy for Arts &amp; Communication, Inc.</b>	<b>Total Component Units</b>
\$ 373,754	\$ 873,393	\$ 186,887	\$ 1,338,554	\$ 5,515,221
45,092	-	-	-	45,092
11,321	-	3,000	33,274	118,088
-	-	-	-	108,715
-	162,949	2,054	54,343	491,775
350	-	-	22,930	28,765
44,587	69,785	13,600	17,551	246,465
-	-	-	-	5,528
-	-	-	-	1,247,685
400,000	-	96,527	1,033,367	5,011,015
-	-	-	2,120,409	2,120,409
3,061,841	-	-	-	28,068,891
87,785	77,500	69,630	210,100	1,167,218
11,250	-	-	-	208,657
-	-	-	-	100,440
61,461	6,424	202,086	41,979	311,950
<u>4,097,441</u>	<u>1,190,051</u>	<u>573,784</u>	<u>4,872,507</u>	<u>44,795,914</u>
-	-	-	3,659,595	3,659,595
-	-	-	3,659,595	3,659,595
<u>\$ 4,097,441</u>	<u>\$ 1,190,051</u>	<u>\$ 573,784</u>	<u>\$ 8,532,102</u>	<u>\$ 48,455,509</u>
\$ -	\$ -	\$ 35,766	\$ -	\$ 1,428,994
48,750	255,031	19,545	691,320	2,299,619
182,475	-	-	135,929	660,434
-	-	-	-	508,938
-	-	-	-	265,000
-	-	-	-	14,064
2,777,515	-	-	2,289,061	6,104,571
-	-	-	-	12,476,675
-	-	-	-	12,713,221
-	-	-	110,915	115,603
-	-	-	3,665,738	3,665,738
<u>3,008,740</u>	<u>255,031</u>	<u>55,311</u>	<u>6,892,963</u>	<u>40,252,857</u>
-	-	-	458,612	458,612
-	-	-	458,612	458,612
<u>3,008,740</u>	<u>255,031</u>	<u>55,311</u>	<u>7,351,575</u>	<u>40,711,469</u>
662,347	83,924	368,243	980,865	4,500,100
-	118,232	-	-	118,232
-	-	-	-	1,247,685
426,354	732,864	150,230	199,662	1,878,023
<u>1,088,701</u>	<u>935,020</u>	<u>518,473</u>	<u>1,180,527</u>	<u>7,744,040</u>
<u>\$ 4,097,441</u>	<u>\$ 1,190,051</u>	<u>\$ 573,784</u>	<u>\$ 8,532,102</u>	<u>\$ 48,455,509</u>

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNITS**  
**For the Fiscal Year Ended June 30, 2017**

<u>Functions/Programs</u>	<u>Program Revenues</u>				<u>Component Units</u>
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Total Component Units</u>
<b>Charter Schools</b>					
Governmental Activities:					
Instruction	\$ 24,685,484	\$ 101,675	\$ 1,217,279	\$ -	\$ (23,366,530)
Student Support Services	933,089	-	101,709	-	(831,380)
Instructional Media Services	110,063	-	-	-	(110,063)
Instruction and Curriculum Development Services	157,991	-	22,308.00	-	(135,683)
Instructional Staff Training Services	685,044	-	18,104	-	(666,940)
Instruction-Related Technology	132,059	-	-	-	(132,059)
School Board	288,165	-	-	-	(288,165)
General Administration	755,487	-	-	-	(755,487)
School Administration	6,307,297	-	5,506	-	(6,301,791)
Facilities Services	98,103	-	-	-	(98,103)
Fiscal Services	356,988	-	-	-	(356,988)
Food Services	1,722,651	595,719	1,403,256	-	276,324
Central Services	113,696	-	4,837	-	(108,859)
Student Transportation Services	1,923,313	-	1,194	-	(1,922,119)
Operation of Plant	5,834,094	18,278	140,753	299,935	(5,375,128)
Maintenance of Plant	241,497	-	-	-	(241,497)
Community Services	1,323,161	691,052	74,363	-	(557,746)
Amortization of Loans Issuance Costs	19,890	-	-	-	(19,890)
Unallocated Interest on Long-Term Debt	1,580,749	-	-	808,543	(772,206)
Unallocated Depreciation/Amortization	727,904	-	-	-	(727,904)
<b>Total Component Units</b>	<b>\$ 47,996,725</b>	<b>\$ 1,406,724</b>	<b>\$ 2,989,309</b>	<b>\$ 1,108,478</b>	<b>(42,492,214)</b>
General Revenues:					
Grants and Contributions Not Restricted to Specific Programs					41,902,541
Unrestricted Investment Earnings					482
Miscellaneous					1,404,176
<b>Total General Revenues</b>					<b>43,307,199</b>
Changes in Net Position					814,985
Net Position - Beginning					6,929,055
Adjustment to Beginning Net Position					-
Restated Net Position - Beginning					6,929,055
Net Position - Ending					<b>\$ 7,744,040</b>

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNITS**  
**For the Fiscal Year Ended June 30, 2017**

**Imagine - East Manatee County, LLC - d/b/a Imagine School at Lakewood Ranch**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Imagine School at Lakewood Ranch</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
<b>Charter School</b>				
Governmental Activities:				
Instruction	\$ 1,650,465	\$ 66,680	\$ 134,499	\$ (1,449,286)
Student Support Services	18,306	-	-	(18,306)
Instructional Media Services	9,644	-	-	(9,644)
Instruction and Curriculum Development Services	64,973	-	-	(64,973)
Instructional Staff Training Services	11,461	-	-	(11,461)
School Board	11,900	-	-	(11,900)
General Administration	378,366	-	-	(378,366)
School Administration	293,341	-	-	(293,341)
Fiscal Services	73,057	-	-	(73,057)
Food Services	45,237	372	-	(44,865)
Central Services	469	-	-	(469)
Student Transportation Services	111,264	-	-	(111,264)
Operation of Plant	1,116,463	18,278	-	(1,098,185)
Maintenance of Plant	17,181	-	-	(17,181)
Community Services	41,689	122,152	9,305	89,768
Unallocated Interest on Long-Term Debt	766	-	-	(766)
<b>Total Charter School</b>	<b>\$ 3,844,582</b>	<b>\$ 207,482</b>	<b>\$ 143,804</b>	<b>\$ (3,493,296)</b>
General Revenues:				
Grants and Contributions Not Restricted to Specific Programs				3,391,272
Miscellaneous				83,125
<b>Total General Revenues</b>				<b>3,474,397</b>
Changes in Net Position				(18,899)
Net Position - Beginning				(115,895)
Net Position - Ending				<u>\$ (134,794)</u>

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNITS**  
**For the Fiscal Year Ended June 30, 2017**

**Imagine - Manatee County, LLC d/b/a Imagine Charter School at North Manatee**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Imagine Charter School at North Manatee</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
<b>Charter School</b>				
Governmental Activities:				
Instruction	\$ 1,981,376	\$ 34,995	\$ 79,214	\$ -
Student Support Services	20,856	-	-	-
Instructional Media Services	8,440	-	-	-
Instruction and Curriculum Development Services	60,685	-	-	-
Instructional Staff Training Services	392	-	-	-
Instruction-Related Technology	21,134	-	-	-
School Board	11,750	-	-	-
School Administration	841,215	-	-	-
Food Services	65,901	-	-	-
Central Services	1,420	-	-	-
Student Transportation Services	178,459	-	-	-
Operation of Plant	1,031,702	-	-	-
Maintenance of Plant	14,873	-	-	-
Community Services	51,328	71,896	-	-
<b>Total Charter School</b>	<b>\$ 4,289,531</b>	<b>\$ 106,891</b>	<b>\$ 79,214</b>	<b>\$ -</b>
General Revenues:				
Grants and Contributions Not Restricted to Specific Programs				3,968,241
Miscellaneous				122,579
<b>Total General Revenues</b>				<b>4,090,820</b>
Changes in Net Position				(12,606)
Net Position - Beginning				(13,473)
Net Position - Ending				<b>\$ (26,079)</b>

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNITS**  
**For the Fiscal Year Ended June 30, 2017**

**The Lee Foundation, Inc. - d/b/a Manatee Charter School**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Manatee Charter School</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
<b>Charter School</b>				
Governmental Activities:				
Instruction	\$ 2,719,405	\$ -	\$ 296,171	\$ -
Student Support Services	350,154	-	99,709	-
Instructional Media Services	13,481	-	-	-
Instruction and Curriculum Development Services	6,540	-	-	-
Instructional Staff Training Services	26,478	-	18,104	-
Instruction-Related Technology	107,158	-	-	-
School Board	95,314	-	-	-
School Administration	435,117	-	5,506	-
Fiscal Services	17,310	-	-	-
Food Services	330,051	1,775	330,051	-
Central Services	111,807	-	4,837	-
Student Transportation Services	444	-	1,194	-
Operation of Plant	827,867	-	140,753	-
Maintenance of Plant	132,742	-	-	-
Community Services	53,379	46,176	11,121	-
Unallocated Interest on Long-Term Debt	859,348	-	-	253,068
<b>Total Charter School</b>	<b>\$ 6,086,595</b>	<b>\$ 47,951</b>	<b>\$ 907,446</b>	<b>\$ 253,068</b>
				<b>(4,878,130)</b>
<b>General Revenues:</b>				
				4,794,945
				24,993
				<u>4,819,938</u>
				Changes in Net Position
				(58,192)
				Net Position - Beginning
				<u>(1,620,600)</u>
				Net Position - Ending
				<u>\$ (1,678,792)</u>

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNITS**  
**For the Fiscal Year Ended June 30, 2017**

**Renaissance Arts and Education, Inc. d/b/a Manatee School for the Arts**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Manatee School for the Arts</u>	
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>		<u>Capital Grants and Contributions</u>
<b>Charter School</b>					
Governmental Activities:					
Instruction	\$ 7,601,646	\$ -	\$ 44,651	\$ -	\$ (7,556,995)
Instructional Staff Training Services	599,759	-	-	-	(599,759)
School Board	12,500	-	-	-	(12,500)
School Administration	1,413,279	-	-	-	(1,413,279)
Facilities Services	31,985	-	-	-	(31,985)
Fiscal Services	181,888	-	-	-	(181,888)
Food Services	503,464	216,910	479,901	-	193,347
Student Transportation Services	1,237,425	-	-	-	(1,237,425)
Operation of Plant	1,020,266	-	-	-	(1,020,266)
Maintenance of Plant	61,393	-	-	-	(61,393)
Community Services	365,926	-	-	-	(365,926)
Unallocated Interest on Long-Term Debt	697,407	-	-	555,475	(141,932)
Unallocated Depreciation/Amortization	683,798	-	-	-	(683,798)
<b>Total Charter School</b>	<b>\$ 14,410,736</b>	<b>\$ 216,910</b>	<b>\$ 524,552</b>	<b>\$ 555,475</b>	<b>(13,113,799)</b>
General Revenues:					
					12,566,242
					992,928
					<u>13,559,170</u>
					445,371
					<u>3,980,573</u>
					<u>\$ 4,425,944</u>

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA  
COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNITS  
For the Fiscal Year Ended June 30, 2017**

**Manatee School of Arts and Sciences, Inc.**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>			<u>Manatee School of Arts and Sciences, Inc.</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	
<b>Charter School</b>					
Governmental Activities:					
Instruction	\$ 689,724	\$ -	\$ -	\$ -	\$ (689,724)
Student Support Services	8,126	-	-	-	(8,126)
School Board	53,350	-	-	-	(53,350)
General Administration	8,691	-	-	-	(8,691)
School Administration	156,439	-	-	-	(156,439)
Operation of Plant	100,198	-	-	-	(100,198)
Maintenance of Plant	3,548	-	-	-	(3,548)
Community Services	6,352	-	53,937	-	47,585
Unallocated Interest on Long-Term	18,798	-	-	-	(18,798)
<b>Total Charter School</b>	<u>\$ 1,045,226</u>	<u>\$ -</u>	<u>\$ 53,937</u>	<u>\$ -</u>	<u>(991,289)</u>
General Revenues:					
					999,680
					482
					<u>27,126</u>
					1,027,288
					<u>35,999</u>
					<u>1,074,788</u>
					<u>\$ 1,110,787</u>

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNITS**  
**For the Fiscal Year Ended June 30, 2017**

Oasis Middle School, Inc.

