

# COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR  
ENDED JUNE 30, 2018



[WWW.BREVARDSCHOOLS.ORG](http://WWW.BREVARDSCHOOLS.ORG)



---

The School Board of Brevard County, Florida  
Viera, Florida

Comprehensive Annual  
Financial Report

For the  
Fiscal Year Ended June 30, 2018

Prepared by:  
Office of Accounting Services

---



**The School Board of Brevard County, Florida  
Comprehensive Annual Financial Report  
For the fiscal year ended June 30, 2018**

**Table of Contents**

	<u>Page</u>
<b>INTRODUCTORY SECTION</b>	
Letter of Transmittal .....	i
List of Principal Officials - Elected .....	vii
List of Principal Officials - Appointed .....	viii
Organizational Chart .....	ix
Certificate of Excellence in Financial Reporting (ASBO) .....	x
Certificate of Achievement for Excellence in Financial Reporting (GFOA).....	xi
<b>FINANCIAL SECTION</b>	
Independent Auditor's Report.....	1
Management's Discussion and Analysis .....	5
<b>Basic Financial Statements</b>	
Government-wide Financial Statements:	
Statement of Net Position .....	17
Statement of Activities .....	19
Fund Financial Statements:	
Balance Sheet - Governmental Funds .....	20
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position .....	23
Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds .....	24
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities .....	28
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual - General Fund .....	29
Statement of Net Position - Proprietary Funds .....	33
Statement of Revenues, Expenses and Changes in Fund Net Position - Proprietary Funds .....	34
Statement of Cash Flows - Proprietary Funds .....	35
Statement of Fiduciary Assets and Liabilities - Agency Funds .....	36
Notes to the Basic Financial Statements .....	37
<b>Required Supplementary Information</b>	
Single-Employer Other Postemployment Benefits Plan .....	84
Proportionate Share of Net Pension Liability - Florida Retirement System .....	85
Proportionate Share of Net Pension Liability - Health Insurance Subsidy Program .....	86
Contributions - Florida Retirement System.....	87
Contributions - Health Insurance Subsidy Program.....	88

**Other Supplementary Information**

**Page**

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

*Major Funds:*

Debt Service Fund - Other .....	90
Local Capital Improvement Capital Projects Fund .....	91
Local Sales Surtax Capital Projects Fund .....	92
Impact Fees Fund .....	93

Combining Financial Statements and Schedules:

Combining Balance Sheet - Nonmajor Governmental Funds .....	96
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds .....	98

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

*Nonmajor Funds:*

Special Revenue Fund - Food Services.....	102
Special Revenue Fund- Contracted Programs.....	103
SBE / COBI Bonds Debt Service Fund .....	106
Capital Outlay and Debt Service Capital Projects Fund .....	107
Public Education Capital Outlay Capital Projects Fund .....	108
Other Capital Projects Fund .....	109
Combining Statement of Changes in Assets and Liabilities - School Internal Funds .....	112
Combining Statement of Net Position - Internal Service Funds .....	114
Combining Statement of Revenues, Expenses and Changes in Fund Net Position - Internal Service Funds .....	115
Combining Statement of Cash Flows - Internal Service Funds .....	116
Combining Statement of Net Position - Nonmajor Component Units .....	119
Combining Statement of Activities - Nonmajor Component Units .....	122

**STATISTICAL SECTION**

**Financial Trend Information**

Net Position by Component .....	127
Changes in Net Position .....	128
Governmental Activities Tax Revenues by Source .....	131
Fund Balances of Governmental Funds .....	132
Changes in Fund Balances of Governmental Funds .....	133
Summary of Revenues, Expenditures (by Major Object) and Changes in Fund Balances	
General Fund .....	136
Special Revenue Fund - Contracted Programs.....	138
Special Revenue Fund - Food Services .....	140
Debt Service Funds .....	142
Capital Project Funds .....	144

**Revenue Capacity Information**

Assessed and Estimated Actual Value of Taxable Property .....	147
Property Tax Rates Direct and Overlapping Governments .....	148
Principal Property Taxpayers .....	150
Property Tax Levies and Collections .....	151

**STATISTICAL SECTION (continued)**

**Page**

**Debt Capacity Information**

Ratios of Outstanding Debt by Type ..... 152  
Ratios of Certificates of Participation Debt Outstanding..... 153  
Calculation of Legal Debt Margin ..... 154  
Computation of Direct and Overlapping Bonded Debt ..... 156  
Anticipated Capital Outlay Millage Levy Required to Cover Certificate of Participation Payments ..... 157

**Demographic and Economic Information**

Demographic Statistics and Economic Statistics ..... 158  
Principal Employers - Melbourne-Titusville-Palm Bay ..... 159

**Operating Information**

Capital Asset Information ..... 160  
Student Membership Enrollment Data by School ..... 161  
Number of Personnel ..... 164  
Teacher Base Salaries ..... 165  
Food Services Operating Data ..... 166

**COMPLIANCE SECTION**

Schedule of Expenditures of Federal Awards..... 167  
Independent Auditor's Report on Internal Control Over Financial Reporting and on  
Compliance and Other Matters based on an Audit of the Financial Statements Performed in Accordance with  
*Government Auditing Standards* ..... 169  
Independent Auditor's Report on Compliance for each Major Federal Program and Report on Internal Control  
Over Compliance and Report on the Schedule of Expenditures of Federal Awards in Accordance with the  
Uniform Guidance ..... 171  
Schedule of Findings and Questioned Costs ..... 174  
Summary Schedule of Prior Audit Findings ..... 176  
Independent Auditor's Management Letter ..... 177  
Independent Accountant's Report ..... 179









# School Board of Brevard County

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

Mark W. Mullins, Ed.D., Superintendent



October 30, 2018

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

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

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

Management assumes full responsibility for the completeness and reliability of the information presented in this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is designed both to protect assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh the benefits, the District's framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements are free from material misstatements. As management, we assert that, to the best of our knowledge and belief, the financial statements presented herewith are complete and reliable in all material respects.

Florida Statutes, section 218.39, requires each school district to complete an annual audit of its accounts and records by an independent certified public accountant. The District has engaged Moore Stephens Lovelace, P.A. to conduct the District's audit for the fiscal year ending June 30, 2018. The goal of the independent audit is to provide reasonable assurance that the financial statements of the District are free of material misstatements. Based on their audit, Moore Stephens Lovelace, P.A. has concluded that there is a reasonable basis for rendering an unmodified opinion on the District's financial statements, for the fiscal year ended June 30, 2018. The report of Moore Stephens Lovelace, P.A. is presented as the first component of the financial section of this report. The District is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1996 and the United States Office of Management and Budget ("OMB") Title 2 U.S. *Code of Federal Regulations*, Part 200 *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Information related to this single audit, including the schedule of expenditures of Federal awards, findings and questioned costs, and the independent auditor's report on internal controls and compliance with applicable requirements, are included in the single audit section.



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

## **PROFILE OF THE SCHOOL BOARD**

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

During the 2017-18 fiscal year, the District operated ninety-four schools, including fifty-five elementary, eleven middle, four junior/senior, twelve high schools, and sponsored twelve charter schools. The District also operates four adult education centers. The majority of operating funds are received through a state funding formula that is intended to equalize funding, received from the state and local property taxes, between districts within the state. Charter schools operating through a contract with the District are provided with their proportionate share of these funds, based on the number of full-time equivalent students enrolled at the charter school. Student enrollment for fiscal year 2017-18 was 75,050 including 5,996 charter school students. Projected student enrollment for fiscal year 2018-19 is 75,306, including 6,623 charter school students. The average age of the District's schools is forty-two years. The School Board is the eleventh largest of sixty-seven districts in the state of Florida, the fiftieth largest district in the nation, and is the single largest employer in Brevard with over 9,400 employees.

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

## **ECONOMIC CONDITIONS AND OUTLOOK**

The county's current population is estimated at 575,211 and is projected to increase to 596,080 by calendar year 2020 and 653,231 by calendar year 2030. Unemployment has decreased from its high of 11 percent to 3.9 percent at the end of June 2018. Unemployment for the same period for the state of Florida was at 3.8 percent, compared to the national average of 4.0 percent. The median age of the county's population is approximately 47.4 years.

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



County or expanded existing facilities to take advantage of a well-trained and available workforce after the retirement of the space shuttle program.

The County is the home of Port Canaveral, the second busiest multi-day cruise embarkation port in the world, with goals to reach number one in the near future. The Port welcomed over 4 million cruise passengers and handled nearly 6 million tons of cargo in 2017 and continues to be a key economic driver in Brevard's economy, generating revenues and employment growth for the county. Port Canaveral is also home to U.S. Army, Navy, and Air Force facilities, including Surface Deployment and Distribution, and serves as an important export gateway for U.S. government cargo.

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

## MAJOR INITIATIVES

***School Grades*** – Brevard is ranked as an A school district and is ranked number one among the 14 large Florida districts for college and career acceleration. Ninety-three percent of Brevard's schools received an A, B, or C grade in the 2017-18 school year.

***College and Career Readiness*** – The implementation of the College and Career Readiness initiative is a district-wide focus on increased rigor, relevance, and relationships for all secondary students. Career academies and collegiate high school programs include *Advanced International Certificate of Education (AICE)*, *Pre-Advanced International Certificate of Education (Pre-AICE)*, *Lower Secondary Programs and Middle Years Programs (MYP)*, and *International Baccalaureate Programs (IB)*. In addition, all secondary students have the opportunity to enroll in *Advanced Placement (AP)* courses for acceleration.

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

***Graduation Rate and Dropout Rate*** – Graduation rates for the 2017-18 school year were 86 percent, ranking Brevard in the top five in the state. For the 2016-17 school year, Brevard's dropout rate is at 2.3 percent, well below the state average of 4.0 percent. Information is not yet available for the 2017-18 school year.

***Half-Cent Sales Surtax*** – In November 2014, Brevard County voters approved a half-cent sales surtax, effective January 1, 2015 through December 31, 2020. The district created the Independent Citizens Oversight Committee (ICOC) to maintain the highest levels of transparency and accountability to the citizens of Brevard County. With the additional revenue generated by this surtax, the district to date has upgraded or renovated projects at 45 locations throughout the District, totaling over \$101 million.

## FINANCIAL INFORMATION

***Budgetary Controls*** – The District maintains budgetary controls over all District funds. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the School Board. Activities of the General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Funds, Internal Service Funds, and the Enterprise Fund are included in the annual



appropriated budget. Project-length financial plans are adopted for Capital Projects Funds; the funding is contingent upon the annual budget adoption.

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

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

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

## **OTHER INFORMATION**

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

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

## **REPORTING ACHIEVEMENTS**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded the Certificate of Achievement for Excellence in Financial Reporting to the School Board of Brevard County for its comprehensive annual financial report for the fiscal year ended June 30, 2017. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both generally accepted accounting principles and applicable legal requirements. The Certificate of Achievement is valid for a period of one year.

The Association of School Business Officials International (ASBO) awarded the Certificate of Excellence in Financial Reporting for the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2017. This award is valid for one year, and certifies that the report substantially conforms to the principles

We believe that our current comprehensive annual financial report meets the requirements of the Certificate of Achievement Program and the Certificate of Excellence Program, and it will be submitted to both the GFOA and ASBO to determine its eligibility to receive these prestigious awards for the fiscal year ended June 30, 2018.

### **ACKNOWLEDGEMENT**

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

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

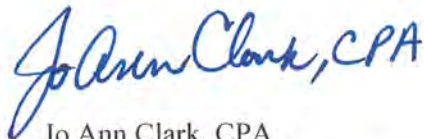
Respectfully submitted,



Mark W. Mullins, Ed.D.  
Superintendent of Schools



Pennie L. Zuercher  
Chief Financial Officer  
Financial Services



Jo Ann Clark, CPA  
Director of Accounting Services





**THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA**

**LIST OF PRINCIPAL OFFICIALS - ELECTED**



**Mr. John Craig, Chairman**

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

**Ms. Tina Descovich, Vice Chairman**

Member from District 3  
Member since November 2014  
Current term expires November 2018



**Ms. Misty Belford**

Member from District 1  
Member since November 2016  
Current term expires November 2020

**Mr. Matt Susin**

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



**Mr. Andy Ziegler**

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

**THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA**

**LIST OF PRINCIPAL OFFICIALS — APPOINTED**

Dr. Desmond Blackburn	Superintendent (July 20, 2015 - August 10, 2018)
Dr. Mark Mullins	Superintendent (effective date July 11, 2018)
Dr. Carol Tolx	Deputy Superintendent Chief Human Resources Officer
Dr. Mark Mullins	Deputy Superintendent Chief Operating Officer
Pennie Zuercher	Chief Financial Officer
Dane Theodore	Assistant Superintendent Facilities Services
Dr. Beth Thedy	Assistant Superintendent Student Services
Russell Cheatham	Assistant Superintendent Educational Technology Services
Jane Cline	Assistant Superintendent Elementary Leading and Learning
Dr. Stephanie Soliven	Assistant Superintendent Secondary Leading and Learning
Stephanie Archer	Assistant Superintendent Equity, Innovation and Choice
Matt Reed	Assistant Superintendent Government and Community Relations
Amy D. Envall	General Counsel

# School Board of Brevard County, Florida Organizational Chart



\*effective date July 11, 2018



ASSOCIATION OF  
SCHOOL BUSINESS OFFICIALS  
INTERNATIONAL

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

**The School Board of Brevard County, Florida**

**for its Comprehensive Annual Financial Report (CAFR)  
for the Fiscal Year Ended June 30, 2017.**

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



A handwritten signature in black ink that reads 'Charles E. Peterson, Jr.' The signature is written in a cursive style and is positioned above a horizontal line.

Charles E. Peterson, Jr., SFO, RSBA, MBA  
President

A handwritten signature in black ink that reads 'John D. Musso'. The signature is written in a cursive style and is positioned above a horizontal line.

John D. Musso, CAE  
Executive Director





Government Finance Officers Association

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

Presented to

**The School Board of Brevard County  
Florida**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2017**

*Christopher P. Morill*

Executive Director/CEO









## INDEPENDENT AUDITOR'S REPORT

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

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District School Board of Brevard County, Florida (the "District") as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements, as listed in the table of contents.

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

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

### **Auditor's Responsibility**

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

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

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

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

**Opinions**

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to in the first paragraph present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District as of June 30, 2018, and the respective changes in financial position and, where applicable, cash flows thereof, and the budgetary comparison for the general fund and major special revenue funds for the fiscal year then ended in conformity with accounting principles generally accepted in the United States of America.

**Emphasis-of-Matter – Change in Accounting Principle**

As discussed in Note 1 to the financial statements, in the year ended June 30, 2018, the District adopted the provisions of Governmental Accounting Standards Board Statement (“GASBS”) 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*. As a result of the implementation of GASBS 75, the District reported a restatement for the change in accounting principle as of July 1, 2017. Our opinions are not modified with respect to this matter.

**Other Matters**

*Required Supplementary Information*

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

*Other Information*

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



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

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

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

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

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

In accordance with *Government Auditing Standards*, we have also issued our report dated October 30, 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.**

Certified Public Accountants

Orlando, Florida  
October 30, 2018



---

---

## MANAGEMENT'S DISCUSSION AND ANALYSIS

---

---

The Management of the School Board of Brevard County, Florida (the District) has prepared the following discussion and analysis to provide an overview of the District's financial activities for the fiscal year ended June 30, 2018. The information contained in the Management's Discussion and Analysis (MD&A) is intended to highlight significant transactions, events, and conditions and should be considered in conjunction with the District's financial statements and the notes to the financial statements, found on pages 17 through 81.

### FINANCIAL HIGHLIGHTS

Key financial highlights for the 2018 fiscal year are as follows:

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows or resources for the governmental activities, at June 30, 2018, by \$275.9 million. Of this amount, \$365.3 million represents a net investment in capital assets and \$(89.5) million represents restricted and unrestricted net position of \$125.6 million and \$(215.1) million, respectively.
- The District's total net position for governmental activities increased by \$24.2 million, or 9.6 percent after a restatement of \$17.3 to beginning net position.
- Program revenues for governmental activities accounted for \$49.5 million, or 6.6 percent of total revenues. General revenues and transfers accounted for \$705.5 million, or 93.4 percent of the combined amount.
- The governmental funds reported combined fund balances of \$184.4 million, an increase of \$.62 million, or .3 percent, in comparison to the prior fiscal year after restatement. The fund balances are comprised of \$5.5 million of non-spendable, \$128.3 million of restricted, \$3.9 million of committed, \$4.8 million of assigned, and \$41.9 million in unassigned funds.
- At the end of the fiscal year, the fund balance for the general fund was \$58.3 million, or 10.7 percent, of the general fund revenues. This fund balance was comprised of \$4.1 million of non-spendable, \$5.1 million of restricted, \$3.9 committed, \$3.3 million assigned, and \$41.9 million of unassigned funds.

### OVERVIEW OF THE FINANCIAL STATEMENTS

The basic financial statements consist of three components:

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

#### ***Government-Wide Financial Statements***

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

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

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

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

### ***Fund Financial Statements***

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

### ***Governmental Funds***

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

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

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

### ***Proprietary Funds***

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

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

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

### ***Fiduciary Funds***

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

### ***Notes to the Financial Statements***

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

## GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net position may serve over time as a useful indicator of a government's financial position. The following is a summary of the District's net position as of June 30, 2018, compared to net position as of June 30, 2017.

Condensed Statement of Net Position  
June 30, 2018 and 2017  
(amounts expressed in thousands)

	Governmental		Business-type		Total	
	2018	2017	2018	2017	2018	2017
Current and other assets	\$ 304,807	\$ 294,757	\$ 225	\$ 905	\$ 305,032	\$ 295,662
Capital assets, net	801,603	797,052	62	60	801,665	797,112
Total assets	<u>1,106,410</u>	<u>1,091,809</u>	<u>287</u>	<u>965</u>	<u>1,106,697</u>	<u>1,092,774</u>
Deferred Outflows of Resources	<u>170,532</u>	<u>152,847</u>	<u>1,559</u>	<u>1,349</u>	<u>172,091</u>	<u>154,196</u>
Current and other liabilities	80,325	71,852	121	114	80,446	71,966
Long-term liabilities	891,108	912,005	3,813	3,847	894,921	915,852
Total liabilities	<u>971,433</u>	<u>983,857</u>	<u>3,934</u>	<u>3,961</u>	<u>975,367</u>	<u>987,818</u>
Deferred Inflows of Resources	<u>29,643</u>	<u>9,179</u>	<u>299</u>	<u>92</u>	<u>29,942</u>	<u>9,271</u>
Net Position:						
Net investment in capital assets	365,334	336,903	62	60	365,396	336,963
Restricted	125,644	123,462	-	-	125,644	123,462
Unrestricted (deficit)	(215,112)	(208,746)	(2,449)	(1,800)	(217,561)	(210,546)
Total net position	<u>\$ 275,866</u>	<u>\$ 251,619</u>	<u>\$ (2,387)</u>	<u>\$ (1,740)</u>	<u>\$ 273,479</u>	<u>\$ 249,879</u>

Within the District's governmental activities, the assets exceeded liabilities by \$275.9 million at the end of the fiscal year. The largest portion of the District's net position, \$365.3 million, reflects its investment in capital assets less any related debt used to acquire those assets. The District uses capital assets to provide services; consequently, these assets are not available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities. The remainder of net position is comprised of a restricted balance of \$125.6 million, which is externally restricted for specific uses and an unrestricted net position of \$(215.1) million.

The key elements of the changes in the District's net position for the fiscal years ended June 30, 2018, and June 30, 2017, are as follows:

The School Board of Brevard County, Florida - Changes in Net Position  
June 30, 2018 and 2017  
(amounts expressed in thousands)

	Governmental Activities		Business-type Activities		Total	
	2018	2017	2018	2017	2018	2017
Revenues:						
Program revenues:						
Charges for services	\$ 7,892	\$ 9,006	\$ 7,558	\$ 7,286	15,450	\$ 16,292
Operating grants and contributions	36,048	34,084	-	-	36,048	34,084
Capital grants and contributions	5,594	5,342	-	-	5,594	5,342
General revenues:						
Property taxes, levied for general purposes	190,559	187,637	-	-	190,559	187,637
Property taxes, levied for capital projects	56,378	51,961	-	-	56,378	51,961
Local sales taxes	45,768	44,914	-	-	45,768	44,914
Grants and contributions, non-restricted	397,472	389,939	-	-	397,472	389,939
Miscellaneous	9,756	8,643	6	6	9,762	8,649
Unrestricted investment earnings	3,259	1,527	-	-	3,259	1,527
Total revenues	<u>752,726</u>	<u>733,053</u>	<u>7,564</u>	<u>7,292</u>	<u>760,290</u>	<u>740,345</u>
Expenses:						
Instruction	405,459	384,378	-	-	405,459	384,378
Pupil personnel services	26,365	25,682	-	-	26,365	25,682
Instructional media services	7,711	7,530	-	-	7,711	7,530
Instruction and curriculum	28,792	27,238	-	-	28,792	27,238
Instructional staff training services	5,637	6,203	-	-	5,637	6,203
Instruction related technology	11,404	10,658	-	-	11,404	10,658
Board of education	1,110	1,159	-	-	1,110	1,159
General administration	3,410	3,322	-	-	3,410	3,322
School administration	40,788	39,813	-	-	40,788	39,813
Non-capital facilities acquisitions & construction	31,521	26,526	-	-	31,521	26,526
Fiscal services	3,042	2,809	-	-	3,042	2,809
Food services	31,774	30,441	-	-	31,774	30,441
Central services	7,118	6,756	-	-	7,118	6,756
Pupil transportation	20,720	19,953	-	-	20,720	19,953
Operation of plant	42,613	45,830	-	-	42,613	45,830
Maintenance of plant	15,096	10,280	-	-	15,096	10,280
Administrative technology services	4,347	3,733	-	-	4,347	3,733
Community services	1,526	1,634	-	-	1,526	1,634
Interest on long-term debt	17,133	18,264	-	-	17,133	18,264
Unallocated depreciation	37,889	35,758	-	-	37,889	35,758
Loss on disposition of assets	4,590	-	-	-	4,590	-
Extended day program	-	-	6,106	5,658	6,106	5,658
Total expenses	<u>748,045</u>	<u>707,967</u>	<u>6,106</u>	<u>5,658</u>	<u>754,151</u>	<u>713,625</u>
Excess (deficiency) of revenues over (under) expenses before transfers	4,681	25,086	1,458	1,634	6,139	26,720
Transfers	2,299	2,299	(2,299)	(2,299)	-	-
Change in net position	6,980	27,385	(841)	(665)	6,139	26,720
Net position, beginning	251,619	224,234	(1,740)	(1,075)	249,879	223,159
Adjustment to Beginning Net Position	17,267	-	194	-	17,461	-
Net position, beginning, as restated	268,886	224,234	(1,546)	(1,075)	267,340	223,159
Net position, ending	<u>\$ 275,866</u>	<u>\$ 251,619</u>	<u>\$ (2,387)</u>	<u>\$ (1,740)</u>	<u>273,479</u>	<u>\$ 249,879</u>



### **Governmental Activities**

The District's governmental activities net position increased by \$24.2 million from fiscal year 2017, including a restatement of \$17.3 million to beginning net position. Key components of this increase are as follows:

- Property taxes for all governmental activities increased by \$7.3 million, or 3.1 percent over the previous year. This overall change is due to an increase in tax collections resulting from increases in property values and home ownership.
- In November 2014, the citizens of Brevard County authorized a half-cent sales tax surtax to fund capital needs of the District. The surtax was effective January 2015 and will continue through December 2020. Reported revenues were \$45.8 million in fiscal 2018, an increase of \$.9 million from the prior year.
- Impact fee revenue was \$11.6 million, an increase of \$2.4 million from the prior year.
- The District's State FEFP allocations increased by \$1.4 million, or .4% over the previous year.

### **Business-Type Activities**

The Business-type activity net position decreased by \$.6 million from fiscal year 2017 after restatement, due to an increase in operating costs for the District's daycare operations, and a transfer of \$2.3 million to the General fund as a repayment of shortfalls previously incurred in the business activities and funded by the General fund during prior years.

## **FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS**

The District's governmental funds reported a combined fund balance of \$184.4 million, which is a \$.6 million increase from last year's combined governmental fund balances of \$183.8 million. The following schedule indicates the fund balances and the total change in fund balances by major fund and other governmental funds (non-major) as reported in the basic financial statements for the fiscal years ended June 30, 2018 and 2017. Net increases in fund balance were due in part to cost saving measures during the current year, combined with certain revenue source increases previously mentioned for governmental activities.

<b><i>Fund Balance</i></b> <b><i>(in thousands)</i></b>	<b>2018</b>	<b>2017</b>	<b>Increase</b> <b>(Decrease)</b>	<b>Percentage</b> <b>Change</b>
General Fund	\$58,322	\$ 57,638	\$ 684	1.19
Debt service fund - other	4,136	3,999	137	3.43
Capital projects funds:				
Local capital improvement	18,184	27,021	(8,837)	(32.70)
Local Sales Surtax	50,881	46,554	4,327	9.29
Impact Fees	33,076	22,915	10,161	44.34
Other governmental funds (non-major)	19,847	25,697	(5,850)	(22.77)
<b>Total</b>	<b>\$ 184,446</b>	<b>\$ 183,824</b>	<b>\$ 622</b>	<b>0.34</b>

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

**General Fund**

Fund balance for the general fund had a net increase of \$.7 million, compared to a net increase of \$9.4 million in the prior year. The tables and data that follow illustrate the financial activities and changes in fund balance for the general fund.

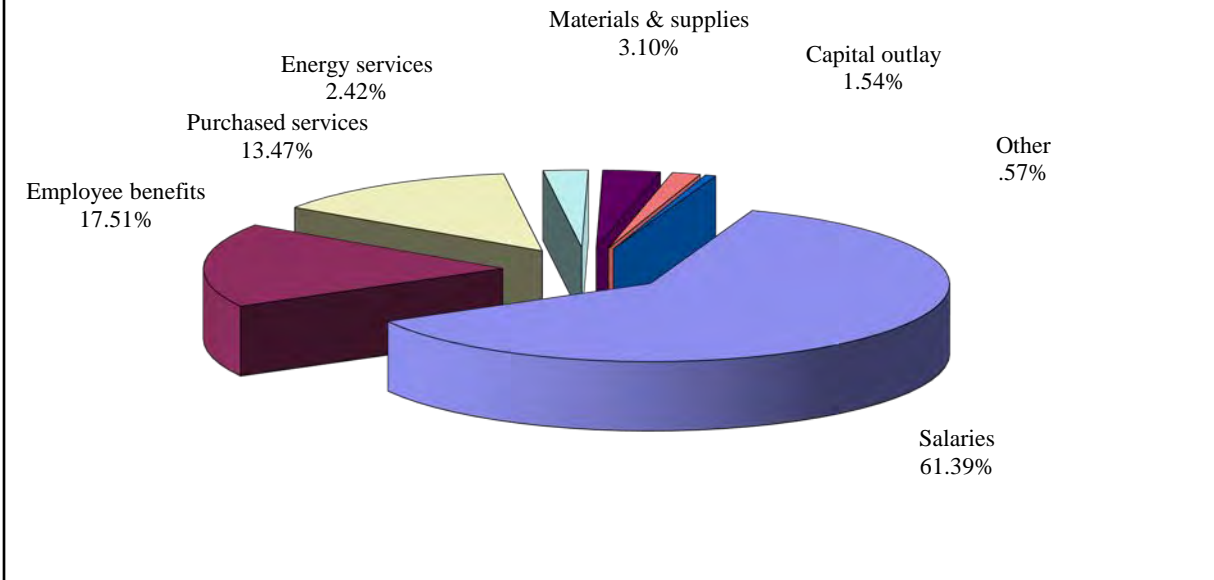
<b><i>Revenues</i></b> <b><i>(in thousands)</i></b>	2018	2017	Increase (Decrease)	Percentage Change
Taxes	\$ 190,559	\$ 187,637	\$ 2,922	1.56
Interest earnings	1,743	741	1,002	135.22
State revenues	341,175	336,200	4,975	1.48
Federal revenues	3,038	2,469	569	23.05
Other revenues	10,515	9,387	1,128	12.02
Total	\$ 547,030	\$ 536,434	\$ 10,596	1.98

General fund property tax revenues increased by \$2.9 million, or 1.6 percent. Other combined revenues increased overall by \$7.7 million. FEFP revenue was the largest contributor with a \$1.4 million increase which included revenue adjustments for state allocations such as: Workforce Development, Base Student, Virtual Education, Supplemental Academic Instruction, and ESE Guaranteed Allocation.