<u>Functions/Programs</u>	Program Revenues				Oasis Middle School, Inc.
<u>Charter School</u>	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	<u>Capital Grants and Contributions</u>	<u>Oasis Middle School, Inc.</u>
Governmental Activities:					
Instruction	\$ 273,964	\$ -	\$ 63,384	\$ -	\$ (210,580)
School Board	2,074	-	-	-	(2,074)
General Administration	40,914	-	-	-	(40,914)
School Administration	215,189	-	-	-	(215,189)
Fiscal Services	34,811	-	-	-	(34,811)
Student Transportation Services	67,926	-	-	-	(67,926)
Operation of Plant	172,528	-	-	-	(172,528)
Unallocated Interest on Long-Term Debt	4,430	-	-	-	(4,430)
<b>Total Charter School</b>	<b>\$ 811,836</b>	<b>\$ -</b>	<b>\$ 63,384</b>	<b>\$ -</b>	<b>(748,452)</b>
General Revenues:					
Grants and Contributions Not Restricted to Specific Programs					877,270
Total General Revenues					877,270
Changes in Net Position					128,818
Net Position - Beginning					195,435
Net Position - Ending					\$ 324,253



**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNITS**  
**For the Fiscal Year Ended June 30, 2017**

Palmetto Charter School, Inc.

<u>Functions/Programs</u>	<u>Program Revenues</u>			<u>Palmetto Charter School, Inc.</u>
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
<b>Charter School</b>				
Governmental Activities:				
Instruction	\$ 1,350,426	\$ -	\$ 128,205	\$ -
Instructional Staff Training Services	41,723	-	-	-
School Administration	359,571	-	-	-
Operation of Plant	239,870	-	-	102,311
Community Services	501,210	123,303	-	-
<b>Total Charter School</b>	<b>\$ 2,492,800</b>	<b>\$ 123,303</b>	<b>\$ 128,205</b>	<b>\$ 102,311</b>
General Revenues:				
Grants and Contributions Not Restricted to Specific Programs				2,424,356
Miscellaneous				1,334
<b>Total General Revenues</b>				<b>2,425,690</b>
Changes in Net Position				286,709
Net Position - Beginning				801,992
Net Position - Ending				<b>\$ 1,088,701</b>

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNITS**  
**For the Fiscal Year Ended June 30, 2017**

**Team Success A School of Excellence, Inc.**

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Team Success A School of Excellence, Inc.</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
<b>Charter School</b>				
Governmental Activities:				
Instruction	\$ 2,120,749	\$ -	\$ 409,357	\$ -
Student Support Services	146,607	-	-	-
School Board	30,608	-	-	-
General Administration	87,919	-	-	-
School Administration	1,476,365	-	-	-
Food Services	429,579	-	593,304	-
Operation of Plant	663,517	-	-	197,624
<b>Total Charter School</b>	<b>\$ 4,955,344</b>	<b>\$ -</b>	<b>\$ 1,002,661</b>	<b>\$ 197,624</b>
General Revenues:				
Grants and Contributions Not Restricted to Specific Programs				4,001,090
Miscellaneous				150,521
<b>Total General Revenues</b>				<b>4,151,611</b>
Changes in Net Position				396,552
Net Position - Beginning				538,468
Net Position - Ending				<u>\$ 935,020</u>

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNITS**  
**For the Fiscal Year Ended June 30, 2017**

Visible Men Academy, Inc.

<u>Functions/Programs</u>	<u>Expenses</u>	<u>Program Revenues</u>		<u>Visible Men Academy, Inc.</u>
		<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>	
<b>Charter School</b>				
Governmental Activities:				
Instruction	\$ 618,905	\$ -	\$ 61,798	\$ -
Student Support Services	73,370	-	2,000	-
Instructional Media Services	9,525	-	-	-
Instruction and Curriculum Development Services	25,793	-	22,308	-
Instructional Staff Training Services	5,000	-	-	-
Instruction-Related Technology	3,767	-	-	-
School Board	70,669	-	-	-
General Administration	135,050	-	-	-
School Administration	329,637	-	-	-
Facilities Services	66,118	-	-	-
Fiscal Services	18,272	-	-	-
Food Services	8,416	-	-	-
Student Transportation Services	64,631	-	-	-
Operation of Plant	97,904	-	-	-
Maintenance of Plant	9,797	-	-	-
Community Services	50,214	750	-	-
Unallocated Depreciation/Amortization	44,106	-	-	-
<b>Total Charter School</b>	<b>\$ 1,631,174</b>	<b>\$ 750</b>	<b>\$ 86,106</b>	<b>\$ -</b>
General Revenues:				
Grants and Contributions Not Restricted to Specific Programs				1,530,157
Total General Revenues				1,530,157
Changes in Net Position				(14,161)
Net Position - Beginning				532,634
Net Position - Ending				\$ 518,473

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**COMBINING STATEMENT OF ACTIVITIES - COMPONENT UNITS**  
**For the Fiscal Year Ended June 30, 2017**

**William Monroe Rowlett Academy for Arts & Communication, Inc.**

<u>Functions/Programs</u>	Program Revenues				<u>William Rowlett Academy for Arts &amp; Communication, Inc.</u>
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
<b>Charter School</b>					
Governmental Activities:					
Instruction	\$ 5,678,824	\$ -	\$ -	\$ -	\$ (5,678,824)
Student Support Services	315,670	-	-	-	(315,670)
Instructional Media Services	68,973	-	-	-	(68,973)
Instructional Staff Training Services	231	-	-	-	(231)
General Administration	104,547	-	-	-	(104,547)
School Administration	787,144	-	-	-	(787,144)
Fiscal Services	31,650	-	-	-	(31,650)
Food Services	340,003	376,662	-	-	36,659
Student Transportation Services	263,164	-	-	-	(263,164)
Operation of Plant	563,779	-	-	-	(563,779)
Maintenance of Plant	1,963	-	-	-	(1,963)
Community Services	253,063	326,775	-	-	73,712
Amortization of Loans Issuance Costs	19,890	-	-	-	(19,890)
<b>Total Charter School</b>	<b>\$ 8,428,901</b>	<b>\$ 703,437</b>	<b>\$ -</b>	<b>\$ -</b>	<b>(7,725,464)</b>
General Revenues:					
Grants and Contributions Not Restricted to Specific Programs					7,349,288
Miscellaneous					1,570
<b>Total General Revenues</b>					<b>7,350,858</b>
Changes in Net Position					(374,606)
Net Position - Beginning					1,555,133
Net Position - Ending					<b>\$ 1,180,527</b>

## STATISTICAL SECTION

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

<u>Contents</u>	<u>Page</u>
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.	135
Revenue Capacity These schedules contain information to help the reader assess the District's most significant local revenue source, the property tax.	149
Debt Capacity These schedules present information to help the reader assess the affordability of the District's current levels of outstanding debt and the District's ability to issue additional debt in the future. The District has no legal debt limit, and therefore, legal debt limit information is not reported in these schedules.	156
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.	159
Operating Information These schedules contain service data to help the reader understand how the information in the District's financial report relates to the services the District provides and the activities it performs.	161

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**NET POSITION BY COMPONENT**  
**LAST TEN FISCAL YEARS**  
**(Accrual Basis of Accounting)**  
**(UNAUDITED)**

	Fiscal Year Ended			
	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011
<b>Governmental Activities:</b>				
Net Investment in Capital Assets	\$ 540,827,793	\$ 542,234,867	\$ 598,189,854	\$ 574,859,168
Restricted	109,184,785	110,691,910	53,837,379	68,753,892
Unrestricted	<u>(28,295,870)</u>	<u>(27,993,105)</u>	<u>(36,055,631)</u>	<u>(40,236,705)</u>
Total Primary Government Net Position	<u>\$ 621,716,708</u>	<u>\$ 624,933,672</u>	<u>\$ 615,971,602</u>	<u>\$ 603,376,355</u>

Note: The District implemented the provisions of Governmental Accounting Standards Board (GASB) Statement 68 effective for fiscal year ended June 30, 2015. Fiscal years prior to 2015 have not been restated for implementation of GASB 68.

Source: District Records

Fiscal Year Ended					
June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017
\$ 608,851,265	\$ 637,582,482	\$ 639,460,250	\$ 644,883,556	\$ 660,374,668	\$ 538,676,767
30,090,248	15,682,746	29,316,956	41,177,665	46,436,593	205,478,056
<u>(44,109,394)</u>	<u>(46,887,580)</u>	<u>(21,195,798)</u>	<u>(152,113,137)</u>	<u>(137,002,536)</u>	<u>(145,961,707)</u>
<u>\$ 594,832,119</u>	<u>\$ 606,377,648</u>	<u>\$ 647,581,408</u>	<u>\$ 533,948,084</u>	<u>\$ 569,808,725</u>	<u>\$ 598,193,116</u>

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**EXPENSES, PROGRAM REVENUES, AND NET (EXPENSE)/REVENUE**  
**LAST TEN FISCAL YEARS**  
**(Accrual Basis of Accounting)**  
**(UNAUDITED)**

	Fiscal Year Ended			
	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011
<b>Expenses:</b>				
<b>Governmental Activities:</b>				
Instruction	\$ 238,345,151	\$ 219,685,974	\$ 227,896,238	\$ 247,356,445
Student Support Services	18,670,481	19,661,450	19,566,581	19,906,521
Instructional Media Services	5,088,865	4,263,047	4,294,490	4,203,610
Instruction and Curriculum Development Services	12,329,216	13,209,407	12,223,936	11,231,694
Instructional Staff Training Services	6,047,145	7,467,812	5,961,289	6,073,391
Instruction-Related Technology	252,955	238,996	239,234	182,746
School Board	1,176,248	1,611,989	1,844,674	1,749,074
General Administration	2,515,075	2,450,984	3,540,863	3,034,769
School Administration	24,931,621	22,515,531	22,998,836	22,818,648
Facilities Services	60,909,395	56,830,405	51,188,083	42,914,299
Fiscal Services	2,016,354	1,640,390	1,716,416	1,936,651
Food Services	18,146,293	18,811,871	19,380,697	19,269,688
Central Services	9,794,146	8,436,082	8,611,562	6,471,184
Student Transportation Services	13,780,622	12,748,497	12,403,970	12,950,943
Operation of Plant	30,272,405	30,196,638	30,312,714	32,222,865
Maintenance of Plant	11,104,447	10,205,766	10,112,521	10,293,274
Administrative Technology Services	4,567,348	4,160,451	4,486,653	4,910,841
Community Services	104,816	127,106	123,293	92,845
Unallocated Interest on Long-Term Debt	13,216,574	13,287,894	13,879,177	13,654,444
Unallocated Depreciation/Amortization	473,342	390,424	422,746	418,428
<b>Total Governmental Activities</b>	<b>473,742,499</b>	<b>447,940,714</b>	<b>451,203,973</b>	<b>461,692,360</b>
<b>Program Revenues:</b>				
<b>Governmental Activities:</b>				
Charges for Services				
Food Services	6,846,579	6,509,638	6,337,488	6,227,467
Other	2,075,260	2,630,203	2,547,495	3,265,604
Operating Grants and Contributions	46,742,641	50,406,042	13,950,219	16,894,768
Capital Grants and Contributions	51,561,304	14,843,772	9,012,298	2,054,111
<b>Total Primary Government Program Revenues</b>	<b>107,225,784</b>	<b>74,389,655</b>	<b>31,847,500</b>	<b>28,441,950</b>
<b>Net (Expense)/Revenue</b>				
Total Primary Government Net Expense	<u>\$ (366,516,715)</u>	<u>\$ (373,551,059)</u>	<u>\$ (419,356,473)</u>	<u>\$ (433,250,410)</u>

Source: District Records



Fiscal Year Ended					
June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017
\$ 226,021,959	\$ 226,022,460	\$ 224,645,414	\$ 242,559,984	\$ 252,033,744	\$ 261,700,571
17,989,995	17,401,246	18,180,242	17,897,004	18,028,665	18,560,266
3,701,822	3,239,160	3,519,549	4,167,346	3,905,835	3,956,593
10,190,268	8,842,606	9,231,904	8,883,331	10,570,509	11,933,839
3,808,332	3,379,849	4,957,065	5,877,894	5,430,234	6,258,506
859,652	778,574	186,190	592,642	46,919	1,356,836
1,244,023	1,405,121	1,244,180	1,052,935	817,629	1,014,501
2,082,634	1,858,188	2,425,875	2,532,599	2,785,198	2,669,390
21,426,987	21,194,566	20,488,409	22,225,141	23,274,561	24,981,310
38,884,100	30,060,205	30,104,598	35,818,641	37,922,654	42,351,772
1,715,338	1,837,224	1,914,647	2,018,689	1,977,509	2,404,317
21,970,133	21,952,880	22,715,726	23,945,709	25,710,911	25,991,762
5,716,118	6,482,263	5,335,331	6,279,091	11,960,112	8,275,008
13,210,461	12,883,165	12,718,714	12,471,794	12,495,737	13,865,576
31,374,384	31,042,205	28,774,914	28,032,655	28,634,346	29,565,984
9,378,100	8,761,931	8,594,159	9,069,078	8,888,260	9,896,369
4,864,844	4,496,417	4,743,166	4,977,450	6,022,660	6,617,813
135,928	89,943	2,676,475	3,443,556	3,649,393	4,266,622
15,022,534	13,218,507	11,664,723	10,627,676	9,042,582	12,774,042
454,266	447,606	37,285	18,803	23,182	22,996
<u>430,051,878</u>	<u>415,394,116</u>	<u>414,158,566</u>	<u>442,492,018</u>	<u>463,220,640</u>	<u>488,464,073</u>
6,308,381	6,016,084	5,596,217	4,993,388	5,040,973	5,023,054
3,302,555	3,328,715	6,477,087	8,020,290	8,809,491	10,090,426
16,007,243	16,664,882	18,649,998	19,851,990	21,630,789	21,799,044
<u>1,847,788</u>	<u>1,819,463</u>	<u>1,793,458</u>	<u>1,849,548</u>	<u>1,857,788</u>	<u>1,908,702</u>
<u>27,465,967</u>	<u>27,829,144</u>	<u>32,516,760</u>	<u>34,715,216</u>	<u>37,339,041</u>	<u>38,821,226</u>
<u>\$ (402,585,911)</u>	<u>\$ (387,564,972)</u>	<u>\$ (381,641,806)</u>	<u>\$ (407,776,802)</u>	<u>\$ (425,881,599)</u>	<u>\$ (449,642,847)</u>

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**GENERAL REVENUES AND TOTAL CHANGE IN NET POSITION**  
**LAST TEN FISCAL YEARS**  
**(Accrual Basis of Accounting)**  
**(UNAUDITED)**

	Fiscal Year Ended			
	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011
<b>Net (Expense)/Revenue</b>				
Total Primary Government Net Expense	\$ (366,516,715)	\$ (373,551,059)	\$ (419,356,473)	\$ (433,250,410)
<b>General Revenues and Other Changes in Net Position:</b>				
<b>Governmental Activities:</b>				
Taxes:				
Property taxes, Levied for Operational Purposes <sup>a</sup>	187,478,752	181,976,481	177,473,980	162,116,389
Property Taxes, Levied for Capital Projects <sup>a</sup>	66,177,539	56,713,964	44,092,922	32,016,130
Local Sales Taxes	22,111,203	20,893,833	20,324,150	21,740,639
Grants and Contributions Not Restricted	112,261,731	110,325,158	105,172,480	199,491,581
Unrestricted Investment Earnings	6,576,019	2,426,306	1,172,808	402,194
Miscellaneous	5,489,836	4,432,281	7,132,082	4,888,230
Gain on Disposal of Capital Assets	-	-	-	-
Total Primary Government	<u>400,095,080</u>	<u>376,768,023</u>	<u>355,368,422</u>	<u>420,655,163</u>
<b>Changes in Net Position</b>				
Total Primary Government	<u>\$ 33,578,365</u>	<u>\$ 3,216,964</u>	<u>\$ (63,988,051)</u>	<u>\$ (12,595,247)</u>

Notes: <sup>a</sup> Changes in property tax revenues are a product of underlying changes in property values and tax rates. See schedules 8-11.

Source: District Records

Fiscal Year Ended					
June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017
\$ (402,585,911)	\$ (387,564,972)	\$ (381,641,806)	\$ (407,776,802)	\$ (425,881,599)	\$ (449,642,847)
158,832,404	146,608,480	151,957,182	158,614,689	170,841,398	172,944,705
36,873,095	36,129,914	36,369,098	40,494,409	44,435,342	47,865,648
23,269,839	23,520,704	28,815,045	28,209,372	30,062,884	30,278,920
169,035,116	186,166,826	203,720,310	210,197,838	210,821,583	215,726,629
820,672	838,465	77,687	354,605	706,695	1,834,486
5,210,549	5,846,112	4,189,884	5,404,855	4,486,941	9,376,850
-	-	946,211	-	387,397	-
<u>394,041,675</u>	<u>399,110,501</u>	<u>426,075,417</u>	<u>443,275,768</u>	<u>461,742,240</u>	<u>478,027,238</u>
<u>\$ (8,544,236)</u>	<u>\$ 11,545,529</u>	<u>\$ 44,433,611</u>	<u>\$ 35,498,966</u>	<u>\$ 35,860,641</u>	<u>\$ 28,384,391</u>

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified Accrual Basis of Accounting)**  
**(UNAUDITED)**

	Fiscal Year Ended			
	June 30, 2008	June 30, 2009	June 30, 2010	June 30, 2011
<b>General Fund</b>				
Reserved for:				
Encumbrances	\$ 998,738	\$ 1,056,920	\$ 1,128,208	\$ -
State Categorical Programs	1,344,442	405,126	163,742	-
Inventory	452,003	389,949	452,212	-
Unreserved	5,271,028	9,539,198	9,126,279	-
Nonspendable (b)				
Prepaid Items	-	-	-	444,302
Inventories	-	-	-	1,243,529
SBA Fund B	-	-	-	-
Restricted (b)				
State Required Carryover Programs	-	-	-	132,154
Capital Projects	-	-	-	-
Grants	-	-	-	-
Assigned (b)				
School and Local Programs	-	-	-	1,579,405
Unassigned (b)	-	-	-	3,394,697
<b>Total General Fund</b>	<b>\$ 8,066,211</b>	<b>\$ 11,391,193</b>	<b>\$ 10,870,441</b>	<b>\$ 6,794,087</b>
<b>All Other Governmental Funds</b>				
Reserved for:				
Retirement of Long-Term Debt	334,671	303,701	966,159	-
Encumbrances	36,894,486	58,249,500	33,842,561	-
Inventory	1,022,004	990,048	833,259	-
Other	-	-	-	-
Unreserved, Reported in:				
Special Revenue Funds	196,385	581,638	1,445,589	-
Debt Service Funds	415,159	104,202	-	-
Capital Projects Funds	89,375,089	51,160,267	16,175,978	-
Nonspendable (b)				
Inventories	-	-	-	947,940
SBA Fund B	-	-	-	-
Restricted (b)				
Food Services	-	-	-	3,626,011
Debt Service	-	-	-	1,252,749
Capital Projects	-	-	-	62,163,573
<b>Total All Other Governmental Funds (a)</b>	<b>\$ 128,237,794</b>	<b>\$ 111,389,356</b>	<b>\$ 53,263,546</b>	<b>\$ 67,990,273</b>

<sup>a</sup> The fluctuations in total fund balances are primarily due to the timing of debt issues.

<sup>b</sup> The District implemented the provision of Governmental Accounting Standards Board Statement 54 effective for fiscal year ended June 30, 2011.

Source: District Records

Fiscal Year Ended					
June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
460,237	731,800	708,654	743,221	738,001	680,710
-	218,736	22,069	-	-	-
208,430	180,838	1,513,821	1,488,150	1,780,584	6,759,806
-	-	-	-	-	-
-	-	1,100,482	921,821	255,885	-
-	-	973,008	2,877,127	4,815,340	5,294,697
(4,127,328)	(8,634,431)	10,093,347	11,317,831	8,599,308	12,826,861
<u>\$ (3,458,661)</u>	<u>\$ (7,503,057)</u>	<u>\$ 14,411,381</u>	<u>\$ 17,348,150</u>	<u>\$ 16,189,118</u>	<u>\$ 25,562,074</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
880,242	866,360	317,889	246,630	-	-
-	164,793	37,041	-	-	-
3,685,910	3,929,626	6,212,882	7,116,416	7,138,240	7,912,726
2,543,985	3,847,802	5,360,215	6,489,657	7,730,042	8,849,336
<u>23,651,923</u>	<u>11,574,021</u>	<u>18,865,645</u>	<u>27,859,088</u>	<u>32,372,981</u>	<u>182,015,378</u>
<u>\$ 30,762,060</u>	<u>\$ 20,382,602</u>	<u>\$ 30,793,672</u>	<u>\$ 41,711,791</u>	<u>\$ 47,241,263</u>	<u>\$ 198,777,440</u>

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**GOVERNMENTAL FUNDS REVENUES**  
**LAST TEN FISCAL YEARS**  
**(Modified Accrual Basis of Accounting)**  
**(UNAUDITED)**

	Fiscal Year Ended			
	2008	2009	2010	2011
<b>Federal Direct Sources:</b>				
Reserve Officers Training Corps (ROTC)	\$ 386,704	\$ 584,553	\$ 498,590	\$ 517,394
Other Federal Direct Sources	713,796	1,739,763	2,701,383	3,148,898
Miscellaneous Federal Direct	837,810	1,231,406	2,244,740	2,632,457
<b>Total Federal Direct Sources</b>	<b>1,938,310</b>	<b>3,555,722</b>	<b>5,444,713</b>	<b>6,298,749</b>
<b>Federal Through State and Local Sources:</b>				
Vocational Education Acts	-	-	-	-
Food Service	9,132,986	10,229,554	12,665,849	13,721,739
Donated Foods and Cash in Lieu of Donated Foods	1,174,641	1,351,818	903,545	1,128,392
Race-to-the-Top	-	-	-	-
Medicaid	1,066,344	974,792	1,276,151	1,486,611
Other Federal Through State Sources	26,301,294	27,095,351	47,230,382	62,378,234
Other Federal Through Local Sources	-	36,239	130,014	65,000
<b>Total Federal Through State and Local Sources</b>	<b>37,675,265</b>	<b>39,687,754</b>	<b>62,205,941</b>	<b>78,779,976</b>
<b>State Sources:</b>				
Florida Education Finance Program (FEFP)	49,911,307	48,051,211	47,989,579	68,140,035
Workforce Development	7,407,866	6,962,946	6,408,904	6,331,219
Categorical	55,015,719	56,703,677	46,634,670	48,861,260
District Discretionary Lottery Funds	2,027,702	1,048,407	119,325	165,092
School Recognition	1,493,932	2,139,904	1,720,415	1,177,618
Mobile Home License Tax	351,196	343,021	357,343	337,608
Voluntary Pre-Kindergarten Program	1,166,415	1,179,030	1,172,921	1,415,531
CO&DS Distribution	240,897	405,529	337,337	218,639
CO&DS Withheld for SBE/COBI Bonds	1,423,716	1,405,301	1,463,925	1,582,622
CO&DS Withheld for Bond Administrative Expenses	25,495	27,430	27,430	27,430
Public Education Capital Outlay	7,625,892	1,626,894	7,029,921	1,752,013
Charter School Capital Outlay	1,449,012	1,303,771	1,371,691	1,422,394
Classrooms for Kids	34,104,996	-	-	113,181
Food Services	274,569	327,849	286,946	292,624
State Grants and Other State Sources	1,871,799	6,026,630	848,718	1,406,462
<b>Total State Sources</b>	<b>164,390,513</b>	<b>127,551,600</b>	<b>115,769,125</b>	<b>133,243,728</b>
<b>Local Sources:</b>				
Ad Valorem Taxes	253,656,291	238,690,445	221,566,902	194,132,519
Food Service	6,932,801	6,509,638	6,337,487	6,204,275
Sales Taxes	22,111,203	20,893,833	20,324,150	21,740,639
Interest Income	6,575,285	2,879,954	719,161	402,187
Impact Fees	5,392,577	4,779,897	134,478	33,570
Net Increase (Decrease) in Fair Value of Investments	-	-	-	-
Other Local Sources	7,465,181	6,891,312	8,625,910	13,618,870
<b>Total Local Sources</b>	<b>302,133,338</b>	<b>280,645,079</b>	<b>257,708,088</b>	<b>236,132,060</b>
<b>Total Revenues</b>	<b>\$ 506,137,426</b>	<b>\$ 451,440,155</b>	<b>\$ 441,127,867</b>	<b>\$ 454,454,513</b>