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

<b><i>Expenditures by Object</i></b> <b><i>(in thousands)</i></b>	2018	2017	Increase (Decrease)	Percentage Change
Salaries	\$ 343,680	\$ 333,021	\$ 10,659	3.20
Employee benefits	98,005	95,005	3,000	3.16
Purchased services	75,431	70,834	4,597	6.49
Energy services	13,557	12,730	827	6.50
Materials & supplies	17,330	9,712	7,618	78.44
Capital outlay	8,605	5,897	2,708	45.92
Other	3,177	2,898	279	9.63
Total	\$ 559,785	\$ 530,097	\$ 29,688	5.60

## General Fund Expenditures by Object Fiscal Year 2017-18



The increase in labor and fringe benefits of \$13.7 million is primarily due to increases in health insurance costs and increases in salaries. Purchased services increased \$4.6 million, primarily due to an increase in the number of charter schools and the funding amounts distributed to them as well as increase in services for plant maintenance. Materials and supplies increased by \$7.6 million due increase in instruction costs including textbooks. Increases in Energy services, Other expenditures and capital outlay account for the remaining increase of \$3.8 million.

### ***Debt Service Fund - Other***

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

### ***Capital Projects - Local Capital Improvement Fund***

The fund balance of the capital projects - local capital improvement fund decreased by \$8.8 million, or 32.7 percent. Revenues increased by \$4.6 million over fiscal year 2017 as property values continue to increase in Brevard County, but were offset by operating transfers of \$42.8 million, an increase of \$2.0 million from the prior year. The majority of the transfers were made to the debt service funds to cover a portion of principal and interest payments on long-term debt.

### ***Capital Projects – Surtax Funds***

The Surtax Fund was established in fiscal year 2015 to account for revenues generated by the sales surtax approved by voters in November 2014. Surtax collections during fiscal year 2018 were \$45.8 million, an increase of \$.9 million from the prior year.

### ***Capital Projects – Impact Fees Funds***

Changes in this fund are due primarily to increase in revenues. Impact fees for fiscal year 2018 were \$11.6 million, an increase of \$2.4 million over fiscal year 2017.

## **GENERAL FUND BUDGETARY HIGHLIGHTS**

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

The District amends its budget throughout the fiscal year to reflect changes in available revenues and anticipated expenditures. General fund expenditures were originally budgeted at \$555.1 million and actual expenditures were higher than the original budget by \$4.7 million, and \$38.6 million less than the amended budget. The amended budget increased expenditures \$42.6 million over the original budget. This increase in expenditures was offset thru \$.2 million decrease in other financing uses, \$.9 million reduction in total revenues and a \$44.0 million reduction in the budgeted fund balance primarily for contingency purposes of Policy 6120. During the fiscal year ended June 30, 2018, all governmental fund types were amended to reflect adjustments to appropriations due to changes in student counts, the addition of new education programs, adherence to policy directives, management initiatives, etc. These amendments were made as part of the routine budget process of the District, none of which were deemed to be significant by management.

## **CAPITAL ASSETS AND LONG-TERM LIABILITIES**

### ***Capital Assets***

The District has \$803.0 million invested in capital assets net of depreciation, with virtually all of it attributed to governmental activities. This investment in capital assets includes: land; construction in process; improvements other than buildings; buildings and fixed equipment; furniture, fixtures and equipment; motor vehicles; audio-visual materials; computer software and property under capital lease, including those assets held in the Internal Service Fund.

The District placed \$44.0 million in new capital assets into service during fiscal year 2018. The majority of the acquisitions were capital improvements, furniture, computer equipment and motor vehicles throughout the District. The District also incurred \$30.7 million on construction and renovation projects that it expects to complete in the next fiscal year. Depreciation of existing assets totaled \$39.8 million, with \$1.9 million directly charged to the Transportation function. The District also retired \$ 4.6 million in software in process and land and \$8.5 million of unusable or obsolete furniture, equipment, motor vehicles; and computer software. Detailed information regarding capital asset activity is included in the notes to the financial statements (Note 5).

### ***Long-Term Liabilities***

At June 30, 2018, the District had a total of \$ 450.8 million in outstanding long-term debt, comprised of \$2.2 million of outstanding State Board of Education bonds issued on behalf of the District, and \$448.6 million in outstanding certificates of participation. Other significant long term liabilities are self-insurance claims of \$17.5 million; other post-employment benefit obligations of \$18.1 million, and compensated absences for District employees of \$41.5 million. The District also reported a net pension liability of \$363.2 million, representing the District's proportionate share of the Florida Retirement System pension plan.

The portion of all these obligations estimated to be due within one year is \$34.8 million. Detailed information regarding long-term debt activity can be found in the notes to the financial statements (Note 10).

## **OTHER MATTERS OF SIGNIFICANCE**

The District adopted millage rates for the 2019 fiscal year in September, 2018. The adopted rate for required local effort (RLE) was 4.051 mills, a decrease of .269 mills from the 2017 fiscal year. The adopted local levy of .748 mills and the capital outlay millage of 1.5 mills are unchanged from the 2018 fiscal year. The District also adopted its budget for fiscal year 2019 in September 2018. Budgeted General fund revenues are \$550.1 million, Other financing sources of \$16.4 million and budgeted expenditures are \$566.5 million.

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

## **REQUESTS FOR INFORMATION**

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

# BASIC FINANCIAL STATEMENTS





The School Board of Brevard County, Florida  
Statement of Net Position  
June 30, 2018

	<b>Primary Government</b>			<b>Component Units</b>
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>	
<b>ASSETS</b>				
Cash and cash equivalents	\$ 64,744,693	\$ 224,806	\$ 64,969,499	\$ 8,907,354
Investments	175,348,756	-	175,348,756	3,356,649
Receivables	687,052	-	687,052	730,496
Prepaid items	3,564,123	-	3,564,123	2,713,168
Due from other agencies	15,851,454	865	15,852,319	1,124,944
Inventories	1,990,894	-	1,990,894	242,627
Deposits	-	-	-	292,789
Cash with Fiscal/Service agents	42,619,906	-	42,619,906	3,728,348
Capital assets:				
Non-depreciable	83,936,984	-	83,936,984	7,458,584
Depreciable (net)	717,666,381	61,707	717,728,088	38,017,746
Total assets	<u>1,106,410,243</u>	<u>287,378</u>	<u>1,106,697,621</u>	<u>66,572,705</u>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Net carrying amount of debt refunding	16,259,700	-	16,259,700	2,759,625
Pension	152,450,180	1,540,138	153,990,318	-
Other postemployment benefits	1,821,990	18,809	1,840,799	-
Total deferred outflows of resources	<u>170,531,870</u>	<u>1,558,947</u>	<u>172,090,817</u>	<u>2,759,625</u>
<b>LIABILITIES</b>				
Accounts, contracts, and retainage payable	22,081,072	843	22,081,915	357,505
Accrued salaries and benefits	31,033,662	119,743	31,153,405	2,081,726
Due to other agencies	252,648	-	252,648	-
Matured bonds payable	16,435,000	-	16,435,000	-
Matured interest payable	9,436,021	-	9,436,021	-
Accrued interest payable	-	-	-	158,594
Unearned revenue	1,087,193	-	1,087,193	33,228
Noncurrent liabilities:				
Due within one year	34,821,382	9,544	34,830,926	730,383
Due in more than one year	856,286,222	3,796,892	860,083,114	53,914,436
Total liabilities	<u>971,433,200</u>	<u>3,927,022</u>	<u>975,360,222</u>	<u>57,275,872</u>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Deferred revenue	664,320	-	664,320	-
Pension	28,319,342	292,350	28,611,692	-
Other postemployment benefits	658,918	6,802	665,720	-
Total deferred inflows of resources	<u>29,642,580</u>	<u>299,152</u>	<u>29,941,732</u>	<u>-</u>
<b>NET POSITION</b>				
Net investment in capital assets	365,334,344	61,707	365,396,051	(4,545,121)
Restricted for:				
State required carryover programs	5,152,248	-	5,152,248	-
Food Service	12,864,021	-	12,864,021	180,630
Debt service	4,135,646	-	4,135,646	5,445,953
Capital projects	103,491,698	-	103,491,698	-
Other purposes	-	-	-	4,870,061
Unrestricted (deficit)	(215,111,624)	(2,432,012)	(217,543,636)	6,104,935
Total net position	<u>\$ 275,866,333</u>	<u>\$ (2,370,305)</u>	<u>\$ 273,496,028</u>	<u>\$ 12,056,458</u>

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



The School Board of Brevard County, Florida  
Statement of Activities  
For the Fiscal Year Ended June 30, 2018

Functions/Programs	Program Revenues				Net (Expense) Revenue and Changes in Net Position			
	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	Component Units
<b>Primary government:</b>								
Governmental activities:								
Instruction	\$ 405,458,614	\$ 210,168	\$ -	\$ -	\$ (405,248,446)	\$ -	\$(405,248,446)	\$ -
Pupil personnel services	26,364,675	-	-	-	(26,364,675)	-	(26,364,675)	-
Instructional media services	7,711,408	-	-	-	(7,711,408)	-	(7,711,408)	-
Instruction and curriculum development	28,791,547	-	-	-	(28,791,547)	-	(28,791,547)	-
Instructional staff training services	5,637,035	-	-	-	(5,637,035)	-	(5,637,035)	-
Instruction related technology	11,403,792	-	-	-	(11,403,792)	-	(11,403,792)	-
School board	1,109,912	-	-	-	(1,109,912)	-	(1,109,912)	-
General administration	3,409,936	-	-	-	(3,409,936)	-	(3,409,936)	-
School administration	40,788,487	-	-	-	(40,788,487)	-	(40,788,487)	-
Non-capitalizable facilities acquisition & construction	31,521,059	-	-	1,974,286	(29,546,773)	-	(29,546,773)	-
Fiscal services	3,041,757	-	-	-	(3,041,757)	-	(3,041,757)	-
Food services	31,774,135	7,681,839	25,261,949	-	1,169,653	-	1,169,653	-
Central services	7,118,335	-	-	-	(7,118,335)	-	(7,118,335)	-
Pupil transportation services	20,720,303	-	10,786,018	-	(9,934,285)	-	(9,934,285)	-
Operation of plant	42,613,305	-	-	-	(42,613,305)	-	(42,613,305)	-
Maintenance of plant	15,096,153	-	-	2,857,788	(12,238,365)	-	(12,238,365)	-
Administrative technology services	4,347,022	-	-	-	(4,347,022)	-	(4,347,022)	-
Community services	1,525,770	-	-	-	(1,525,770)	-	(1,525,770)	-
Interest on long-term debt	17,133,145	-	-	761,985	(16,371,160)	-	(16,371,160)	-
Proprietary and Fiduciary Expense	-	-	-	-	-	-	-	-
Depreciation - unallocated (Note 5)*	37,889,017	-	-	-	(37,889,017)	-	(37,889,017)	-
Loss on disposition of assets	4,590,064	-	-	-	(4,590,064)	-	(4,590,064)	-
<b>Total governmental activities</b>	<b>748,045,471</b>	<b>7,892,007</b>	<b>36,047,967</b>	<b>5,594,059</b>	<b>(698,511,438)</b>	<b>-</b>	<b>(698,511,438)</b>	<b>-</b>
Business-type activities:								
Extended day program	6,089,793	7,557,744	-	-	-	1,467,951	1,467,951	-
<b>Total business-type activities</b>	<b>6,089,793</b>	<b>7,557,744</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,467,951</b>	<b>1,467,951</b>	<b>-</b>
<b>Total primary government</b>	<b>\$ 754,135,264</b>	<b>\$ 15,449,751</b>	<b>\$ 36,047,967</b>	<b>\$ 5,594,059</b>	<b>(698,511,438)</b>	<b>1,467,951</b>	<b>(697,043,487)</b>	<b>-</b>
Component units	\$ 54,334,107	\$ 980,359	\$ 4,166,409	\$ 887,833				(48,299,506)
General revenues:								
Taxes:								
Property taxes, levied for general purposes					190,559,131	-	190,559,131	-
Property taxes, levied for capital projects					56,378,223	-	56,378,223	-
Local sales surtax					45,767,671	-	45,767,671	-
Grants and contributions not restricted to specific programs					397,472,030	-	397,472,030	46,684,484
Miscellaneous					9,756,029	6,286	9,762,315	1,618,361
Special items					-	-	-	(12,638)
Unrestricted investment earnings					3,258,946	-	3,258,946	101,416
Transfers					2,299,035	(2,299,035)	-	-
<b>Total general revenues and transfers</b>					<b>705,491,065</b>	<b>(2,292,749)</b>	<b>703,198,316</b>	<b>48,391,623</b>
Changes in net position					6,979,627	(824,798)	6,154,829	92,117
Net position - beginning					251,619,447	(1,739,794)	249,879,653	11,964,341
Adjustments to net position					17,267,259	194,287	17,461,546	-
Net position - beginning as restated					268,886,706	(1,545,507)	267,341,199	11,964,341
Net position - ending					<b>\$ 275,866,333</b>	<b>\$ (2,370,305)</b>	<b>\$ 273,496,028</b>	<b>\$ 12,056,458</b>

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

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

The School Board of Brevard County, Florida  
Balance Sheet - Governmental Funds  
June 30, 2018

	<u>General</u>	<u>Debt Service Fund - Other</u>	<u>Capital Projects - Local Capital Improvement</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 34,471,430	\$ -	\$ 22,170,939
Cash with fiscal agent	-	25,871,021	-
Investments	52,909,343	4,103,939	125,195
Accounts and interest receivable	318,485	39,110	-
Due from other agencies	1,062,777	-	29,188
Due from budgetary funds	2,792,452	-	303,047
Inventory	497,808	-	-
Prepaid items	3,564,123	-	-
	<hr/>	<hr/>	<hr/>
Total assets	<u>\$ 95,616,418</u>	<u>\$ 30,014,070</u>	<u>\$ 22,628,369</u>
 <b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>			
Liabilities:			
Accounts, contracts and retainage payable	\$ 6,225,554	\$ 7,403	\$ 4,443,968
Accrued salaries and benefits	29,583,585	-	-
Due to other agencies	111,255	-	-
Due to budgetary funds	-	-	-
Unearned revenue	709,380	-	-
Matured bonds and certificates payable	-	16,435,000	-
Matured interest payable	-	9,436,021	-
	<hr/>	<hr/>	<hr/>
Total liabilities	<u>36,629,774</u>	<u>25,878,424</u>	<u>4,443,968</u>
Deferred inflows of resources			
Deferred revenue - unavailable	664,320	-	-
	<hr/>	<hr/>	<hr/>
Fund balances:			
Nonspendable	4,061,931	-	-
Restricted	5,152,248	4,135,646	18,184,401
Committed	3,905,904	-	-
Assigned	3,313,651	-	-
Unassigned	41,888,590	-	-
	<hr/>	<hr/>	<hr/>
Total fund balances	<u>58,322,324</u>	<u>4,135,646</u>	<u>18,184,401</u>
	<hr/>	<hr/>	<hr/>
Total liabilities and fund balances	<u>\$ 95,616,418</u>	<u>\$ 30,014,070</u>	<u>\$ 22,628,369</u>

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

<b>Capital Projects - Local Sales Surtax</b>	<b>Capital Projects - Impact Fees</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ 51,119,480	\$ 16,507,630	\$ 18,968,447	\$ 143,237,926
-	16,703,655	45,230	42,619,906
60,702	-	4,996	57,204,175
-	-	-	357,595
8,255,321	-	6,504,168	15,851,454
-	-	-	3,095,499
-	-	1,493,086	1,990,894
-	-	-	3,564,123
<u>\$ 59,435,503</u>	<u>\$ 33,211,285</u>	<u>\$ 27,015,927</u>	<u>\$ 267,921,572</u>
\$ 8,554,846	\$ 134,974	\$ 2,104,373	\$ 21,471,118
-	-	1,450,077	31,033,662
-	-	141,393	252,648
-	-	3,095,499	3,095,499
-	-	377,813	1,087,193
-	-	-	16,435,000
-	-	-	9,436,021
<u>8,554,846</u>	<u>134,974</u>	<u>7,169,155</u>	<u>82,811,141</u>
-	-	-	664,320
-	-	1,493,086	5,555,017
50,880,657	33,076,311	16,870,433	128,299,696
-	-	-	3,905,904
-	-	1,483,253	4,796,904
-	-	-	41,888,590
<u>50,880,657</u>	<u>33,076,311</u>	<u>19,846,772</u>	<u>184,446,111</u>
<u>\$ 59,435,503</u>	<u>\$ 33,211,285</u>	<u>\$ 27,015,927</u>	<u>\$ 267,921,572</u>





**The School Board of Brevard County, Florida  
Reconciliation of the Governmental Funds  
Balance Sheet to the Statement of Net Position  
June 30, 2018**

<b>Total Fund Balances - Governmental Funds</b>		\$ 184,446,111
Amounts reported for <i>governmental activities</i> in the statement of net position are different because:		
Capital assets, net of accumulated depreciation, used in governmental activities are not financial resources and therefore are not reported as assets in the governmental funds.		
Total capital assets not being depreciated	\$ 83,936,984	
Total capital assets being depreciated	1,669,158,569	
Net capital assets presented in internal service funds	(1,306,050)	
Total accumulated depreciation	(951,492,188)	800,297,315
The difference between the reacquisition price and the net carrying amount of refunded debt is reported as a deferred outflow of resources in the government-wide statements and amortized over the life of the debt, but is not reported in governmental funds.		
		16,259,700
Internal service funds are used by management to charge the costs of certain activities, such as insurance, to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net position.		
		23,151,626
Deferred inflows and outflows of resources related to the net pension liability are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		
Deferred outflows related to pensions	152,450,180	
Deferred inflows related to pensions	(28,319,342)	124,130,838
Deferred inflows and outflows of resources related to the net other postemployment benefits obligation liabilities are not recognized in the governmental funds; however, they are recorded in the statement of net position under full accrual accounting.		
Deferred outflows related to OPEB	1,821,990	
Deferred inflows related to OPEB	(658,918)	1,163,072
Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the governmental funds. Long-term liabilities at year-end consist of:		
Bonds payable	(2,165,108)	
Certificates of participation	(448,605,095)	
Compensated absences	(41,518,588)	
Other post-employment benefits	(18,112,951)	
Net pension liability	(363,180,587)	
Total long-term liabilities		(873,582,329)
<b>Total Net Position - Governmental Activities</b>		<b>\$ 275,866,333</b>

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

The School Board of Brevard County, Florida  
Statement of Revenues, Expenditures and  
Changes in Fund Balances - Governmental Funds  
For the Fiscal Year ended June 30, 2018

	<u>General</u>	<u>Debt Service Fund - Other</u>	<u>Capital Projects - Local Capital Improvement</u>
Revenues:			
Local sources:			
Ad valorem taxes	\$ 190,559,131	\$ -	\$ 56,378,223
Local sales tax	-	-	-
Food service sales	-	-	-
Investment income	1,743,079	-	533,783
Impact fees	-	-	-
Other	10,515,165	205,875	45,334
Total local sources	<u>202,817,375</u>	<u>205,875</u>	<u>56,957,340</u>
State sources:			
Florida education finance program	244,028,713	-	-
Workforce development	3,828,536	-	-
Categorical programs	84,673,520	-	-
Public education capital outlay	-	-	-
Food services	-	-	-
Other	8,644,080	-	-
Total state sources	<u>341,174,849</u>	<u>-</u>	<u>-</u>
Federal sources:			
Federal direct	478,352	-	-
Other federal grants	2,559,830	-	-
Food services	-	-	-
Total federal sources	<u>3,038,182</u>	<u>-</u>	<u>-</u>
Total revenues	<u>547,030,406</u>	<u>205,875</u>	<u>56,957,340</u>

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

<b>Capital Projects - Local Sales Surtax</b>	<b>Capital Projects - Impact Fees</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ -	\$ -	\$ -	\$ 246,937,354
45,767,671	-	-	45,767,671
-	-	7,869,829	7,869,829
502,234	200,677	-	2,979,773
-	11,602,549	-	11,602,549
5,893	-	477,827	11,250,094
<u>46,275,798</u>	<u>11,803,226</u>	<u>8,347,656</u>	<u>326,407,270</u>
-	-	-	244,028,713
-	-	-	3,828,536
-	-	-	84,673,520
-	-	2,857,788	2,857,788
-	-	346,934	346,934
-	-	3,584,163	12,228,243
-	-	6,788,885	347,963,734
-	-	7,101,065	7,579,417
-	-	43,178,610	45,738,440
-	-	24,915,016	24,915,016
-	-	75,194,691	78,232,873
<u>46,275,798</u>	<u>11,803,226</u>	<u>90,331,232</u>	<u>752,603,877</u>

Continued on next page.

The School Board of Brevard County, Florida  
Statement of Revenues, Expenditures and  
Changes in Fund Balances - Governmental Funds  
For the Fiscal Year ended June 30, 2018

	<u>General</u>	<u>Debt Service Fund - Other</u>	<u>Capital Projects - Local Capital Improvement</u>
Expenditures:			
Current operating:			
Instructional services	\$ 370,596,814	\$ -	\$ -
Pupil personnel services	19,812,694	-	-
Instructional media services	7,424,103	-	-
Instructional and curriculum development services	15,045,085	-	-
Instructional staff training services	2,308,317	-	-
Instruction related technology	8,981,519	-	-
School board	1,089,878	-	-
General administration	1,277,642	-	-
School administration	39,202,977	-	-
Facilities acquisition and construction	2,043,233	-	10,286,094
Fiscal services	2,903,529	-	-
Food services	489,981	-	-
Central services	6,825,005	-	-
Pupil transportation services	18,066,495	-	-
Operation of plant	41,640,050	-	-
Maintenance of plant	14,776,010	-	-
Administrative technology services	4,207,268	-	-
Community services	413,744	-	-
Capital outlay:			
Facilities	476,460	-	3,402,283
Charter school local capital improvement	-	-	570,451
Other capital outlay	2,204,283	-	8,722,264
Debt service:			
Principal	-	16,435,000	-
Interest and fiscal charges	-	18,924,205	-
Total expenditures	<u>559,785,087</u>	<u>35,359,205</u>	<u>22,981,092</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(12,754,681)</u>	<u>(35,153,330)</u>	<u>33,976,248</u>
Other financing sources (uses):			
Transfers in	16,038,702	35,289,865	-
Transfers out	<u>(2,600,000)</u>	<u>-</u>	<u>(42,812,868)</u>
Total other financing sources (uses)	<u>13,438,702</u>	<u>35,289,865</u>	<u>(42,812,868)</u>
Net change in fund balances	684,021	136,535	(8,836,620)
Fund balances, beginning of year	<u>57,638,303</u>	<u>3,999,111</u>	<u>27,021,021</u>
Fund balances, end of year	<u>\$ 58,322,324</u>	<u>\$ 4,135,646</u>	<u>\$ 18,184,401</u>

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



<b>Capital Projects - Local Sales Surtax</b>	<b>Capital Projects - Impact Fees</b>	<b>Nonmajor Governmental Funds</b>	<b>Total Governmental Funds</b>
\$ -	\$ -	\$ 22,297,377	\$ 392,894,191
-	-	5,701,557	25,514,251
-	-	10,471	7,434,574
-	-	12,677,654	27,722,739
-	-	3,190,110	5,498,427
-	-	2,107,329	11,088,848
-	-	-	1,089,878
-	-	2,093,168	3,370,810
-	-	62,379	39,265,356
16,634,577	170,801	3,706,012	32,840,717
-	-	38,708	2,942,237
-	-	30,808,529	31,298,510
-	-	36,272	6,861,277
-	-	197,423	18,263,918
-	-	123,109	41,763,159
-	-	3,513	14,779,523
-	-	1,840	4,209,108
-	-	887,601	1,301,345
23,443,575	-	3,976,239	31,298,557
-	-	-	570,451
1,870,898	-	2,745,396	15,542,841
-	-	659,000	17,094,000
-	-	111,771	19,035,976
<u>41,949,050</u>	<u>170,801</u>	<u>91,435,458</u>	<u>751,680,693</u>
<u>4,326,748</u>	<u>11,632,425</u>	<u>(1,104,226)</u>	<u>923,184</u>
-	-	2,311,333	53,639,900
-	(1,470,551)	(7,057,446)	(53,940,865)
-	(1,470,551)	(4,746,113)	(300,965)
4,326,748	10,161,874	(5,850,339)	622,219
46,553,909	22,914,437	25,697,111	183,823,892
<u>\$ 50,880,657</u>	<u>\$ 33,076,311</u>	<u>\$ 19,846,772</u>	<u>\$ 184,446,111</u>

**The School Board of Brevard County, Florida**  
**Reconciliation of the Statement of Revenues, Expenditures and**  
**Changes in Fund Balances of Governmental Funds to the Statement of Activities**  
**For the Fiscal Year Ended June 30, 2018**

**Net Change in Fund Balances - Total Governmental Funds** \$ 622,219

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount by which capital outlay expenditures were exceeded by depreciation expense and loss on disposition of assets in the current period.

Capital outlay - facilities, acquisition and construction	\$ 30,697,495	
Capital outlay - other	18,303,560	
Loss on disposition of assets	(4,590,064)	
Less, depreciation expense	<u>(39,832,671)</u>	4,578,320

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

Deferred outflow		
Current year	16,259,700	
Prior year	<u>17,626,401</u>	(1,366,701)
Unamortized premiums		
Current year	(40,187,203)	
Prior year	<u>(43,456,735)</u>	3,269,532

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

Payment of principal - COP	16,435,000	
Payment of principal - bonds	<u>659,000</u>	17,094,000

In the statement of activities, the cost of compensated absences is measured by the amounts earned during the year, while in the governmental funds expenditures are recognized based on the amounts actually paid for compensated absences. This is the net amount of compensated absences used in excess of the amount earned in the current year. (742,447)

In the statement of activities, the cost of other post employment benefits is a measurement of the amortized unfunded actuarial calculation of deferred inflows and deferred outflows until amounts are actually paid for other post employment benefits. This is the amount of deferred inflows and outflows related to the other post employment benefits activity for the District.