Source: District Records

Fiscal Year Ended					
2012	2013	2014	2015	2016	2017
\$ 525,000	\$ 424,278	\$ 575,779	\$ 514,685	\$ 539,649	\$ 550,661
2,921,474	906,606	2,721,640	2,604,138	2,288,736	2,394,180
<u>2,735,989</u>	<u>3,429,073</u>	<u>1,264,155</u>	<u>967,799</u>	<u>1,024,430</u>	<u>1,011,615</u>
<u>6,182,463</u>	<u>4,759,957</u>	<u>4,561,574</u>	<u>4,086,622</u>	<u>3,852,815</u>	<u>3,956,456</u>
25,000	684,975	564,511	703,142	832,832	729,053
14,721,101	15,278,644	16,695,907	18,269,983	19,572,394	19,578,983
993,350	1,090,670	1,652,487	1,287,600	1,753,239	1,905,449
-	1,539,748	2,706,282	676,404	62,265	2,600
1,534,140	1,522,142	1,929,923	967,992	2,536,281	1,665,922
34,215,413	25,078,676	23,118,259	28,550,136	29,173,138	29,036,870
<u>18,766</u>	<u>1,500</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>51,507,770</u>	<u>45,196,355</u>	<u>46,667,369</u>	<u>50,455,257</u>	<u>53,930,149</u>	<u>52,918,877</u>
63,116,735	87,122,510	103,880,937	105,901,217	106,171,607	110,775,250
8,684,743	8,742,656	9,296,931	9,563,822	9,624,628	9,653,242
49,293,600	51,067,872	51,316,301	52,625,677	51,956,172	53,364,352
145,378	-	462,613	170,525	-	809,867
1,670,141	2,095,390	1,501,341	2,461,552	1,908,465	904,182
333,368	332,958	336,176	337,552	340,752	338,933
1,685,859	1,222,565	1,597,903	1,929,689	1,790,079	1,612,212
197,055	186,215	172,396	235,396	383,710	382,582
1,604,025	1,606,315	1,594,289	1,585,659	1,445,620	1,466,684
27,430	26,933	26,772	27,142	28,183	28,161
-	-	-	827,659	740,035	1,111,704
1,351,512	1,358,013	1,936,103	1,743,616	1,215,646	1,610,007
-	-	-	-	-	-
292,792	295,568	-	-	-	-
<u>797,277</u>	<u>637,865</u>	<u>813,041</u>	<u>775,648</u>	<u>1,662,335</u>	<u>1,624,361</u>
<u>129,199,915</u>	<u>154,694,860</u>	<u>172,934,803</u>	<u>178,185,154</u>	<u>177,267,232</u>	<u>183,681,537</u>
195,705,499	182,738,394	189,499,853	199,109,098	215,276,740	220,810,354
6,292,762	6,000,544	5,596,217	4,990,498	5,040,973	4,994,781
23,269,839	23,520,704	28,815,045	28,209,373	30,062,884	30,278,920
820,672	838,464	296,773	354,607	560,616	1,756,159
-	-	153,480	-	47,644	6,892,715
-	-	-	-	146,079	78,328
<u>8,180,541</u>	<u>8,545,988</u>	<u>9,056,827</u>	<u>11,847,274</u>	<u>13,205,042</u>	<u>13,603,873</u>
<u>234,269,313</u>	<u>221,644,094</u>	<u>233,418,195</u>	<u>244,510,850</u>	<u>264,339,978</u>	<u>278,415,130</u>
<u>\$ 421,159,461</u>	<u>\$ 426,295,266</u>	<u>\$ 457,581,941</u>	<u>\$ 477,237,883</u>	<u>\$ 499,390,174</u>	<u>\$ 518,972,000</u>

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**GOVERNMENTAL FUNDS EXPENDITURES AND DEBT SERVICE RATIO**  
**LAST TEN FISCAL YEARS**  
**(Modified Accrual Basis of Accounting)**  
**(UNAUDITED)**

	Fiscal Year Ended			
	2008	2009	2010	2011
<b>Expenditures:</b>				
<b>Current:</b>				
Instruction	\$ 229,662,631	216,156,651	\$ 223,331,679	\$ 246,671,653
Student Support Services	18,063,619	19,116,928	19,153,509	19,739,611
Instructional Media Services	4,934,384	4,234,625	4,199,805	4,123,084
Instruction and Curriculum Development Services	12,246,227	13,161,731	11,956,815	11,245,178
Instructional Staff Training Services	5,944,056	7,371,758	5,877,040	6,018,269
Instruction-Related Technology	242,911	233,264	234,914	209,585
School Board	1,149,933	1,605,822	1,819,381	1,796,219
General Administration	2,496,279	2,497,628	3,498,545	3,233,549
School Administration	24,345,430	22,276,031	22,562,783	22,516,028
Facilities Services	29,529,645	28,904,651	26,564,927	16,202,899
Fiscal Services	1,986,832	1,604,724	1,680,592	1,958,771
Food Services	17,839,292	18,603,069	19,030,147	18,742,272
Central Services	9,522,292	8,409,029	8,436,165	6,348,972
Student Transportation Services	13,392,359	12,572,355	12,177,137	12,980,372
Operation of Plant	29,810,413	29,895,539	29,877,353	32,135,132
Maintenance of Plant	10,478,014	9,571,654	9,545,091	9,851,492
Administrative Technology Services	4,442,643	4,081,164	4,408,660	4,811,483
Community Services	102,604	126,342	121,518	50,828
<b>Capital Outlay:</b>				
Facilities Acquisition and Construction	46,548,920	49,779,462	57,551,106	38,171,205
Other Capital Outlay	11,178,366	14,139,083	3,357,189	7,059,458
<b>Debt Service:</b>				
Principal	18,565,000	31,880,000	20,615,000	33,070,000
Interest and Fiscal Charges	13,829,280	15,232,706	15,103,692	15,134,174
Miscellaneous (Principal and Interest Current Refunding)				
Total Expenditures	<u>\$ 506,311,130</u>	<u>\$ 511,454,216</u>	<u>\$ 501,103,048</u>	<u>\$ 512,070,234</u>
Debt Service as a Percentage of Noncapital Expenditures	7.78%	11.77%	8.83%	11.51%

Source: District Records



Fiscal Year Ended						
2012	2013	2014	2015	2016	2017	
\$ 228,320,663	\$ 228,743,209	\$ 227,279,854	\$ 247,226,992	\$ 260,712,412	\$ 256,276,353	
18,199,264	17,517,473	18,360,200	18,396,052	18,944,434	18,108,941	
3,681,950	3,295,487	3,533,494	4,102,303	4,138,120	3,846,097	
10,311,775	9,067,510	9,333,608	9,274,420	11,201,010	11,684,663	
3,680,655	3,275,218	4,864,983	5,859,552	5,493,690	6,093,475	
861,628	781,864	189,028	592,642	46,919	1,356,817	
1,269,344	1,560,043	1,336,453	1,092,272	855,187	965,144	
2,106,366	1,873,127	2,479,203	2,628,479	2,993,141	2,571,338	
21,704,814	21,568,922	20,761,037	23,326,317	24,571,559	24,506,044	
13,118,068	6,827,292	6,122,922	12,675,995	15,472,906	17,387,540	
1,741,991	1,813,466	1,931,355	2,051,315	2,147,875	2,291,640	
21,985,596	21,954,420	22,892,878	23,811,556	25,719,583	25,061,536	
5,780,821	6,530,711	5,493,306	6,494,031	12,350,544	8,053,662	
13,388,865	13,114,916	13,073,986	12,713,423	13,046,653	13,701,260	
31,607,187	31,463,482	29,478,855	28,376,595	29,217,678	29,519,729	
9,153,073	8,785,541	8,779,822	9,194,873	9,122,054	9,672,310	
4,860,669	4,565,389	4,815,676	5,153,758	6,317,131	6,507,623	
138,433	116,793	2,674,306	3,524,656	3,796,746	4,060,662	
24,133,040	12,022,264	1,142,319	312,796	3,668,099	17,202,727	
9,275,146	5,456,341	1,357,860	3,931,864	8,983,510	14,495,483	
27,365,000	27,295,000	31,996,652	26,475,413	27,330,322	28,522,680	
16,320,292	13,673,727	12,155,040	10,895,436	9,937,318	11,786,744	
<u>\$ 469,004,640</u>	<u>\$ 441,302,195</u>	<u>\$ 430,052,837</u>	<u>\$ 458,110,740</u>	<u>\$ 496,066,891</u>	<u>\$ 513,672,468</u>	
11.15%	10.70%	10.31%	8.22%	7.71%	8.36%	

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**OTHER FINANCING SOURCES AND USES AND NET CHANGE IN FUND BALANCES, GOVERNMENTAL FUND**  
**LAST TEN FISCAL YEARS**  
**(Modified Accrual Basis of Accounting)**  
**(UNAUDITED)**

	Fiscal Year Ended			
	2008	2009	2010	2011
Excess of Revenues over (under) Expenditures	\$ (173,704)	\$ (60,014,061)	\$ (59,975,181)	\$ (57,615,721)
<b>Other Financing Sources (Uses)</b>				
Proceeds of Notes/Loans	25,000,000	-	-	5,000,000
Bonds Issued	-	-	1,125,393	1,769,268
Discount on Long-Term Debt Issued	-	(712,715)	-	(125,954)
Proceeds from the Sale of Capital Assets	165,399	123,240	157,177	-
Loss Recoveries	-	15,080	-	4,247
Refunding Bonds/COPs Issued	-	-	689,607	600,000
Premium on Refunding of Bonds	-	-	60,438	-
Certificates of Participation	59,380,000	47,065,000	-	61,450,000
Premiums on Long-Term Debt Issued	970,353	-	30,263	268,073
Capital Lease Agreement	-	-	-	-
Payment to Refunding Bonds/COPs Escrow Agent	(62,902,738)	-	(734,263)	(699,540)
Proceeds from Sales of Capital Assets	-	-	-	-
Transfers In	56,412,202	64,292,685	49,191,026	60,800,905
Transfers Out	(56,412,202)	(64,292,685)	(49,191,026)	(60,800,905)
Total Other Financing Sources (Uses)	22,613,014	46,490,605	1,328,615	68,266,094
Net Change in Fund Balance	\$ 22,439,310	\$ (13,523,456)	\$ (58,646,566)	\$ 10,650,373

Fiscal Year Ended					
2012	2013	2014	2015	2016	2017
\$ (47,845,179)	\$ (15,006,929)	\$ 27,529,104	\$ 19,127,143	\$ 3,323,283	\$ 5,299,532
-	-	-	-	-	-
-	-	-	-	-	131,785,000
-	-	-	-	-	-
-	-	-	-	-	-
99,690	33,075	16,701	-	-	-
50,130,000	-	-	2,769,000	38,470,000	37,609,000
97,744	-	-	263,323	-	7,725,358
-	-	-	-	-	-
-	-	-	-	-	19,260,513
-	-	429,703	-	425,826	912,829
(50,111,732)	-	-	(3,089,758)	(38,236,066)	(43,887,159)
148,516	550,000	4,350,000	750,000	387,397	2,204,060
57,328,912	53,365,787	57,083,413	50,213,085	49,722,423	49,352,172
(57,328,912)	(53,365,787)	(57,083,413)	(56,177,905)	(49,722,423)	(49,352,172)
364,218	583,075	4,796,404	(5,272,255)	1,047,157	155,609,601
\$ (47,480,961)	\$ (14,423,854)	\$ 32,325,508	\$ 13,854,888	\$ 4,370,440	\$ 160,909,133



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**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

Fiscal Year	Just Value			Less: Exemptions	Total School Taxable Value	Total Direct Rate
	Real Property	Personal Property	Central Assessed			
2016-2017	\$ 39,458,732,427	\$ 3,106,498,488	\$ 8,385,758	\$ 9,433,757,757	\$ 33,139,858,916	6.9200
2015-2016	35,990,421,239	3,095,531,886	7,971,396	8,477,293,975	30,616,630,546	7.2670
2014-2015	31,747,370,491	2,961,644,950	7,992,261	6,784,230,192	27,932,777,510	7.3760
2013-2014	28,598,236,142	2,724,593,216	8,008,955	5,458,863,540	25,871,974,773	7.5720
2012-2013	27,271,851,487	2,724,131,670	7,509,299	5,117,126,987	24,886,365,469	7.5890
2011-2012	28,200,290,660	2,634,366,187	7,718,842	5,494,138,512	25,348,237,177	7.9600
2010-2011	29,747,730,647	2,734,851,693	6,753,475	5,999,837,717	26,489,498,098	7.5910
2009-2010	35,315,585,698	2,842,782,571	9,162,416	7,730,254,175	30,437,276,510	7.5410
2008-2009	40,532,806,394	2,830,852,629	7,545,814	10,273,262,587	33,097,942,250	7.3720
2007-2008	44,545,058,066	2,781,296,175	7,382,470	12,908,157,185	34,425,579,526	7.6660

Note: Net Taxable Assessed Values are net Taxable Values after deducting allowable statutory exemptions.