Deferred outflows related to OPEB - current year		1,821,990
OPEB liability - current year	(18,112,951)	
OPEB liability - prior year	<u>(18,915,988)</u>	803,037
Deferred inflows related to OPEB - current year		(658,918)

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

Deferred outflows related to pensions - current year	152,450,180	
Deferred outflows related to pensions - prior year	<u>135,220,587</u>	17,229,593
Pension liability - current year	(363,180,587)	
Pension liability - prior year	<u>(346,556,848)</u>	(16,623,739)
Deferred inflows related to pensions - current year	(28,319,342)	
Deferred inflows related to pensions - prior year	<u>(9,179,273)</u>	(19,140,069)

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. 92,810

**Change in Net Position of Governmental Activities** \$ 6,979,627

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

The School Board of Brevard County, Florida  
General Fund  
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
For the Fiscal Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
<b>Revenues</b>				
Local sources:				
Ad valorem taxes	\$ 188,576,709	\$ 190,559,131	\$ 190,559,131	\$ -
Investment income	278,893	1,743,079	1,743,079	-
Other	7,513,719	10,515,165	10,515,165	-
Total local sources	<u>196,369,321</u>	<u>202,817,375</u>	<u>202,817,375</u>	<u>-</u>
State sources:				
Florida education finance program	257,296,819	244,028,713	244,028,713	-
Categorical programs	85,424,535	84,673,520	84,673,520	-
Workforce development	3,828,536	3,828,536	3,828,536	-
Other	2,660,789	8,644,080	8,644,080	-
Total state sources	<u>349,210,679</u>	<u>341,174,849</u>	<u>341,174,849</u>	<u>-</u>
Federal sources:				
Federal direct	694,794	478,352	478,352	-
Other	1,889,592	2,559,830	2,559,830	-
Total federal sources	<u>2,584,386</u>	<u>3,038,182</u>	<u>3,038,182</u>	<u>-</u>
Total revenues	<u>548,164,386</u>	<u>547,030,406</u>	<u>547,030,406</u>	<u>-</u>
<b>Expenditures</b>				
Current operating:				
Instructional services:				
Salaries	237,306,101	239,608,922	233,041,399	6,567,523
Employee benefits	65,124,042	67,271,193	63,829,326	3,441,867
Purchased services	54,022,388	58,138,888	56,524,780	1,614,108
Energy services	4,475	438	438	-
Materials and supplies	11,995,035	18,290,412	11,519,375	6,771,037
Capital outlay	2,247,563	4,111,170	3,376,745	734,425
Other expenditures	2,658,932	3,430,481	2,304,751	1,125,730
Total instructional services	<u>373,358,536</u>	<u>390,851,504</u>	<u>370,596,814</u>	<u>20,254,690</u>
Pupil personnel services:				
Salaries	12,212,940	13,890,884	12,886,382	1,004,502
Employee benefits	3,276,118	3,808,205	3,491,565	316,640
Purchased services	3,427,394	4,172,523	3,274,473	898,050
Materials and supplies	155,165	172,832	149,493	23,339
Capital outlay	4,717	9,588	8,142	1,446
Other expenditures	450	48,052	2,639	45,413
Total pupil personnel services	<u>19,076,784</u>	<u>22,102,084</u>	<u>19,812,694</u>	<u>2,289,390</u>
Instructional media services:				
Salaries	5,149,175	5,335,321	5,350,433	(15,112)
Employee benefits	1,523,133	1,580,033	1,615,201	(35,168)
Purchased services	55,554	108,469	105,046	3,423
Materials and supplies	42,761	115,125	67,508	47,617
Capital outlay	357,320	400,480	282,713	117,767
Other expenditures	450	4,716	3,202	1,514
Total instructional media services	<u>7,128,393</u>	<u>7,544,144</u>	<u>7,424,103</u>	<u>120,041</u>
Instruction and curriculum development services:				
Salaries	10,664,189	11,747,705	11,442,954	304,751
Employee benefits	3,135,403	3,297,381	2,986,389	310,992
Purchased services	124,690	378,131	352,225	25,906
Materials and supplies	42,500	138,518	85,561	52,957
Capital outlay	20,974	101,735	97,687	4,048
Other expenditures	7,955	74,535	80,269	(5,734)
Total instruction and curriculum development	<u>13,995,711</u>	<u>15,738,005</u>	<u>15,045,085</u>	<u>692,920</u>

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

Continued on next page.

The School Board of Brevard County, Florida  
General Fund  
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
For the Fiscal Year Ended June 30, 2018

	Budgeted Amounts		Actual	Variance with Final Budget
	Original	Final		
Instructional staff training services:				
Salaries	1,238,577	1,458,043	1,232,852	225,191
Employee benefits	256,812	263,336	250,602	12,734
Purchased services	159,633	899,365	519,099	380,266
Materials and supplies	22,317	368,004	119,846	248,158
Capital outlay	1,143	13,622	9,167	4,455
Other expenditures	8,355	217,551	176,751	40,800
Total instructional staff training services	<u>1,686,837</u>	<u>3,219,921</u>	<u>2,308,317</u>	<u>911,604</u>
Instruction related technology:				
Salaries	5,735,737	6,041,329	6,017,339	23,990
Employee benefits	1,518,532	1,600,676	1,619,865	(19,189)
Purchased services	1,214,690	1,666,844	1,146,025	520,819
Materials and supplies	-	15,994	232	15,762
Capital outlay	-	199,080	198,058	1,022
Total instruction related technology	<u>8,468,959</u>	<u>9,523,923</u>	<u>8,981,519</u>	<u>542,404</u>
School board:				
Salaries	455,706	458,764	456,981	1,783
Employee benefits	478,615	457,158	281,786	175,372
Purchased services	196,610	321,871	317,024	4,847
Materials and supplies	3,070	2,643	672	1,971
Capital outlay	250	3,031	2,781	250
Other expenditures	30,930	35,685	30,634	5,051
Total School Board	<u>1,165,181</u>	<u>1,279,152</u>	<u>1,089,878</u>	<u>189,274</u>
General administration:				
Salaries	602,174	612,118	643,028	(30,910)
Employee benefits	189,847	194,408	205,787	(11,379)
Purchased services	360,362	371,230	341,692	29,538
Materials and supplies	15,756	13,622	10,840	2,782
Capital outlay	9,813	19,166	7,611	11,555
Other expenditures	29,530	51,179	68,684	(17,505)
Total general administration	<u>1,207,482</u>	<u>1,261,723</u>	<u>1,277,642</u>	<u>(15,919)</u>
School administration:				
Salaries	28,251,478	29,561,733	29,645,557	(83,824)
Employee benefits	8,398,435	8,876,658	9,190,595	(313,937)
Purchased services	160,649	181,719	173,940	7,779
Materials and supplies	85,897	240,142	98,586	141,556
Capital outlay	15,800	143,755	79,193	64,562
Other expenditures	4,289	18,413	15,106	3,307
Total school administration	<u>36,916,548</u>	<u>39,022,420</u>	<u>39,202,977</u>	<u>(180,557)</u>
Facilities acquisition and construction:				
Salaries	623,043	727,222	402,507	324,715
Employee benefits	185,524	208,624	109,379	99,245
Purchased services	41,490	176,508	167,889	8,619
Materials and supplies	9,900	20,265	21,914	(1,649)
Capital outlay	13,920	2,577,840	1,334,034	1,243,806
Other expenditures	5,300	6,280	7,510	(1,230)
Total facilities acquisition and construction	<u>879,177</u>	<u>3,716,739</u>	<u>2,043,233</u>	<u>1,673,506</u>
Fiscal services:				
Salaries	1,881,423	2,305,069	2,019,315	285,754
Employee benefits	529,625	677,878	572,981	104,897
Purchased services	493,495	779,562	219,978	559,584
Materials and supplies	6,375	12,415	11,061	1,354
Capital outlay	10,400	22,695	18,980	3,715
Other expenditures	75,700	73,629	61,214	12,415
Total fiscal services	<u>2,997,018</u>	<u>3,871,248</u>	<u>2,903,529</u>	<u>967,719</u>

Continued on next page.

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

The School Board of Brevard County, Florida  
General Fund  
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Food services:				
Salaries	98,187	439,420	440,920	(1,500)
Employee benefits	8,059	47,494	47,648	(154)
Materials and supplies	-	1,412	1,413	(1)
Total food services	<u>106,246</u>	<u>488,326</u>	<u>489,981</u>	<u>(1,655)</u>
Central services:				
Salaries	3,887,711	4,434,342	4,218,796	215,546
Employee benefits	1,168,141	1,299,369	1,207,744	91,625
Purchased services	206,106	1,015,337	805,856	209,481
Materials and supplies	476,193	415,765	237,138	178,627
Capital outlay	29,100	75,926	67,545	8,381
Other expenditures	538,501	757,999	287,926	470,073
Total central services	<u>6,305,752</u>	<u>7,998,738</u>	<u>6,825,005</u>	<u>1,173,733</u>
Pupil transportation services:				
Salaries	9,187,933	10,237,769	10,501,935	(264,166)
Employee benefits	3,850,658	4,081,002	3,886,105	194,897
Purchased services	924,902	959,932	939,414	20,518
Energy services	2,617,157	2,701,192	1,575,795	1,125,397
Materials and supplies	1,230,878	1,123,510	1,117,900	5,610
Capital outlay	69,676	38,016	26,523	11,493
Other expenditures	6,480	17,782	18,823	(1,041)
Total pupil transportation services	<u>17,887,684</u>	<u>19,159,203</u>	<u>18,066,495</u>	<u>1,092,708</u>
Operation of plant:				
Salaries	16,130,440	17,049,727	16,658,316	391,411
Employee benefits	6,261,158	6,577,592	6,139,861	437,731
Purchased services	9,884,753	10,172,561	6,131,092	4,041,469
Energy services	11,388,089	12,645,948	11,495,304	1,150,644
Materials and supplies	1,135,054	1,262,912	1,027,549	235,363
Capital outlay	28,220	193,889	166,444	27,445
Other expenditures	5,391	24,324	21,484	2,840
Total operation of plant	<u>44,833,105</u>	<u>47,926,953</u>	<u>41,640,050</u>	<u>6,286,903</u>
Maintenance of plant:				
Salaries	5,738,411	6,120,704	6,186,102	(65,398)
Employee benefits	1,804,660	1,927,329	1,920,793	6,536
Purchased services	1,604,019	4,179,847	3,137,950	1,041,897
Energy services	594,900	519,987	485,619	34,368
Materials and supplies	4,287,848	2,988,624	2,820,324	168,300
Capital outlay	84,618	245,318	202,239	43,079
Other expenditures	14,670	22,527	22,983	(456)
Total maintenance of plant	<u>14,129,126</u>	<u>16,004,336</u>	<u>14,776,010</u>	<u>1,228,326</u>

Continued on next page.

The School Board of Brevard County, Florida  
General Fund  
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Administrative technology services:				
Salaries	2,268,351	2,366,510	2,311,413	55,097
Employee benefits	604,787	637,149	611,869	25,280
Purchased services	668,435	1,209,982	1,163,671	46,311
Materials and supplies	21,144	23,721	23,716	5
Capital outlay	134,831	64,675	46,347	18,328
Other expenditures	6,500	53,393	50,252	3,141
Total administrative technology services	<u>3,704,048</u>	<u>4,355,430</u>	<u>4,207,268</u>	<u>148,162</u>
Community services:				
Salaries	60,082	206,477	223,795	(17,318)
Employee benefits	14,309	33,470	37,283	(3,813)
Purchased services	62,583	110,783	110,820	(37)
Energy services	-	4,884	-	4,884
Materials and supplies	-	20,733	17,043	3,690
Other expenditures	20,972	62,046	24,803	37,243
Total community services	<u>157,946</u>	<u>438,393</u>	<u>413,744</u>	<u>24,649</u>
Total current operating	<u>554,004,533</u>	<u>594,502,242</u>	<u>557,104,344</u>	<u>37,397,898</u>
Capital outlay:				
Facilities	30,000	81,025	476,460	(395,435)
Other capital outlay	1,054,246	3,145,967	2,204,283	941,684
Total capital outlay	<u>1,084,246</u>	<u>3,226,992</u>	<u>2,680,743</u>	<u>546,249</u>
Total expenditures	<u>555,088,779</u>	<u>597,729,234</u>	<u>559,785,087</u>	<u>37,944,147</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,924,393)</u>	<u>(50,698,828)</u>	<u>(12,754,681)</u>	<u>37,944,147</u>
Other financing sources (uses):				
Transfers in(out)	<u>13,706,676</u>	<u>13,438,702</u>	<u>13,438,702</u>	<u>-</u>
Net change in fund balance	6,782,283	(37,260,126)	684,021	37,944,147
Fund balance, beginning of year	57,638,303	57,638,303	57,638,303	-
Fund balance, end of year	<u>\$ 64,420,586</u>	<u>\$ 20,378,177</u>	<u>\$ 58,322,324</u>	<u>\$ 37,944,147</u>



The School Board of Brevard County, Florida  
Statement of Net Position  
Proprietary Funds  
June 30, 2018

	Business-type Activities	Governmental Activities
	Enterprise Funds	Internal Service Funds
	Extended Day Program	Self Insurance
<b>ASSETS</b>		
Current assets:		
Cash and cash equivalents	\$ 224,806	\$ 13,137,460
Investments	-	26,705,820
Accounts receivable	-	6,978
Due from other agencies	865	-
Other receivables	-	130,547
Total current assets	225,671	39,980,805
Noncurrent assets:		
Furniture, fixtures and equipment, net	4,210	-
Non-building improvements, net	45,067	-
Building & fixed equipment, net	12,430	1,306,050
Total noncurrent assets	61,707	1,306,050
Total assets	287,378	41,286,855
<b>DEFERRED OUTFLOWS</b>		
Pension	1,540,138	-
Other postemployment benefits	18,809	-
Total deferred outflows of resources	1,558,947	-
<b>LIABILITIES</b>		
Current liabilities:		
Salaries and wages payable	119,743	-
Accounts payable	843	609,954
Compensated absences payable	9,544	-
Estimated insurance claims payable	-	8,222,525
Total current liabilities	130,130	8,832,479
Long-term liabilities:		
Portion due after one year:		
Compensated absences payable	207,835	-
Net OPEB obligation	186,985	-
Net Pension Liability	3,392,528	-
Estimated insurance claims payable	-	9,302,750
Total long-term liabilities	3,787,348	9,302,750
Total liabilities	3,917,478	18,135,229
<b>DEFERRED INFLOWS</b>		
Pension	292,350	-
Other postemployment benefits	6,802	-
Total deferred inflows of resources	299,152	-
<b>NET POSITION</b>		
Net Investment in capital assets	61,707	1,306,050
Unrestricted (deficit)	(2,432,012)	21,845,576
Total net position	\$ (2,370,305)	\$ 23,151,626

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

The School Board of Brevard County, Florida  
Statement of Revenues, Expenses and Changes in Fund Net Position  
Proprietary Funds  
For the Fiscal Year Ended June 30, 2018

	Business-type Activities	Governmental Activities
	Enterprise Funds	Internal Service Funds
	Extended Day Program	Self Insurance
<b>OPERATING REVENUES</b>		
Charges for services	\$ 7,557,744	\$ -
Premium revenues	-	71,244,747
Other operating revenue	6,286	94,496
Total operating revenues	<u>7,564,030</u>	<u>71,339,243</u>
<b>OPERATING EXPENSES</b>		
Salaries	3,954,490	748,966
Employee benefits	1,172,200	217,920
Purchased services	365,154	1,344,452
Energy services	1,175	6,190
Material and supplies	438,176	9,759
Capital outlay	106,907	2,267
Depreciation	11,176	26,825
Other expenses	40,515	71,563,352
Total operating expenses	<u>6,089,793</u>	<u>73,919,731</u>
Operating income (loss)	<u>1,474,237</u>	<u>(2,580,488)</u>
<b>NON-OPERATING REVENUES</b>		
Investment earnings	-	73,298
Total non-operating revenues	<u>-</u>	<u>73,298</u>
Income (loss) before transfers	<u>1,474,237</u>	<u>(2,507,190)</u>
Transfers in	-	2,600,000
Transfers out	<u>(2,299,035)</u>	<u>-</u>
Change in net position	(824,798)	92,810
Total net position, beginning	(1,739,794)	23,058,816
Adjustments to net position	194,287	-
Total net position, ending	<u>\$ (2,370,305)</u>	<u>\$ 23,151,626</u>

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

The School Board of Brevard County, Florida  
Statement of Cash Flows  
Proprietary Funds  
For the Fiscal Year Ended June 30, 2018

	Business-type Activities Enterprise Funds	Governmental Activities Internal Service Funds
	Extended Day Program	Self Insurance
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash received from services	\$ 7,570,457	\$ 71,255,506
Cash payments to suppliers for goods and services	(847,333)	(71,393,131)
Cash payments to employees	(4,976,732)	(966,886)
Other receipts	-	94,496
Other payments	(100,621)	(1,812,924)
Net cash provided by (used in) operating activities	1,645,771	(2,822,939)
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Transfer from other funds	-	2,600,000
Transfers to other funds	(2,299,035)	-
Net cash provided by (used in) noncapital financing sources	(2,299,035)	2,600,000
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>		
Acquisition of capital assets	(12,493)	-
Net cash (used in) capital and related financing activities	(12,493)	-
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Interest on investments	-	73,298
Purchase of investments	-	(681,927)
Net cash (used in) investing activities	-	(608,629)
Net change in cash and cash equivalents	(665,757)	(831,568)
Cash and cash equivalents, beginning	890,563	13,969,028
Cash and cash equivalents, ending	\$ 224,806	\$ 13,137,460
<b>Reconciliation of operating income to net cash provided by (used in) operating activities:</b>		
Operating income (loss)	\$ 1,474,237	\$ (2,580,488)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:		
Depreciation	11,176	26,825
Noncash in other postemployment benefits expense	194,287	-
Changes in assets, deferred outflows, liabilities and deferred inflows:		
(Increase) decrease in other receivable	-	(52,358)
(Increase) decrease in accounts receivable	-	10,759
(Increase) decrease in due from other agencies	12,713	-
Increase (decrease) in salaries and wages payable	(10,611)	-
(Increase) decrease in pension	(191,550)	-
(Increase) decrease in other postemployment benefits	(18,809)	-
Increase (decrease) in accounts payable	(2,313)	(397,898)
Increase (decrease) in pension	372,416	-
Increase (decrease) in other postemployment benefits	(195,775)	-
Increase in estimated liabilities for self-insurance programs	-	170,221
Total adjustments	171,534	(242,451)
Net cash provided by (used in) operating activities	\$ 1,645,771	\$ (2,822,939)

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

The School Board of Brevard County, Florida  
Statement of Fiduciary Assets and Liabilities  
Agency Funds  
June 30, 2018

	<u>School Internal Funds</u>
<b>ASSETS</b>	
Cash and cash equivalents	<u>\$ 7,137,772</u>
Total assets	<u><u>\$ 7,137,772</u></u>
<b>LIABILITIES</b>	
Internal accounts payable	<u>\$ 7,137,772</u>
Total liabilities	<u><u>\$ 7,137,772</u></u>

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

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA  
Notes to the Basic Financial Statements  
June 30, 2018

## 1. Summary of Significant Accounting Policies

### ➤ Reporting Entity

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

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

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

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

**Discretely Presented Component Units** - The component unit columns in the basic financial statements include the financial data of the Brevard Schools Foundation, Inc. (Foundation) and the District's charter schools for the fiscal year ending June 30, 2018.

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

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

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA  
Notes to the Basic Financial Statements  
June 30, 2018

The financial data reported on the accompanying statements was derived from the audited financial statements of the Foundation and the Charter Schools, for the fiscal year ended June 30, 2018. The audit reports are filed in the District's administrative offices.

During the fiscal year ending June 30, 2018, there were twelve charter schools under the sponsorship of the School Board of Brevard County and reported as component units of the District. The schools are listed below:

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

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

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

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

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

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

**Fund Financial Statements** - Fund financial statements report detailed information about the District in the governmental, proprietary, and fiduciary funds. The focus of governmental fund financial statements is on



THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA  
Notes to the Basic Financial Statements  
June 30, 2018

major funds rather than reporting funds by type. Each major fund is reported in a separate column. Non-major funds are aggregated and reported in a single column. Internal service funds are combined, and the totals are presented in a single column on the face of the proprietary funds financial statements.

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. All governmental funds are accounted for using a flow of current financial resources measurement focus. With this measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in fund balance.

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

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

The District reports the following major governmental funds:

- General Fund – to account for all financial resources not required to be accounted for in another fund, and for certain revenues from the State that are legally restricted to be expended for specific current operating purposes. The general fund is the primary operating fund.
- Debt Service Fund – Other – to account for the accumulation of resources for, and the payment of, principal, interest, and related costs for the District's certificates of participation.
- Capital Projects – Local Capital Improvement Fund – to account for the financial resources generated by the local capital improvement tax levy to be used for educational capital outlay needs, including new construction, debt service payments for certificates of participation, equipment purchases, costs of leasing portable educational facilities, maintenance of existing District schools, and renovation and remodeling projects.
- Capital Projects – Local Sales Surtax Fund – to account for the financial resources generated by the local sales surtax levied by the District School for critical educational capital outlay needs, such as security, technology, and existing facilities renovation and remodeling projects.
- Capital Projects – Impact Fees Fund – to account for capital projects financed with the District's impact fees.

The District reports the following non-major governmental funds:

- Special Revenue – Food Services Fund – to account for the financial resources of the school food services program.
- Debt Service – SBE/COBI Bonds Fund – to account for payment of debt service for state school bonds issued by the State Board of Education on behalf of the District.
- Capital Projects – Public Education Capital Outlay (PECO) – to account for capital projects financed through the District's allocation of the state Public Education Capital Outlay program.

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA  
Notes to the Basic Financial Statements  
June 30, 2018

- Capital Projects – Capital Outlay and Debt Service Fund – to account for capital projects financed through the District’s allocation of the state Capital Outlay and Debt Service program.
- Special Revenue – Contracted Programs Fund – to account for programs funded by federal and state sources that are segregated due to legal or regulatory restrictions.
- Capital Projects – Other Capital Projects Fund – to account for the financial resources generated by miscellaneous capital outlay funding sources, such as fuel tax receipts, and other miscellaneous local sources. Funds are used for capital outlay needs such as new construction, remodel, renovation, and debt service.

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

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

➤ **Basis of Accounting**

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

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

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

Proprietary funds are prepared under the economic resource measurement focus and accrual basis of accounting. Proprietary funds distinguish operating revenues and expenses from non-operating. Operating revenues and expenses generally result from providing goods and services as a part of normal ongoing

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA  
Notes to the Basic Financial Statements  
June 30, 2018

operations. The principal operating revenues for the District's internal service funds for self-insurance are health and workers compensation benefits. The principal operational expenses are insurance claims, personnel, and other administrative costs attributed to the fund.

Fiduciary Funds are used to account for assets held in a trust or agency capacity, on behalf of outside organizations and for the benefit of other funds within the District and do not support the District's own programs. Fiduciary funds are prepared under the economic resource measurement focus and accrual basis of accounting.

Enterprise Fund operating revenues are charges for extended daycare services. Operating expenses include costs associated with providing daycare services, including salaries, employee benefits, and supplies. Revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

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

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

➤ **Accounting Pronouncements**

The GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, (GASB 75), effective for fiscal years beginning after June 15, 2017. The Statement replaces the requirements of Statement No.45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*, as amended and Statement No. 57, *OPEB Measurements by Agent Employers and Agent Multiple-Employer Plans for OPEB* and Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans*. The primary objective of Statement No. 75 is to improve accounting and financial reporting by state and local governments for postemployment benefits other than pensions (other post-employment benefits, or OPEB). The Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows or resources and expenses/expenditures. The District implemented GASB 75 on its financial statements for the fiscal year ending June 30, 2018.

The GASB issued Statement No. 83, *Certain Retirement Obligations*, (GASB 83), effective for fiscal years beginning after June 15, 2018. The primary objective of GASB Statement No. 83 is to establish criteria for determining the timing and pattern of recognition of liabilities and corresponding deferred outflow of resources for certain asset retirement obligations that require the performance of asset retirement activities. The District is currently evaluating the impact of this statement to the District's financial statements.

The GASB issued Statement No. 84, *Fiduciary Activities*, (GASB 84), effective for fiscal years beginning after December 15, 2018. The primary objective of GASB No. 84, is to establish criteria for identifying fiduciary activities of all state and local governments. The focus is on whether a government is controlling the assets of the fiduciary activity and the beneficiaries with whom the fiduciary relationship exists. The District is currently evaluating the impact of this statement to the District's financial statements.

The GASB issued Statement No. 85, *Omnibus 2017*, (GASB 85), effective for reporting periods beginning after June 15, 2017. The primary objective of this statement is to enhance the consistency in the application of accounting and financial reporting requirements for a variety of topics, including blending component units,

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA  
Notes to the Basic Financial Statements  
June 30, 2018

goodwill, fair value measurement and post-employment benefits. This statement has no additional impact to the District's financial statements for the fiscal year ending June 30, 2018.

The GASB issued Statement No. 86, *Certain Debt Extinguishment Issues* (GASB 86), effective for fiscal years beginning after June 15, 2017. The primary objective of this statement is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with existing resources, other than refunding debt proceeds, are placed in an irrevocable trust for the sole purpose of extinguishing debt. This statement currently has no additional impact on the District's financial statements for the fiscal year ending June 30, 2018.

The GASB issued Statement No. 87, *Leases*, (GASB 87), effective for fiscal years beginning after December 15, 2019. The primary objective of this statement is to require recognition of certain lease assets and liabilities that previously were classified as operating leases and recognized as inflows of resources or outflows, of resources based on the payment provisions of the contract. GASB 87 will establish a single model of lease accounting based on the principle that leases are financings of the right to use an underlying asset. The District is currently evaluating the impact of this statement on the District's financial statements.

The GASB issued Statement No. 88, *Certain Disclosures Related to Debt, Including Direct Borrowings and Direct Placements*, (GASB 88), effective for fiscal years beginning June 15, 2018. The primary objective of the statement is to improve the information that is disclosed in notes to the governmental financial statements related to debt, including direct borrowings and direct placements. The District is reviewing the impact of this statement on the District's financial statements.

➤ **Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures/expenses during the reporting period. Actual results could differ from those estimates.

➤ **Deposits and Investments**

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

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

**THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA**  
**Notes to the Basic Financial Statements**  
**June 30, 2018**

➤ **Receivables and Payables**

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

➤ **Prepaid Items**

Prepaid items are unexpired costs that cover more than one reporting period and represent expenses/expenditures to be consumed in future periods. These items are reported as current assets on the District’s Statement of Net Position in the Government-wide financial statements and will be expended systematically in future periods in which they are used or consumed.

➤ **Inventories**

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

➤ **Capital Assets and Depreciation**

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

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

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

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

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA  
Notes to the Basic Financial Statements  
June 30, 2018

➤ **Deferred Outflows/Inflows of Resources**

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents the consumption of net position that applies to future periods and will be recognized as an outflow of resources in a future period. The District has three items that qualify for reporting this category. They are deferred amounts on refunding reported in the government-wide statement of net position, deferred amounts on pension liabilities for FRS and HIS and deferred amounts for other post-employment benefits (OPEB). A deferred amount on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. A deferred amount on pension results from the recognition for the District's proportionate shares of collective pension expense and collective deferred outflows of resources and deferred inflows of resources related to the pension plan. A deferred amount on OPEB results from differences between expected and actual experience and changes in assumptions that are deferred over a closed period equal to the average of expected remaining service lives of all employees in the OPEB Plan.