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Source: Florida Department of Revenue

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**PROPERTY TAX RATES**  
**DIRECT AND OVERLAPPING GOVERNMENTS**  
**LAST TEN FISCAL YEARS**  
**(per \$1,000 Assessed Valuation)**  
**(UNAUDITED)**

	Fiscal Year			
	2007-2008	2008-2009	2009-2010	2010-2011
District School Board:				
Required Local Effort	5.0280	4.9910	5.2930	5.3430
Discretionary Local	0.5100	0.4980	0.7480	0.9980
Supplemental Discretionary	0.1280	0.1330	0.0000	0.0000
Capital Improvement	<u>2.0000</u>	<u>1.7500</u>	<u>1.5000</u>	<u>1.2500</u>
<b>Total District School Board</b>	<u><b>7.6660</b></u>	<u><b>7.3720</b></u>	<u><b>7.5410</b></u>	<u><b>7.5910</b></u>
Other County-Wide:				
Board of County Commissioners	6.3869	6.3949	6.4083	6.4247
Unincorporated Municipal Service Tax	0.6109	0.6109	0.6109	0.6109
County-Wide Special Districts	<u>0.6780</u>	<u>0.6832</u>	<u>0.6878</u>	<u>0.6888</u>
<b>Total Other County-Wide</b>	<u><b>7.6758</b></u>	<u><b>7.6890</b></u>	<u><b>7.7070</b></u>	<u><b>7.7244</b></u>
<b>Total County-Wide</b>	<u><u><b>15.3418</b></u></u>	<u><u><b>15.0610</b></u></u>	<u><u><b>15.2480</b></u></u>	<u><u><b>15.3154</b></u></u>
Municipalities:				
Anna Maria	1.7882	1.7882	1.7882	1.7882
Bradenton	4.1134	4.2843	4.2843	4.9452
Bradenton Beach	2.2579	2.2579	2.1539	2.1539
Holmes Beach	1.5989	1.5989	1.7549	1.7500
Longboat Key	1.5098	1.5583	1.5554	1.9588
Palmetto	4.6662	4.6662	4.6662	4.6662

Property is assessed as of January 1st and taxes on those assessments are levied according to the tax rate in effect during that tax year and become due on November 1st. Therefore, assessments and tax levies applicable to a certain tax year are collected in the fiscal year ending during the following calendar year.

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Source: Manatee County Property Appraiser

	Fiscal Year Ended					
	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
District School Board:						
Required Local Effort	5.7120	5.3410	5.3240	5.1280	5.0190	4.6720
Discretionary Local	0.7480	0.7480	0.7480	0.7480	0.7480	0.7480
Supplemental Discretionary	0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
Capital Improvement	1.5000	1.5000	1.5000	1.5000	1.5000	1.5000
<b>Total District School Board</b>	<b>7.9600</b>	<b>7.5890</b>	<b>7.5720</b>	<b>7.3760</b>	<b>7.2670</b>	<b>6.9200</b>
Other County-Wide:						
Board of County Commissioners	6.4296	6.4326	6.4326	6.4326	6.4326	6.4326
Unincorporated Municipal Service Tax	0.6109	0.6109	0.6109	0.6109	0.6109	0.6109
County-Wide Special Districts	0.5608	0.5608	0.5498	0.5274	0.5104	0.5061
<b>Total Other County-Wide</b>	<b>7.6013</b>	<b>7.6043</b>	<b>7.5933</b>	<b>7.5709</b>	<b>7.5539</b>	<b>7.5496</b>
<b>Total County-Wide</b>	<b>15.5613</b>	<b>15.1933</b>	<b>15.1653</b>	<b>14.9469</b>	<b>14.8209</b>	<b>14.4696</b>
Municipalities:						
Anna Maria	2.0500	2.0500	2.0500	2.0500	2.0500	2.0500
Bradenton	5.2002	5.4356	5.8976	5.8976	5.8976	5.8976
Bradenton Beach	2.1359	2.3329	2.3329	2.3329	2.3329	2.3329
Holmes Beach	1.7500	1.7500	1.7500	1.7500	2.2500	2.2500
Longboat Key	1.9549	1.9436	2.1320	3.2993	3.2286	3.1515
Palmetto	5.1185	5.2171	5.7171	5.7171	5.9671	5.9671

Source: Manatee County Property Appraiser

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA  
PRINCIPAL PROPERTY TAX PAYERS  
CURRENT YEAR  
(UNAUDITED)**

Taxpayer	Fiscal Year					
	2016-2017			2007-2008		
	Rank	Taxable Value (in thousands)	Percentage of Total Taxable Value <sup>(1)</sup>	Rank	Taxable Value (in thousands)	Percentage of Total Taxable Value <sup>(1)</sup>
Florida Power & Light Co. - Plant	1	\$ 1,019,715,502	3.077%	1	\$ 773,384,346	2.334%
Tropicana Products, Inc.	2	255,711,295	0.772%	2	321,419,003	0.970%
Mosaic Fertilizer, LLC	3	166,827,868	0.503%			
Gulfstream Natural Gas System, LLC	4	147,960,571	0.446%	4	124,574,008	0.376%
Peace River Electric Coop, Inc.	5	118,406,226	0.357%			
Manatee Memorial Hospital LP	6	117,227,491	0.354%			
Gulf Coast Factory Shops	7	110,000,009	0.332%	7	88,379,770	0.267%
Tropicana Manufacturing Company, Inc.	8	91,959,651	0.277%			
Frontier Floirda LLC	9	85,454,086	0.258%			
93 FLRPT LLC	10	78,237,168	0.236%			
Benderson				6	76,918,049	0.232%
Brighthouse Networks				8	75,439,874	0.228%
Beall's Inc.				9	55,635,741	0.168%
Merion Building Management				10	49,255,645	0.149%
Verizon Florida, Inc.				3	157,721,355	0.476%
Walmart Stores, Inc.				5	88,595,298	0.267%
Total		<u>\$ 2,191,499,867</u>	<u>6.613%</u>		<u>\$ 1,811,323,089</u>	<u>5.466%</u>

<sup>(1)</sup> Percent of total taxable value is calculated using total school taxable value from Schedule 8.

Source: Manatee County Property Appraiser



**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**PROPERTY TAX LEVIES AND COLLECTIONS**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

Fiscal Year Ended June 30	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of The Levy		Collections In Subsequent Years (1)	Total Collections to Date	
		Amount (1)	Percentage of Levy		Amount (1)	Percentage of Levy
2017	\$ 229,325,697	\$ 221,040,158	96.39%	\$ -	\$ 221,040,158	96.39%
2016	222,703,404	215,050,457	96.56%	226,283	215,276,740	96.67%
2015	206,282,880	194,849,908	94.46%	335,140	195,185,048	94.62%
2014	196,145,025	189,060,242	96.39%	243,210	189,303,452	96.51%
2013	189,012,670	182,738,394	96.68%	176,736	182,915,130	96.77%
2012	202,165,307	195,705,499	96.80%	372,628	196,078,127	96.99%
2011	200,699,079	194,080,446	96.70%	523,719	194,604,165	96.96%
2010	229,524,151	221,283,064	96.41%	462,474	221,745,538	96.61%
2009	245,510,550	238,690,445	97.22%	771,364	239,461,809	97.54%
2008	263,684,926	253,468,832	96.13%	1,283,997	254,752,829	96.61%

Note: Property Taxes become due and payable on November 1st of each year. A four percent (4%) discount is allowed if taxes are paid in November, with the discounts declining by one percent (1%) each month thereafter. Accordingly, taxes collected will never be 100% of the tax levy. Taxes become delinquent on April 1st of each year and tax certificates for the full amount of any unpaid taxes and assessments must be sold not later than June 1st of each year. Accordingly, the majority of taxes are collected in the fiscal year levied.

(1) Net of allowable discounts

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Source: Manatee County Tax Collector and District Records

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA  
HISTORICAL SALES SURTAX COLLECTION  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

<b>Fiscal Year Ended June 30</b>	<b>Actual Sales Tax Revenues Received by the School Board</b>	<b>Debt Service Payment</b>	<b>Debt Service Coverage</b>
2017	\$ 30,278,920	\$ 16,148,497	1.88
2016	30,062,884	15,471,164	1.94
2015	28,209,372	15,468,243	1.82
2014	26,436,232	15,277,296	1.73
2013	24,379,569	14,855,596	1.64
2012	23,269,839	15,917,127	1.46
2011	21,740,639	15,962,740	1.36
2010	20,324,150	15,977,978	1.27
2009	20,893,833	15,928,865	1.31
2008	22,111,203	16,022,503	1.38

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Source: District Records

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**PUBLIC EDUCATION CAPITAL OUTLAY AND CAPITAL OUTLAY & DEBT SERVICE FUNDS**  
**REVENUES**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

<b>Fiscal Year</b>	<b>Public Education Capital Outlay Fund</b>				<b>Capital Outlay &amp; Debt Service Fund</b>
	<b>New Construction</b>	<b>Maintenance</b>	<b>Manatee Technical Institute</b>	<b>Total</b>	
2016-2017	\$ -	\$ 1,111,704	\$ -	\$ 1,111,704	\$ 413,457
2015-2016	-	740,035	-	740,035	383,710
2014-2015	-	827,659	-	-	223,524
2013-2014	-	-	-	-	163,843
2012-2013	-	-	-	-	169,279
2011-2012	-	-	-	-	197,055
2010-2011	-	1,752,013	-	1,752,013	218,639
2009-2010	1,917,946	611,975	4,500,000	7,029,921	337,337
2008-2009	-	1,626,894	-	1,626,894	427,795
2007-2008	2,032,482	2,893,210	2,700,000	7,625,692	240,897

Source: District Records

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

<b>Fiscal Year</b>	<b>State Board of Education Bonds</b>	<b>Certificates Of Participation</b>	<b>District Revenue Bonds</b>	<b>Notes Payable</b>	<b>Capital Leases Payable</b>	<b>Total Primary Government (A)</b>	<b>Percentage of Personal Income (B)</b>	<b>Per Capita (B)</b>
2016-2017	\$ 5,094,000 (1)	\$ 160,003,454 (1)	\$ 147,110,000 (1)	\$ -	\$ 1,181,940	\$ 313,389,394	NA	\$ 876
2015-2016	6,421,000 (1)	174,713,454 (1)	30,370,000 (1)	-	560,791	212,065,245	1.353%	607
2014-2015	7,549,000 (1)	183,938,455 (1)	45,145,000 (1)	-	257,638	236,890,093	1.647%	698
2013-2014	8,975,000 (1)	194,628,455 (1)	59,640,000 (1)	-	338,051	263,581,506	1.830%	789
2012-2013	10,120,000 (1)	206,553,455 (1)	73,475,000 (1)	5,000,000	-	295,148,455	2.052%	894
2011-2012	11,925,000	216,418,455	86,305,000	8,500,000	-	323,148,455	2.428%	1,022
2010-2011	12,335,000	225,898,455	94,890,000	13,500,000	-	346,623,455	2.695%	1,071
2009-2010	11,610,000	173,578,455	106,325,000	20,000,000	-	311,513,455	2.541%	971
2008-2009	11,425,000	182,218,455	117,395,000	20,000,000	-	331,038,455	2.531%	1,038
2007-2008	12,275,000	143,073,455	128,005,000	32,500,000	-	315,853,455	2.372%	998

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

(1) Amount excludes premiums and discounts.

NA - Information not yet available

Source:

(A) District Records

(B) Total Primary Government Debt divided by Personal Income and Population from Schedule 16.

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**AS OF JUNE 30, 2017**  
**(UNAUDITED)**

	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Direct and Overlapping Debt</u>
School District of Manatee County			
Notes Payable	\$ -	100.00%	\$ -
Bonds Payable	152,204,000 (b)	100.00%	152,204,000
Certificates of Participation	160,003,454 (b)	100.00%	160,003,454
Obligation Under Capital Leases	1,181,940 (b)	100.00%	<u>1,181,940</u>
Total Direct Debt			<u>313,389,394</u>
Overlapping Debt: (a)			
City of Anna Maria	2,399,536	100.00%	2,399,536
City of Bradenton	31,977,880	100.00%	31,977,880
Town of Longboat Key	11,810,908	100.00%	11,810,908
City of Palmetto	4,518,371	100.00%	4,518,371
Manatee County	135,221,000	100.00%	<u>135,221,000</u>
Total Overlapping Debt			<u>185,927,695</u>
Total Direct and Overlapping Debt			<u>\$ 499,317,089</u>

(a) Information was obtained from the September 30, 2016, financial statements of each respective governmental entity. Since the geographic boundaries of each governmental entity is within the geographic boundaries for which the District serves, 100 percent of the debt has been included.