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

➤ **Compensated Absences**

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

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

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

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

➤ **Long-Term Liabilities**

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



THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA  
Notes to the Basic Financial Statements  
June 30, 2018

on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

In the government-wide statements, net pension liability represents the District's proportionate share of the combined net pension liability of the state-administered, multiple employer, cost-sharing, defined benefit plans. These plans are two separate defined benefit plans, the Florida Retirement System (FRS) Pension Plan and the Retiree Health Insurance Subsidy Program (HIS). Changes in the net pension liability will be immediately recognized as pension expense on the Statement of Activities or reported as deferred outflows of resources and inflows of resources, depending on the nature of the change. For the purpose of measuring the net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense, the fiduciary net position as well as the additions to/deductions from fiduciary net position have been determined on the same basis as reported by the FRS Pension Plan and the HIS Program. For this purpose, benefit payments, (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. The District's retirement plans and related deferred outflows of resources and inflows of resources are described in Note 15.

GASB 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, require the net OPEB liability to be measured as the portion of the actuarial present value of projected benefit payments that are attributed to the past periods of employee service. Changes in the net OPEB liability will be immediately recognized as OPEB expense in the Statement of Activities or reported as deferred outflows of resources or inflows of resources, depending on the nature of the change. Projected benefits are based on the substantive plan provisions and include the benefits that are in force at the measurement date. For measuring the net OPEB liability, outflows of resources, inflows of resources and pension expense, assumptions used in the OPEB actuarial valuation were the same as those employed in the July 1, 2016 actuarial valuation of the Florida Retirement System (FRS), Defined Benefit Pension Plan. There are currently no invested plan assets held in trust to finance the OPEB obligations. Information about other post employment benefits is further described in Note 16.

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

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

➤ **State Revenue Sources**

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

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA  
Notes to the Basic Financial Statements  
June 30, 2018

reporting FTE and related data. Normally, such adjustments are treated as reductions or additions of revenue in the year when the adjustments are made.

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

➤ **Half Cent Sales Surtax**

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

➤ **School District Property Taxes**

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

The School Board adopted the 2017 tax levy on September 7, 2017. Tax bills are mailed in October and taxes are payable between November 1 of the year assessed and March 31 of the following year at discounts of up to 4 percent for early payment.

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

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

➤ **Educational Impact Fees**

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

**THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA**  
**Notes to the Basic Financial Statements**  
**June 30, 2018**

➤ **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.

➤ **Prior Period Restatement**

For the year ended June 30, 2018, the District implemented GASB Statement No. 75, Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions, which requires state and local government employers to recognize the net OPEB liability and OPEB expense on their financial statements, along with the related deferred outflows and inflows of resources. The District's beginning net position decreased due to the adoption of GASB 75. Below is a summary of the beginning net position for governmental and business activities, due to the restatement.

<b>Description</b>	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
Beginning Net Position June 30, 2017	\$ 251,619,447	\$ (1,739,794)	\$ 249,879,653
Cumulative effect of restatement	17,267,259	194,287	17,461,546
Restated Net Position June 30, 2017	<u>\$ 268,886,706</u>	<u>\$ (1,545,507)</u>	<u>\$ 267,341,199</u>

**2. Budgetary Compliance and Accountability**

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

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

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

During the fiscal year ended June 30, 2018, all governmental fund types were amended to reflect adjustments to appropriations due to changes in student counts, the addition of new education programs, etc. These amendments were made as part of the routine budget process of the District, none of which were deemed to be significant by management.

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

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

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA  
Notes to the Basic Financial Statements  
June 30, 2018

### 3. Cash and Investments

#### ➤ Deposits

Florida Statutes authorize the deposit of School Board funds in demand deposits with financial institutions that are approved as qualified public depositories, pursuant to chapter 280, the *Florida Security for Public Deposits Act*. Under this act, all qualified public depositories are required to pledge eligible collateral and deposit such collateral with the State Treasurer to ensure against losses of public deposits. The District's bank balances of \$48,453,689 were deposited with qualified public depositories as of June 30, 2018. \$25,871,021 is held with U.S. Bank for payments due to certificate of participation holders, \$16,703,655 is held by the Office of Brevard County Florida on behalf of the School Board, \$45,230 is held by the State Board of Education (SBE) on behalf of the School Board, and \$20,313 is in petty cash and change funds.

#### ➤ Custodial Credit Risk

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

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

The District has \$25,871,021 held with US Bank in First American Money Market Funds which is held for payment of principal and interest due to certificate holders on July 1, 2018. The District has \$4,103,939 held in a collateralized investment repurchase agreement and will be used for future debt service. All of these funds are held with a fiscal agent under a trust agreement for certificates of participation.

#### ➤ Foreign Currency Risk

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

#### ➤ Interest Rate Risk

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

The District has \$7,789,493 invested in Corporate Notes that are held by a custodial institution in the name of the District. Of these securities, \$898,305 is invested in callable Corporate Notes which contain embedded options to call the entire security or a portion thereof at the option of the issuer or, depending on market

**THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA**  
**Notes to the Basic Financial Statements**  
**June 30, 2018**

conditions, the issuer may decide to leave the security intact at stated interest rates until final maturity. The call dates are April 03, 2019, February 06, 2020, July 17, 2020 and February 01, 2021.

As of June 30, 2018, the District had the following investments and maturities:

<b>Investment</b>	<b>Totals</b>	<b>Maturities Less Than or Equal To:</b>			<b>Greater than</b>
		<b>6 Months</b>	<b>1 Year</b>	<b>2 Years</b>	<b>2 Years</b>
Obligations of United States government	\$ 77,917,375	\$ 44,927,300	\$ 14,223,196	\$ 7,884,478	\$ 10,882,401
Agencies and instrumentalities	17,194,703	4,240,533	2,953,479	9,513,472	487,219
Corporate notes	7,789,493	3,106,666	731,281	2,453,414	1,498,132
Money market funds-Federated	488,816	488,816	-	-	-
Municipal bonds	289,571	289,571	-	-	-
Commercial paper	50,672,636	47,719,443	2,953,193	-	-
Collateralized investment repurchase agreement	4,103,939	-	-	4,103,939	-
Intergovernmental investment pool	33,387,720	33,387,720	-	-	-
Total investments	<u>\$ 191,844,253</u>	<u>\$ 134,160,049</u>	<u>\$ 20,861,149</u>	<u>\$ 23,955,303</u>	<u>\$ 12,867,752</u>

**Total Cash, Cash Equivalents, and Investments,**

<b>Reporting Entity</b>	<b>Totals</b>
Total investments	\$ 191,844,253
Qualified public depositories	48,453,689
Petty cash & change funds	20,313
Deposits with fiscal/service agent <sup>(a)</sup>	<u>42,619,906</u>
Total	<u>\$ 282,938,161</u>
Cash & cash equivalents - statement of net position	\$ 64,969,499
Cash with fiscal/service agent	42,619,906
Investments - statement of net position	<u>175,348,756</u>
Total	<u>\$ 282,938,161</u>

<sup>(a)</sup> Funds held with the Office of Brevard County total \$16,703,655 and funds held with U.S. Bank for interest and principal payments to certificate holders total \$25,871,021 and funds held with the State Board of Education total \$45,230.

➤ **Credit Risk**

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

- a. Direct Obligations of US Treasury;
- b. U.S. Federal Government Agency Securities;
- c. U.S. Government Sponsored Agencies/Federal Instrumentalities;
- d. Interest Bearing Time Deposits/Savings Accounts, including certificates of deposit;
- e. Repurchase Agreements fully collateralized at 102 percent of market value, by U.S. Treasuries, U.S. Government Agencies, and US Government Sponsored Agencies/Federal Instrumentalities;
- f. Commercial paper rated A-1, P-1, by Standard and Poor's (S&P), Moody's;

**THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA**  
**Notes to the Basic Financial Statements**  
**June 30, 2018**

- g. Bankers' Acceptances rated A-1, P-1, by S&P, Moody's;
- h. Corporate Notes issued by corporations organized and operating within the United States or by depository institutions licensed by the United States that have a long-term debt rating, at the time of purchase, at a minimum A3 by Moody's and a minimum long-term debt rating of A- by S&P.
- i. State and/or Local Government taxable and/or tax exempt securities, rated at least Aa3 by Moody's and AA- by S&P for long-term debt; short term obligations should be rated at least VMIG2 or MIG-2 by Moody's and A-2 by S&P;
- j. Registered Investment companies (Mutual Funds) if registered under the Federal Investment Company Act of 1940 and operated in accordance with 17 C.F.R. 270.2a-7;
- k. Intergovernmental Investment Pool authorized pursuant to Florida Interlocal Cooperation Act as provided in FS 163.01, provided it contains no derivatives;

The District holds State of Connecticut general obligation bonds with a par value of \$290,000 and a fair value of \$289,571 at June 30, 2018. The security was purchased on August 17, 2016 with a maturity date of August 15, 2018. When purchased, the security met the District's policy requirement of at least AA-rating by S&P and AA3 rating by Moody's. Subsequent to the purchase date, on August 15, 2017 the security was downgraded to A+ by S&P and A1 by Moody's and no longer meets the District's policy requirements. Rating agencies maintain that the credit outlook for that State is stable, reflecting the state's provisions for fiscal discipline and the ability to manage its financial operations, The District will actively monitor this security for further rating action until the investment matures on August 15, 2018.

The District has \$4,103,939 invested in a collateralized investment repurchase agreement that has underlying investments in direct obligations of the United States government, government agencies, and Federal instrumentalities with maturities under five (5) years and have a fair value for the principal and accrued interest of 102% of the value and the term of the repurchase agreement. The repurchase agreement is unrated.

➤ **Concentration of Credit Risk**

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

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



**THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA**  
**Notes to the Basic Financial Statements**  
**June 30, 2018**

On June 30, 2018, the District had total investments by issuer with credit ratings as outlined below:

<b>Investment</b>	<b>Fair Value</b>	<b>Percent of Investment Balance</b>	<b>Credit Ratings:</b>	
			<b>S&amp;P</b>	<b>Moody's</b>
<b>Collateralized Repurchase Agreement <sup>(a)</sup></b>	\$ 4,103,939	2.14%		
<b>Commercial Paper</b>				
Bank of Tokyo Mitsubishi	995,581	0.52%	A-1	P-1
BNP Paribas	5,984,818	3.12%	A-1	P-1
Cooperative Centrale	7,987,033	4.16%	A-1	P-1
Credit Agricole	2,474,456	1.29%	A-1	P-1
Dexia Credit	9,966,679	5.20%	A-1+	P-1
GE Capital	4,995,382	2.60%	A-1	P-1
JP Morgan Securities	8,968,820	4.68%	A-1	P-1
Toyota Motors Credit	9,299,867	4.85%	A-1+	P-1
<b>Corporate Notes</b>				
American Express Credit	268,018	0.14%	A-	A2
American Honda Finance Corp	1,266,718	0.66%	A+	A2
Apple Inc.	321,858	0.17%	AA+	Aa1
Bank of America	271,617	0.14%	A-	A3
Bank of New York Mellon Corp	222,757	0.12%	A	A1
Branch Banking & Trust	999,410	0.52%	A	A1
Caterpillar Financial Serv.	194,762	0.10%	A	A3
Exxon Mobile Corp	138,033	0.07%	AA+	Aaa
General Dynamics	169,815	0.09%	A+	A2
Hershey Co	144,820	0.07%	A	A1
Honeywell International	79,003	0.04%	A	A2
HSBC USA Inc	222,372	0.12%	A	A2
IBM Credit Corp	232,032	0.12%	A+	A1
John Deere Capital Corp	1,107,436	0.58%	A	A2
JP Morgan Chase & Co	544,063	0.28%	A-	A3
National Rural Utility Coop	267,991	0.14%	A	A2
PepsiCo Inc.	133,985	0.07%	A+	A1
Procter & Gamble	133,631	0.07%	AA-	Aa3
Toyota Motors Credit Corp	345,786	0.18%	AA-	Aa3
Wal-Mart Inc	453,878	0.24%	AA	Aa2
Wells Fargo & Company	271,508	0.14%	A-	A2
<b>Federal Agencies &amp; Instrumentalities</b>				
Fannie Mae (FNMA)	8,074,723	4.21%	AA+	Aaa
Federal Home Loan Bank (FHLB)	2,658,445	1.39%	AA+	Aaa
Freddie Mac (FHLMC)	6,461,535	3.37%	AA+	Aaa
<b>Intergovernmental Investment Pool</b>				
FL Educational Investment Trust Fund	33,387,720	17.40%	AAAm	

**THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA**  
**Notes to the Basic Financial Statements**  
**June 30, 2018**

<b>Investment (continued)</b>	<b>Fair Value</b>	<b>Percent of Investment Balance</b>	<b>Credit Ratings:</b>	
			<b>S&amp;P</b>	<b>Moody's</b>
<b>Municipal Bonds</b>				
State of Connecticut taxable GO Bond	289,571	0.15%	A+	A1
<b>Money Market Funds</b>				
Federated Government Obligations	488,816	0.25%	AAAm	Aaa-mf
<b>Obligation of United States government</b>				
US Treasury Notes	77,917,375	40.61%	AA+	Aaa
<b>TOTAL</b>	<b>\$ 191,844,253</b>	<b>100.00%</b>		

**Cash Deposits:**

Qualified Public Depository	\$ 48,453,689
Petty cash & change funds	20,313
Fiscal service/agent <sup>(b)</sup>	42,619,906
<b>TOTAL cash and investments</b>	<b>\$ 282,938,161</b>

<sup>(a)</sup> Not rated

<sup>(b)</sup> Cash with fiscal agents include \$16,703,655 held with Brevard County, FL that is comingled with other funds in consolidated bank accounts; \$5,441,975 held with US Bank in First American Government Obligations and \$20,429,046 held with US Bank in First American Treasury Obligations with a weighted average maturity of 20 days and 19 days, respectively. Funds held in First American are at a stable NAV of \$1.00 per share, have a credit rating of AAAm and Aaamf by S&P and Moody's, and allow a maximum 7-day redemption of proceeds. These funds invest 100% of the total assets in securities that are a direct obligation of the U.S. government and/or in securities that are backed by the full faith and credit the U.S. government or collateralized repurchase agreements comprised of such obligations at all times and are not subject to redemption fees or liquidity gates. The participants own a share of the fund and not a share of the underlying assets in the fund; Funds totaling \$45,230 held with the State Board of Education and managed by the State Board of Administration.