(b) Amount excludes premiums and discounts.

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA  
ANTICIPATED CAPITAL OUTLAY MILLAGE LEVY  
REQUIRED TO COVER CERTIFICATES OF PARTICIPATION PAYMENTS  
LAST TEN FISCAL YEARS  
(UNAUDITED)**

<b>Fiscal Year</b>	<b>Taxable Assessed Value</b>	<b>Annual Lease Payment</b>	<b>Millage Levy to Provide 1.00x Coverage <sup>a</sup></b>
2016-2017	\$ 33,139,858,916	\$ 18,574,408	0.59 mills
2015-2016	30,616,630,546	18,786,423	0.646 mills
2014-2015	27,932,777,510	18,928,666	0.713 mills
2013-2014	25,871,974,773	20,610,364	0.839 mills
2012-2013	24,886,365,469	18,935,551	0.801 mills
2011-2012	25,348,237,177	18,927,269	0.786 mills
2010-2011	26,489,498,098	17,122,274	0.680 mills
2009-2010	30,437,276,510	16,611,189	0.574 mills
2008-2009	33,097,942,250	14,087,545	0.448 mills
2007-2008	34,425,579,526	10,981,194	0.336 mills

<sup>a</sup> Millage rate calculated using 95 percent of the school taxable valuation.

Note: Capital lease arrangements financed by Certificates of Participation are not considered general obligation debt as no specific property tax levy has been pledged.

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Source: District Records  
Schedule 8

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**DEMOGRAPHIC AND ECONOMIC STATISTICS**  
**LAST TEN CALENDAR YEARS**  
**(UNAUDITED)**

<b>Calendar Year</b>	<b>Population <sup>(1)</sup></b>	<b>Personal Income (in thousands) <sup>(1)</sup></b>	<b>Per Capita Income <sup>(1)</sup></b>	<b>Unemployment Rate <sup>(1)</sup></b>
2016	357,591	N/A	N/A	4.60%
2015	349,334	\$15,668,920	\$43,121	5.00%
2014	339,545	\$14,384,591	\$40,895	5.70%
2013	333,880	\$14,404,101	\$42,104	6.80%
2012	330,302	\$14,383,271	\$43,077	9.00%
2011	316,056	\$13,307,545	\$42,105	11.00%
2010	323,506	\$12,861,627	\$39,757	11.70%
2009	320,714	\$12,258,319	\$38,222	11.60%
2008	318,769	\$13,077,803	\$41,026	6.70%
2007	316,409	\$13,314,181	\$42,079	4.00%

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Sources:

N/A Not available

(1) Office of Economic & Demographic Research, State of Florida

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA  
PRINCIPAL EMPLOYERS  
CURRENT YEAR AND NINE YEARS AGO  
(UNAUDITED)**

Employer	Fiscal Year					
	2016			2007		
	Employees	Rank	Percentage of Total Employment	Employees	Rank	Percentage of Total Employment
Manatee County School Board	5,448	1	3.43%	7,000	1	3.25%
Manatee County Government	1,835	2	1.15%	1,730	3	1.15%
Bealls Inc.	1,694	3	1.07%	2,100	2	1.39%
Manatee Memorial Hospital	1,150	4	0.72%	1,500	5	0.99%
Tropicana Products, Inc.	1,146	5	0.72%	1,146	4	0.76%
Manatee County Sheriff's Office	1,000	6	0.63%	1,600	6	1.06%
Blake Medical Center	849	7	0.53%	1,100	7	0.73%
IMG Academies	640	8	0.40%			
Publix	639	9	0.40%			
Feld Entertainment	563	10	0.35%			
Sysco Food				695	8	0.45%
Hoverround			-	637	9	0.41%
City of Bradenton				588	10	0.38%
<b>Total - Principal Employers</b>	<b>14,964</b>		<b>9.41%</b>	<b>18,096</b>		<b>11.99%</b>

Source: Manatee County Annual Financial Report  
Bureau of Economic and Business Research

(1) 2016 information was not available.



**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**SCHEDULE OF SELECTED OPERATING INFORMATION**  
**GRADES K - 12**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

<b>Fiscal Year</b>	<b>Number of Schools</b>	<b>Number of Classroom Instructors</b>	<b>Unweighted Full-Time Equivalent Students</b>	<b>Average General Fund Expenditures Per Student</b>
2016-2017	53	3,414	48,284	\$ 7,692
2015-2016	54	3,467	47,644	7,899
2014-2015	53	3,193	46,931	7,497
2013-2014	53	3,071	45,890	7,175
2012-2013	53	2,861	45,150	7,256
2011-2012	53	2,875	44,151	7,285
2010-2011	53	2,601	43,516	7,364
2009-2010	53	2,468	42,349	7,321
2008-2009	52	2,436	42,096	7,754
2007-2008	52	2,603	42,073	8,181

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Source: Florida Department of Education and District Records

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**SCHOOL BUILDING INFORMATION AND FULL-TIME EQUIVALENT ENROLLMENT DATA**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

	Placed in Service (1)	Square Footage (2)	Portables	Full-Time Equivalent Enrollment Data		
				2007-2008	2008-2009	2009-2010
<b>Elementary Schools</b>						
Anna Maria Elementary	1949	56,976	2	291.58	297.00	315.00
Ballard Elementary	1922	74,400	-	487.43	461.70	403.46
Bayshore Elementary (3)	1958	116,529	3	772.21	710.24	678.63
Manatee Elementary	1926	110,272	-	408.00	380.58	386.12
Miller Elementary (3)	1951	98,080	-	646.15	714.18	741.43
Myakka City Elementary	1915	72,089	-	335.32	320.13	306.95
Oneco Elementary	1922	97,491	4	673.34	635.31	649.89
Orange Ridge Elementary	1958	-	-	658.86	629.37	589.24
Rogers Garden-Bullock Elementary	2016	82,386	-	-	-	-
Palm View Elementary	1926	107,066	-	577.19	495.43	449.56
Palma Sola Elementary	1961	100,367	3	569.90	573.77	585.79
Palmetto Elementary	1961	96,552	-	752.74	720.09	716.72
Prine Elementary	1961	115,735	6	720.10	746.26	710.95
Daughtrey Elementary (3)	1964	104,165	2	625.98	666.99	690.00
Samoset Elementary	1926	84,173	1	464.30	496.89	477.69
Tillman Elementary	1964	103,535	6	453.17	458.74	462.02
Blackburn Elementary	1970	107,919	4	530.55	492.68	459.82
Wakeland Elementary	1973	77,977	4	378.05	391.94	441.05
Moody Elementary	1974	87,048	8	657.34	616.86	602.12
Abel Elementary	1973	81,210	2	654.35	658.75	600.01
Stewart Elementary	1973	80,590	-	461.88	460.87	449.04
Bashaw Elementary	1985	105,702	6	676.68	681.60	664.73
Braden River Elementary	1988	93,386	5	565.01	534.47	499.01
Sea Breeze Elementary	1990	102,971	-	684.90	629.87	635.22
Tara Elementary	1991	112,357	5	763.71	688.77	608.96
Witt Elementary	1993	109,166	3	580.45	571.76	539.88
Kinnan Elementary	2001	111,844	8	698.15	697.16	695.10
Rowlett Elementary	2001	124,250	6	832.43	856.28	913.54
McNeal Elementary	2003	111,118	1	725.23	663.85	677.23
Freedom Elementary	2003	117,814	8	825.50	715.24	664.17
Mills Elementary	2004	128,763	17	897.65	943.87	963.80
Willis Elementary	2005	112,762	3	573.35	616.31	655.71
Williams Elementary	2007	112,572	7	654.41	732.14	697.75
Gullett Elementary	2007	107,034	2	413.32	509.71	480.74
G. D. Rogers Garden Elementary	2009	82,386	7	-	-	325.12
Total Elementary				20,009.23	19,768.81	19,736.45
<b>Middle Schools</b>						
Lincoln Middle	1944	147,844	5	775.11	794.25	711.14
Sugg Middle	1974	133,330	7	830.50	738.60	786.88
Harlee Middle	1974	130,025	3	673.88	615.30	563.82
King Middle (3)	1978	167,228	4	878.38	902.00	984.50
Braden River Middle	1990	161,278	8	896.05	960.20	964.35
Johnson Middle	1992	164,637	4	625.90	645.85	490.25
Haile Middle	1995	155,902	8	993.78	1,025.05	972.46
Lee Middle	2000	145,456	3	884.65	925.38	922.14
Nolan Middle	2004	141,805	6	829.50	815.95	837.38
Buffalo Creek Middle	2007	146,781	-	698.99	835.49	897.64
Total Middle Schools				8,086.74	8,258.07	8,130.56
<b>High Schools</b>						
Bayshore High	1959	276,581	4	1,652.55	1,538.80	1,479.55
Manatee High	1926	354,273	5	2,183.85	2,084.76	2,096.73
Palmetto High	1956	309,411	3	1,746.39	1,665.21	1,614.11
Southeast High	1960	388,254	9	1,420.14	1,316.43	1,356.14
Lakewood Ranch High	1996	335,278	27	1,902.11	1,857.51	1,804.60
Braden River High	2005	298,936	13	1,550.34	1,683.53	1,858.72
Total High Schools				10,455.38	10,146.24	10,209.85

2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017
299.00	290.52	253.08	264.81	264.20	269.51	268.81
381.00	414.13	418.76	461.43	466.65	436.76	486.77
712.54	730.39	762.18	725.33	750.48	778.88	779.74
419.61	437.19	399.50	454.66	500.27	489.69	557.00
745.82	737.10	749.79	756.30	800.09	780.32	746.19
286.66	289.02	258.80	253.27	246.20	241.52	257.55
563.96	570.93	536.01	535.28	513.50	540.14	617.81
614.47	677.52	692.41	668.17	707.28	704.58	-
-	-	-	-	-	-	573.39
414.66	399.11	410.50	429.22	361.06	337.85	365.94
550.75	536.53	548.35	577.97	565.08	571.05	571.26
683.38	692.00	694.12	670.00	653.75	673.22	708.56
783.87	775.61	773.54	847.65	849.43	798.69	799.95
779.97	826.02	828.45	767.40	757.96	734.93	787.52
519.62	578.45	606.93	588.10	539.43	513.90	598.29
461.11	452.12	417.12	485.09	535.73	544.10	506.68
434.18	415.76	404.72	433.61	435.46	421.24	465.28
503.50	530.05	519.03	512.43	486.61	485.47	492.32
644.05	659.47	661.98	631.88	647.57	645.33	657.93
582.04	545.02	528.14	507.63	533.09	553.78	550.25
474.20	529.76	491.25	434.99	416.12	403.15	401.82
677.44	680.86	614.14	619.07	590.49	541.45	559.91
484.75	529.89	553.75	603.96	658.49	666.99	682.37
600.43	569.70	570.79	597.11	604.33	572.67	589.47
605.02	594.81	577.43	570.21	578.75	610.27	647.33
521.86	537.42	589.22	603.73	638.87	684.62	706.04
703.20	698.72	661.50	671.15	629.27	560.85	535.59
896.32	892.00	879.50	897.21	-	-	-
718.56	704.62	711.06	702.46	749.64	760.66	767.95
677.09	713.59	741.01	749.75	776.30	768.91	787.64
972.45	992.06	996.90	1,041.41	1,112.65	1,161.95	1,183.38
689.78	721.63	707.99	720.57	720.01	746.87	771.69
695.39	698.61	735.88	810.32	882.67	903.83	908.56
481.66	503.30	571.00	547.25	653.89	769.33	857.17
280.57	223.92	225.21	212.48	223.66	258.99	-
<u>19,858.91</u>	<u>20,147.83</u>	<u>20,090.04</u>	<u>20,351.90</u>	<u>19,848.98</u>	<u>19,931.50</u>	<u>20,190.16</u>
628.63	625.58	599.91	564.73	528.12	532.55	476.84
830.20	778.37	822.52	810.98	763.63	698.84	691.70
561.55	503.84	497.66	460.56	410.34	453.43	204.22
1,063.15	1,120.88	1,090.35	1,065.28	1,123.52	1,093.00	1,081.62
967.83	916.46	968.58	954.42	983.39	985.84	1,090.88
478.67	539.97	588.50	490.53	484.80	486.59	551.74
975.33	1,013.17	987.83	1,055.74	1,057.37	1,071.54	1,130.78
916.94	906.32	952.30	974.84	1,022.01	972.26	1,075.74
867.30	910.42	982.50	1,085.82	1,115.69	1,146.05	1,092.18
886.88	896.94	902.18	971.05	1,093.87	1,037.83	993.26
<u>8,176.48</u>	<u>8,211.95</u>	<u>8,392.33</u>	<u>8,433.95</u>	<u>8,582.74</u>	<u>8,477.93</u>	<u>8,388.96</u>
1,484.59	1,435.63	1,305.71	1,345.35	1,447.32	1,407.00	1,467.83
2,158.97	2,197.39	2,332.86	2,356.58	2,289.28	2,221.62	2,215.11
1,628.67	1,719.46	1,731.27	1,860.16	2,017.04	2,047.57	2,165.31
1,348.37	1,307.11	1,269.70	1,244.24	1,369.93	1,534.10	1,606.24
1,814.49	1,823.41	1,871.97	1,999.03	2,163.40	2,181.77	2,247.89
1,892.36	1,928.72	1,870.48	1,845.87	1,900.03	1,992.93	2,125.27
<u>10,327.45</u>	<u>10,411.72</u>	<u>10,381.99</u>	<u>10,651.23</u>	<u>11,187.00</u>	<u>11,384.99</u>	<u>11,827.65</u>

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**SCHOOL BUILDING INFORMATION AND FULL-TIME EQUIVALENT ENROLLMENT DATA**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

	Place in Service (1)	Square Footage (2)	Portables	2007-2008	2008-2009	2009-2010
<b>Specialty Schools</b>						
Manasota ARC (Access to Education)	N/A	N/A	N/A	15.00	15.00	12.00
Community High	2000	25,233	24	329.14	337.38	317.33
Horizons Academy	1999	85,524	-	350.42	327.79	314.59
Manatee Technical Institute (4)	1963	376,181	41	-	-	-
<b>Total Specialty Schools</b>				<u>694.56</u>	<u>680.17</u>	<u>643.92</u>
<b>Charter Schools</b>						
Manatee School of Arts and Sciences, Inc.	N/A	N/A	N/A	199.50	210.00	191.50
Team Success formerly PAL Academy Charter	N/A	N/A	N/A	127.56	188.38	221.88
Manatee School for the Arts	N/A	N/A	N/A	1,092.80	1106.76	1225.84
PAL Opportunity Charter School	N/A	N/A	N/A	50.50	40.50	-
Manatee County Juvenile Justice	N/A	N/A	N/A	-	-	-
Richard Milburn Academy	N/A	N/A	N/A	140.94	215.00	242.53
Center Academy (Bradenton Charter School)	N/A	N/A	N/A	92.50	89.50	92.00
Oasis Middle School, Inc.	N/A	N/A	N/A	63.00	79.00	78.50
Imagine Charter School at North Manatee	N/A	N/A	N/A	164.50	203.52	230.74
Imagine Charter School at Lakewood Ranch	N/A	N/A	N/A	-	103.00	420.30
Manatee Charter School	N/A	N/A	N/A	-	-	-
Palmetto Charter School, Inc.	N/A	N/A	N/A	-	-	-
William Monroe Rowlett Academy	N/A	N/A	N/A	-	-	-
State College of Florida College Charter	N/A	N/A	N/A	-	-	-
Just for Girls Academy, Inc.	N/A	N/A	N/A	-	-	-
Visible Men Academy, Inc.	N/A	N/A	N/A	-	-	-
<b>Total Charter Schools</b>				<u>1,931.30</u>	<u>2,235.66</u>	<u>2703.29</u>
<b>Other Programs</b>						
Gulf Coast Marine Institute	N/A	N/A	N/A	47.90	60.90	54.23
Juvenile Detention Center	N/A	N/A	N/A	87.61	90.13	81.31
Children's Haven	N/A	N/A	N/A	14.50	11.00	-
Manatee Glens Adolescent	N/A	N/A	N/A	13.00	10.50	-
Hospital Homebound Instruction	N/A	N/A	N/A	13.18	16.10	13.37
Easter Seals	N/A	N/A	N/A	23.00	28.50	36.50
Practical and Cultural Education - PACE	N/A	N/A	N/A	92.04	69.52	66.78
Hurricane Island - Outward Bound	N/A	N/A	N/A	-	-	-
Just for Girls, Inc.	N/A	N/A	N/A	35.00	42.17	49.00
Manatee Adolescence Treatment	N/A	N/A	N/A	103.69	109.84	1.90
Manatee Glens	N/A	N/A	N/A	12.50	12.50	12.50
Pinnacle Academy, Inc.	N/A	N/A	N/A	20.50	19.50	20.50
Ramsay Youth Services	N/A	N/A	N/A	20.00	56.00	58.21
Florida Sheriff's Youth Ranch	N/A	N/A	N/A	18.50	18.50	16.50
McKay Scholarships	N/A	N/A	N/A	353.00	363.50	391.00
Palmetto Youth Academy	N/A	N/A	N/A	28.10	66.50	61.26
Premier Behavioral Solutions (Manatee Palms)	N/A	N/A	N/A	-	-	-
Y Technical High School	N/A	N/A	N/A	-	-	-
Duette Elementary	1931	7204	1	13.50	11.00	11.00
e-TECH Virtual	N/A	N/A	N/A	-	-	-
Sable	N/A	N/A	N/A	-	-	-
Miscellaneous	N/A	N/A	N/A	-	20.43	50.81
<b>Total Other Programs</b>				<u>896.02</u>	<u>1,006.59</u>	<u>924.87</u>
<b>Total District</b>				<u><u>42,073.23</u></u>	<u><u>42,095.54</u></u>	<u><u>42,348.94</u></u>

(1) - Original date that the school was placed in service. This date does not reflect additions, renovations, replacements or remodeling.

(2) - Square footage is current including portables

(3) - Total Replacement of Existing Facilities: Bayshore (2003), Miller (2007), and Daughtrey (2007) Elementaries, King Middle School (2006), and Horizons Academy (2007).

(4) - Manatee Technical Institute has four campuses- Main, West, North and East.

N/A - Information Not Applicable

Source: District Records

<u>2010-2011</u>	<u>2011-2012</u>	<u>2012-2013</u>	<u>2013-2014</u>	<u>2014-2015</u>	<u>2015-2016</u>	<u>2016-2017</u>
12.00	28.50	32.00	34.50	-	40.25	42.91
294.06	332.39	250.48	88.85	126.64	-	
331.07	380.69	437.65	396.42	284.54	414.34	271.64
-	0.30	26.07	-	-	12.36	
<u>637.13</u>	<u>741.88</u>	<u>746.20</u>	<u>519.77</u>	<u>411.18</u>	<u>466.95</u>	<u>314.55</u>
218.50	155.00	142.50	133.10	135.38	140.29	148.54
262.51	289.02	324.00	341.24	392.04	491.61	561.44
1323.63	1,460.73	1,566.76	1,598.01	1,694.80	1,907.76	1,972.01
-	-	-	-	-	-	-
-	-	-	-	-	-	-
241.27	44.34	-	-	-	-	-
83.15	95.10	95.50	-	-	-	-
78.51	94.50	92.50	101.20	110.15	110.09	125.83
329.35	373.26	457.59	543.91	474.23	516.93	530.56
573.18	589.68	502.16	443.77	372.66	389.29	402.86
-	-	483.96	669.29	715.52	756.19	718.77
335.48	341.46	363.01	362.82	364.17	363.92	363.34
-	-	-	-	894.45	903.63	932.56
131.29	198.00	330.30	436.80	485.45	493.53	505.50
-	-	85.00	92.77	108.40	109.14	84.16
-	-	-	62.58	95.64	115.13	92.96
<u>3576.87</u>	<u>3641.09</u>	<u>4443.28</u>	<u>4785.49</u>	<u>5842.89</u>	<u>6297.51</u>	<u>6438.53</u>
53.14	56.48	-	-	-	-	-
79.33	91.13	58.64	33.48	42.50	59.40	37.48
-	-	-	-	-	-	-
-	-	-	-	-	-	-
16.49	9.94	12.36	11.05	7.72	4.89	3.77
37.00	33.50	34.50	25.96	24.00	21.47	36.45
67.00	66.10	63.75	59.59	63.43	68.47	69.97
-	-	-	-	-	-	-
47.50	46.50	47.45	43.66	47.33	49.75	43.27
-	-	-	-	-	-	-
13.00	25.25	28.47	26.91	6.55	-	-
20.00	15.00	16.00	12.98	13.00	12.50	15.50
-	-	-	-	-	-	-
13.00	14.20	17.42	19.14	-	-	-
362.50	381.50	389.00	445.91	508.70	552.76	606.50
65.33	66.68	51.39	45.85	57.71	67.48	57.30
85.00	101.00	59.30	60.10	-	-	-
-	-	200.93	201.28	-	-	-
12.00	10.00	17.50	16.00	18.00	11.00	-
-	-	-	-	-	127.26	127.12
-	-	-	-	-	19.51	14.80
68.23	79.43	99.89	145.54	269.01	90.59	111.61
<u>939.52</u>	<u>996.71</u>	<u>1,096.60</u>	<u>1,147.45</u>	<u>1,057.95</u>	<u>1,085.08</u>	<u>1,123.77</u>
<u>43,516.36</u>	<u>44,151.18</u>	<u>45,150.44</u>	<u>45,889.79</u>	<u>46,930.74</u>	<u>47,643.96</u>	<u>48,283.62</u>

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**NUMBER OF PERSONNEL**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

Fiscal Year	(A) Instructional	(B) Administrative	(C) Support Services	Total	Ratio of Students to Instructional Personnel	Ratio of Instructional Personnel to Administrators
2016-2017	3,414	313	2,195	5,922	14.14	10.91
2015-2016	3,467	227	2,403	6,097	13.74	15.27
2014-2015	3,193	190	2,198	5,581	14.70	16.81
2013-2014	3,071	197	2,141	5,409	14.94	15.59
2012-2013	2,861	210	2,287	5,358	15.78	13.62
2011-2012	2,875	185	2,483	5,543	15.36	15.54
2010-2011	3,073	218	2,295	5,586	14.16	14.10
2009-2010	2,934	205	2,221	5,360	14.43	14.31
2008-2009	2,912	213	2,558	5,398	14.46	13.67
2007-2008	2,793	229	2,524	5,546	15.06	12.20

Note: Full-Time Employees funded out of the General Fund.

- A. Classroom Teachers, Guidance/Psychologists, Exceptional Education Teachers, Media Specialists  
Other Professional Instructional Staff
- B. Principals, Assistant Principals, Superintendent, Assistant Superintendent, Executive Directors  
Directors, Managers, Coordinators
- C. Paraprofessional, Bus Drivers, Monitors, Maintenance, Clerical, etc.

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Source: District Records, Schedule 19  
Florida Department of Education

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**TEACHERS BASE SALARIES**  
**LAST TEN FISCAL YEARS**  
**(UNAUDITED)**

<u>Fiscal Year</u>	<u>Minimum Salary<sup>a</sup></u>	<u>Maximum Salary<sup>a</sup></u>	<u>County Average Salary<sup>b</sup></u>	<u>Statewide Average Salary<sup>b</sup></u>
2016-2017	\$ 38,287	\$ 65,187	NA	NA
2015-2016	38,285	65,185	47,569	48,179
2014-2015	38,000	64,700	47,387	47,950
2013-2014	37,843	60,375	47,673	47,780
2012-2013	37,843	60,375	45,745	46,583
2011-2012	37,843	60,375	47,103	46,479
2010-2011	38,517	61,450	47,819	45,723
2009-2010	38,517	61,450	48,463	46,696
2008-2009	38,517	60,836	48,810	46,938
2007-2008	39,300	61,450	49,496	46,922

<sup>a</sup> - 10 Month Teachers with Bachelor's Degree

<sup>b</sup> - Averages include all degree levels

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Source: District Records  
Florida Department of Education



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**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***

Chair and Members of the School Board  
School District of Manatee 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 aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the School District of Manatee 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 January 12, 2018. 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. We did identify a deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as Finding 2017-001, that we consider to be significant deficiency.

### **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 January 12, 2018.

### **District's Response to Findings**

The District's response to the finding identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. The District's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

### **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.



**MOORE STEPHENS LOVELACE, P.A.**  
Certified Public Accountants

Tampa, Florida  
January 12, 2018



**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**

Chair and Members of the School Board  
School District of Manatee County, Florida

**Report on Compliance for Each Major Federal Program**

We have audited the compliance of the District School Board of Manatee 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 the Uniform Guidance. 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 financial statements of the governmental 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 January 12, 2018, 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.

Chair and Members of the School Board  
School District of Manatee County, Florida

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

The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis, as required by the 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. 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.

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

**MOORE STEPHENS LOVELACE, P.A.**

Certified Public Accountants

Tampa, Florida  
January 12, 2018

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Fiscal Year Ended June 30, 2017**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	CFDA Number	Pass-Through Grantor Number	Amount of Expenditures	Amount Provided to Subrecipients
<b>United States Department of Agriculture:</b>				
Indirect:				
Florida Department of Agriculture and Consumer Services:				
School Breakfast Program	10.553	15002	\$ 4,713,483	\$ -
National School Lunch Program	10.555	15001, 15003	13,755,793	-
Summer Food Service Program for Children	10.559	15006, 15007	453,885	-
Total Child Nutrition Cluster			<u>18,923,162</u>	-
Fresh Fruit and Vegetable Program	10.582	15004	368,652	-
Florida Department of Health:				
Child and Adult Care Food Program	10.558	A4195	2,192,618	-
<b>Total United States Department of Agriculture</b>			<u>21,484,432</u>	-
<b>United States Department of Labor:</b>				
Indirect:				
Florida Department of Education:				
National Farm Worker Jobs Program	17.264	405	347,902	-
<b>United States Department of Education:</b>				
Direct:				
Student Financial Assistance Cluster:				
Federal Supplemental Educational Opportunity Grants	84.007	N/A	34,853	-
Federal Work-Study Program	84.033	N/A	40,744	-
Federal Pell Grant Program	84.063	N/A	2,377,506	-
<b>Total Student Financial Assistance Cluster</b>			<u>2,453,103</u>	-
Indirect:				
Special Education Cluster:				
Special Education - Grants to States:				
Florida Department of Education	84.027	262, 263	9,539,451	394,692
Sarasota County District School Board	84.027	N/A	244,433	-
Total Special Education - Grants to States			<u>9,783,884</u>	<u>394,692</u>
Florida Department of Education:				
Special Education - Preschool Grants	84.173	267	338,582	-
<b>Total Special Education Cluster</b>			<u>10,122,466</u>	<u>394,692</u>
Florida Department of Education:				
Adult Education - Basic Grants to States	84.002	191, 193	622,190	-
Title I Grants to Local Educational Agencies	84.010	212, 223, 226	13,594,820	848,498
Migrant Education - State Grant Program	84.011	217	615,228	-
Title I State Agency Program for Neglected and Delinquent Children and Youth	84.013	223	254,092	-
Career and Technical Education - Basic Grants to States	84.048	161	729,053	-
Education for Homeless Children and Youth	84.196	127	104,584	-
Charter Schools	84.282	298	-	-
Twenty-First Century Community Learning Centers	84.287	244	636,235	187,343
English Language Acquisition State Grants	84.365	102	973,855	-
Mathematics and Science Partnerships	84.366	235	11,454	-
Improving Teacher Quality State Grants	84.367	224	1,733,735	17,864
ARRA - State Fiscal Stabilization Fund (SFSF) - Race-to-the-Top Incentive Grants, Recovery Act	84.395	RA111	-	-
SRI International:				

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Fiscal Year Ended June 30, 2017**

Federal Grantor/Pass-Through Grantor/Program or Cluster Title	CFDA Number	Pass-Through Grantor Number	Amount of Expenditures	Amount Provided to Subrecipients
Investing in Innovation (i3) Fund	84.411	141-000020	10,965	-
<b>Total Indirect</b>			<u>29,408,676</u>	<u>1,448,397</u>
<b>Total United States Department of Education</b>			<u>31,861,779</u>	<u>1,448,397</u>
<b>United States Department of Health and Human Services:</b>				
Indirect:				
Early Learning Coalition of Manatee County:				
CCDF Cluster:				
Child Care and Development Block Grant	93.575	SR316	58,474	-
Child Care Mandatory and Matching Funds of the Child Care and Development Fund	93.596	SR316	50,974	-
<b>Total CCDF Cluster</b>			<u>109,448</u>	<u>-</u>
Temporary Assistance for Needy Families	93.558	SR316	75,005	-
Social Services Block Grant	93.667	SR316	140	-
<b>Total United States Department of Health and Human Services</b>			<u>184,593</u>	<u>-</u>
<b>United States Department of Defense:</b>				
Direct:				
Army Junior Reserve Officers Training Corps	None	N/A	550,661	-
<b>Total Expenditures of Federal Awards</b>			<u>\$ 54,429,366</u>	<u>\$ 1,448,397</u>

The accompanying notes are an integral part of this schedule.

**Notes:**

- (1) Basis of Presentation - The Schedule of Expenditures of Federal Awards (Schedule) includes the Federal award activity of the Manatee County District School Board under programs of the Federal government for the year end June 30, 2016. The information in this Schedule is presented in accordance with the 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). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position, or cash flows of the District.
- (2) Summary of Significant Account Policies - Expenditures are reported on the modified accrual basis of accounting. Such expenditures are recognized following, as applicable, either the cost principles in Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations* or the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.
- (3) Indirect Cost Rate - The District has not elected to use the 10 percent de minimus cost rate allowed under the Uniform Guidance.
- (4) Noncash Assistance: National School Lunch Program. Includes \$1,884,545 of donated food received during the fiscal year. Donated foods are valued at fair value as determined at the time of donation.

**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Fiscal 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? X Yes      \_\_\_ 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 programs: **Unmodified Opinion**

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? \_\_\_ Yes      X No

**Identification of Major Programs:**

**CFDA Numbers**

**Name of Federal Program or Cluster**

10.553, 10.555, 10.559	Child Nutrition Cluster
10.558	Child and Adult Care Food Program
84.007, 84.033, 84.063	Student Financial Assistance Cluster
84.367	Improving Teacher Quality State Grants

Dollar threshold used to distinguish between Type A and Type B programs: \$1,632,881

Auditee qualified as low-risk auditee? \_\_\_ Yes      X No



SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (*Continued*)

For the Fiscal 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***

**Finding 2017-001 – Year-End Accruals**

***Significant Deficiency***

**Condition:** During our audit, we noted two offsetting balance sheet accounts that were not complete due to misclassified accruals at year-end. These accruals impacted cash and accrued payroll. As a result, current-period adjustments were made to properly record the accruals.

**Criteria:** Proper controls over financial reporting should include the review and monitoring of year-end accruals for year-end financial reporting purposes.

**Cause of Condition:** The condition above is attributed to the absence of a cash management module in the current JDE financial software. The software does not account for actual cash transactions. A manual process is required to review and add all entries which affect cash balances.

**Potential Effect of Condition:** The District runs the risk of understating its assets and liabilities for unrecorded accruals.

**Recommendation:** We recommend that the District implement a process to ensure that balance sheet accounts are properly reviewed for accruals that should be recorded at year-end.

**Management's Response:** The District is in the process of implementing PeopleSoft financial management solutions software which includes a cash management module. Actual cash transactions will be posted to the general ledger as they occur and as cash is disbursed. The District will ensure the balance sheet accounts are reviewed at year-end for any automatic postings created by the current JDE financial software which would need to be reclassified.

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

No matters are reported.

# AFFIDAVIT

I do hereby swear or affirm that the School District of Manatee County, Florida, complied with the requirements of Section 163.31801, Florida Statutes.

Rebecca Roberts

Signature

Rebecca Roberts

9/5/17

Date

Chief Financial Officer

SUBSCRIBED AND SWORN BEFORE ME THIS 5<sup>th</sup> DAY OF SEPTEMBER, 2017.

July 15, 2018  
My Commission Expires

Lisa A. Endriss  
Signature of Notary Public



Print, Type, or Stamp Commissioned Name of Notary Public



Certified Public Accountants

## **INDEPENDENT AUDITOR'S MANAGEMENT LETTER**

Chair and Members of the School Board  
School District of Manatee County, Florida

### **Report on Financial Statements**

We have audited the financial statements of the School District of Manatee County, Florida (the "District") as of and for the fiscal year ended June 30, 2017, and have issued our report thereon dated January 12, 2018.

### **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 for Each Major Federal Program and on Internal Control over Compliance and Report on Schedule of Expenditures of Federal Awards 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 January 12, 2018, 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. Corrective actions have been taken to address findings and recommendations made in the preceding annual financial report, except as noted in the attached Appendix A.

### **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.

Chair and Members of the School Board  
School District of Manatee County, Florida

### **Financial Condition and Management (*Continued*)**

Pursuant to Sections 10.804(1)(f)5.a. 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. Current year findings and recommendations are listed in Appendix A.

### **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 us to communicate noncompliance with provisions of contracts or grant agreements, or abuse, that has occurred, or is 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 note 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

Tampa, Florida  
January 12, 2018

**APPENDIX A**  
**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**Current Year Findings and Recommendations**  
**June 30, 2017**

**2017-01 – Information Technology Assessment**

**Observation**

During our audit of the District’s financial statements, we performed an assessment of the District’s Information Technology (“IT”) operations and controls. During this assessment, we noted several areas which could improve the District’s IT processes. The following areas for improvement noted during our assessment are provided here for your consideration:

1. Controls over physical security
2. Network core
3. Public-facing servers
4. Wireless networks
5. Workstation/device security
6. Anti-malware
7. Active directory
8. Applications
9. Patch management
10. Disaster Recovery/Business Continuity Plan
11. Backup and recovery

Specific details of these observations are not disclosed in this report to avoid the possibility of compromising District information. However, appropriate District personnel have been notified of our specific findings.

**Criteria**

To ensure proper financial accounting and reporting, security of financial information, as well as operational effectiveness, appropriate IT controls should be implemented, maintained, and updated, as necessary, to keep pace with the constantly changing technology environment.

**Recommendation**

We recommend that the District evaluate the IT issues noted above and implement cost-effective procedures to ensure the continued security of the District’s IT environment.

**Management Response**

The District is in agreement with the audit recommendations and is moving forward with implementing policies and procedures to secure the District’s IT environments. The District has addressed, or is in the process of addressing, all of these findings in conjunction with the District’s internal auditors. All open items are expected to be completed on or before March 31, 2018.

**APPENDIX A**  
**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**Current Year Findings and Recommendations (*Continued*)**  
**June 30, 2017**

**2017-002 – Bank Reconciliations**

**Observation**

During our audit of the District’s financial statements, we performed testing of the District’s controls over cash. During these procedures, we noted that the December 2016 through June 2017 bank reconciliations were not completed until November 2017.

**Criteria**

To ensure timely financial accounting and reporting, controls over cash should include timely bank reconciliations to ensure that any errors are identified and corrected on a timely basis (no later than 30 days following month-end).

**Recommendation**

We recommend that the District evaluate its controls over cash to ensure that the District completes its bank reconciliations in a timely manner.

**Management Response**

The District experienced a software system failure related to the December 9, 2016 payroll run. Due to this fact, the District could not move forward with bank reconciliations for the District’s concentration banking account. The District had no resources available in-house to correct the system errors. A contract was issued to Emerald Cube in July 2017 to assist with corrections and work was completed on September 7, 2017. Staff were able to move forward and complete all bank reconciliations related to the fiscal year ending June 30, 2017, by November 20, 2017. Year-to-date bank reconciliations for the current fiscal year are complete and up-to-date.

**APPENDIX A**  
**SCHOOL DISTRICT OF MANATEE COUNTY, FLORIDA**  
**Prior Year Findings and Recommendations**  
**June 30, 2017**

Listed below is the District’s summary of the status of prior year findings related to the Auditor General Operational audit, report number 2016-123.

Finding # per AG Report	Comment	Finding continues to be relevant	Finding has been addressed or no longer relevant
1	Bank Reconciliations	X	
2	Payroll Processing – Time Records	X	
3	Compensation and Salary Schedules		X
4	Florida Best and Brightest Teacher Scholarship Program		X
5	Manatee Technical College Tuition and Fee Collections		X
6	Contractual Services		X
7	Virtual Instruction Options		X
8	Virtual Instruction Provider Contracts		X
9	Information Technology	X	