As of June 30, 2018, the District had the following issuer concentrations that represents 5 percent or more of the District's investments:

<b>Investment</b>	<b>Fair Value</b>	<b>Percent of Total Investments</b>
United States Treasury	\$ 77,917,375	40.61%
Commercial Paper		
Dexia Credit <sup>(a)</sup>	9,966,679	5.20%
Intergovernmental Investment Pool		
FEITF <sup>(b)</sup>	33,387,720	17.40%
<b>Total</b>	<b>\$ 121,271,774</b>	

<sup>(a)</sup> Investments in Dexia Credit are held in the following percentages by fund: 79.98% in Operating, 20.02% in Discretionary Sales Surtax.

<sup>(b)</sup> Funds in FEITF are for short-term liquidity needs.

➤ **Fair Value Measurement**

In compliance with GASB *Statement No. 72, Fair Value Measurement and Application*, all assets meeting the definition of an investment should be reported using certain valuation techniques and categorized in a hierarchy with the following criteria:

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA  
Notes to the Basic Financial Statements  
June 30, 2018

**Valuation Techniques:**

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

**Hierarchy Levels:**

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

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

As of June 30, 2018, the District has investments in the following levels:

<b>Investments at Fair Value</b>	<b>Value</b>	<b>Hierarchy Level</b>	<b>Effective Duration</b>
Collateralized Repurchase Agreement	\$ 4,103,939	3	n/a
Commercial Paper	50,672,636	2	0.21
Corporate Notes	7,789,493	2	1.05
Federal Agencies & Instrumentalities	17,194,703	2	0.87
Municipal Bonds	289,571	2	0.12
US Treasury Notes	77,917,375	2	0.71
Total at Fair Value	\$ 157,967,717		
<b>Investments Measured at Net Asset Value (NAV)</b>			
Intergovernmental Investment Pool	\$ 33,387,720		
Money Market Funds	488,816		
Total at NAV	\$ 33,876,536		
Total Investments	\$ 191,844,253		

**Investments held at NAV**

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

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA  
Notes to the Basic Financial Statements  
June 30, 2018

Money Market funds held with the Federated Government Obligations Fund maintain a constant NAV \$1.00 at all times, allow a maximum 7-day redemption of proceeds, have no unfunded commitments, have a weighted average maturity of 23 days, and invest 100% in U.S. treasury and government securities, repurchase agreements collateralized by the U.S. Treasury, and government agency securities. This fund will not institute liquidity fees or redemptions gates on the government money market funds. The fund's investment objective is to pursue current income consistent with stability of principal and liquidity.

Funds are held with FEITF and are valued using an NAV of \$1.00 per share based on amortized cost. This fund has a weighted average maturity of 32 days, allows unlimited daily redemptions and investments with a 1-day minimum holding period, and has no unfunded commitments. The fund's investment objective is to earn a high rate of return while preserving principal, providing liquidity, and seeking a stable NAV of \$1.00.

Per GASB Statement No. 79, *Certain External Investment Pools and Pool Participants* addressing accounting and financial reporting for certain external investment pools and pool participants, the FEITF pool meets the criteria to measure all of its investments at amortized cost for financial reporting purposes. An external investment pool qualifies for that reporting if it meets all of the applicable criteria. The specific criteria address:

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

As of June 30, 2018, the District has \$33,387,720 invested with FEITF. This fund has a daily liquidity with unlimited investments and redemptions. The weighted average maturity of the fund is 32 days. The fund has investments in negotiable certificate of deposits, commercial paper, repurchase agreements, certificate of deposit – FHLB Letter of Credit, Federal Agencies, Corporate Notes, and US Treasury Bills. The investment advisor, on behalf of the fund, determines the net asset value of the shares at the close of each business day and monitors the difference between the amortized cost and market value on a monthly basis (shadow price).

The Trustees of the fund can suspend the right of withdrawal or postpone the date of payment if the Trustees determine that there is an emergency that makes the sale of a Portfolio's securities or determination of its net asset value not reasonably practical. All underlying securities in the fund have a credit rating of A or better by S&P. The credit rating of the FEITF fund is AAAM by S&P and signifies a high level of safety of investment principal and capacity to maintain a \$1.00 per share NAV. The District owns a share of the pool and not a share of the underlying assets in the pool.

**Liabilities Held by Other Parties as Assets**

The District currently has a proportionate share of the net pension liability in the Florida Retirement System (as discussed in Note 15). The Pension Fund is administered by the State Board of Administration (SBA) and includes separate financial statements. The SBA has statutory responsibility for custody and investment of pension plans assets. Section 215.47, Florida Statutes, gives the SBA the authority to invest in a range of instruments, including security lending agreements. All of the investments are reported at fair value in accordance with GASB 31. Realized and unrealized gains and losses are reflected in the statements of changes in net position as "Net appreciation in fair value."

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

**THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA**  
**Notes to the Basic Financial Statements**  
**June 30, 2018**

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

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

**Donated Assets**

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

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

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

**4. Due from Other Agencies**

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

<u>Funds/Source</u>	<u>Amount</u>
General fund:	
FEMA - Hurricane Receivable	\$ 664,320
Unremitted property taxes - current year	103,717
Other - state	253,870
Other - local	40,870
Special revenues funds:	
Contracted programs	4,833,204
Food services	218,608
Capital funds:	
Local discretionary surtax fund	8,255,321
Unremitted property taxes - current year	29,188
PECO	1,452,356
Total due from other agencies - governmental funds	\$ 15,851,454

**THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA**  
**Notes to the Basic Financial Statements**  
**June 30, 2018**

**5. Changes in Capital Assets**

Changes in capital assets for the year ended June 30, 2018 are presented in the table below:

	<u>Balance</u> <u>July 1, 2017</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2018</u>
<b>Governmental activities</b>				
Capital assets, not being depreciated:				
Land	\$ 36,419,074	\$ -	\$ (440,064)	\$ 35,979,010
Construction in process	42,960,408	30,709,196	(25,711,630)	47,957,974
Software in process	4,150,000	-	(4,150,000)	-
Total capital assets, not being depreciated	<u>83,529,482</u>	<u>30,709,196</u>	<u>(30,301,694)</u>	<u>83,936,984</u>
Capital assets, being depreciated:				
Improvements	70,891,552	4,558,875	(3,262)	75,447,165
Buildings and fixed equipment	1,435,141,642	21,173,554	(749,402)	1,455,565,794
Furniture, fixtures and equipment	76,841,067	9,541,922	(4,681,519)	81,701,470
Motor vehicles	46,016,568	8,577,270	(2,954,373)	51,639,465
AV materials and computer software	4,830,049	125,043	(150,417)	4,804,675
Total capital assets, being depreciated	<u>1,633,720,878</u>	<u>43,976,664</u>	<u>(8,538,973)</u>	<u>1,669,158,569</u>
Less accumulated depreciation:				
Improvements	(56,290,108)	(3,115,447)	3,262	(59,402,293)
Buildings and fixed equipment	(751,863,969)	(29,986,343)	749,402	(781,100,910)
Furniture, fixtures and equipment	(69,041,343)	(4,043,034)	4,681,519	(68,402,858)
Motor vehicles	(38,257,969)	(2,630,287)	2,954,373	(37,933,883)
AV materials and computer software	(4,745,101)	(57,560)	150,417	(4,652,244)
Total accumulated depreciation	<u>(920,198,490)</u>	<u>(39,832,671)</u>	<u>8,538,973</u>	<u>(951,492,188)</u>
Total capital assets, net	<u>\$ 797,051,870</u>	<u>\$ 34,853,189</u>	<u>\$ (30,301,694)</u>	<u>\$ 801,603,365</u>
Depreciation expense was charged to functions as follows:				
		<u>Amount</u>		
Governmental activities:				
Pupil transportation services		\$ 1,943,654		
Unallocated (direct depreciation excluded)		37,889,017		
Total depreciation expense-governmental activities (1)		<u>\$ 39,832,671</u>		

**THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA**  
**Notes to the Basic Financial Statements**  
**June 30, 2018**

	<b>Balance July 1, 2017</b>	<b>Additions</b>	<b>Deletions</b>	<b>Balance June 30, 2018</b>
<b>Business-type activities:</b>				
Capital assets, being depreciated:				
Improvements	\$ 126,903	\$ 11,700	\$ -	\$ 138,603
Buildings and fixed equipment	48,268	-	-	48,268
Furniture, fixtures and equipment	556,545	793	(32,220)	525,118
Motor vehicles	13,881	-	-	13,881
AV materials and computer software	13,076	-	-	13,076
Total capital assets, being depreciated	<u>758,673</u>	<u>12,493</u>	<u>(32,220)</u>	<u>738,946</u>
Less accumulated depreciation:				
Improvements other than buildings	(84,296)	(9,240)	-	(93,536)
Buildings and fixed equipment	(35,542)	(296)	-	(35,838)
Furniture, fixtures and equipment	(551,488)	(1,640)	32,220	(520,908)
Motor vehicles	(13,881)	-	-	(13,881)
AV materials and computer software	(13,076)	-	-	(13,076)
Total accumulated depreciation	<u>(698,283)</u>	<u>(11,176)</u>	<u>32,220</u>	<u>(677,239)</u>
Total capital assets, net	<u>\$ 60,390</u>	<u>\$ 1,317</u>	<u>\$ -</u>	<u>\$ 61,707</u>

## 6. Accrued Liabilities

Accrued liabilities reported on the statement of net position at June 30, 2018, were as follows:

	<b>Primary Government</b>		
	<b>Governmental Activities</b>	<b>Business-Type Activities</b>	<b>Total</b>
Liabilities:			
Accounts payable	\$ 10,347,231	\$ 843	\$ 10,348,074
Contracts payable	10,951,579	-	10,951,579
Retainage payable	782,262	-	782,262
Accrued salaries	16,030,228	119,743	16,149,971
Accrued benefits	15,003,434	-	15,003,434
Total accrued liabilities	<u>\$ 53,114,734</u>	<u>\$ 120,586</u>	<u>\$ 53,235,320</u>



THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA  
Notes to the Basic Financial Statements  
June 30, 2018

**7. Certificates of Participation**

Outstanding certificates of participation at June 30, 2018, are as follows:

<b>Series Outstanding</b>	<b>Amount Outstanding</b>	<b>Interest Rates (Percent)</b>	<b>Lease Term Maturity</b>	<b>Original Amount</b>
Series 2004-QZAB <sup>(a)</sup>	\$ 4,408,000	-	2020	\$ 4,408,000
Series 2008A	56,000,000	5.05	2036	56,000,000
Series 2013A	91,320,000	3.250-5.00	2030	91,320,000
Series 2013B	18,730,000	2.273-2.473	2020	50,900,000
Series 2014	62,105,000	3.25-5.00	2030	62,310,000
Series 2015B	12,095,000	5.00	2025	12,095,000
Series 2015C	85,100,000	3.00-5.00	2032	88,600,000
Series 2017A	52,425,000	3.00-5.00	2032	52,425,000
Series 2017B	26,600,000	2.450	2026	29,960,000
<b>Total Minimum Bond Payments</b>	<b>\$ 408,783,000</b>			<b>\$ 448,018,000</b>

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

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

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

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA  
Notes to the Basic Financial Statements  
June 30, 2018

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

Series 1996B Certificates of Participation

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

Series 2002 Certificates of Participation

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

Series 2004A Certificates of Participation

Rockledge High School Addition  
Viera High School

Series 2006A Certificates of Participation

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

Series 2007B Certificates of Participation

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

Series 2007C Certificates of Participation

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

Series 2008A Certificates of Participation

Heritage High School

**THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA**  
**Notes to the Basic Financial Statements**  
**June 30, 2018**

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

<u>Original COP Series</u>	<u>Refunded to Series</u>	<u>Refunded to Series</u>	<u>Outstanding Amount</u>
1996B	2004B	2013B	\$ 18,730,000
2002	2007A	2017B	26,600,000
2002	2013A		4,475,000
2004A	2013A		39,090,000
2004-QZAB			4,408,000
2006A	2013A		47,755,000
2006A	2014		62,105,000
2007B	2015B		12,095,000
2007B	2017A		52,425,000
2007C	2015C		85,100,000
2008A			56,000,000
			<u>\$ 408,783,000</u>

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

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

<u>Fiscal year ending June 30</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2019	\$ 36,710,998	\$ 18,275,000	\$ 18,435,998
2020	40,967,304	23,083,000	17,884,304
2021	35,295,683	18,020,000	17,275,683
2022	37,651,610	21,185,000	16,466,610
2023	37,625,263	22,140,000	15,485,263
2024-2028	187,508,480	126,470,000	61,038,480
2029-2033	165,983,200	136,605,000	29,378,200
2034-2038	47,419,205	43,005,000	4,414,205
Total Minimum Lease Payments	<u>\$589,161,743</u>	<u>\$408,783,000</u>	<u>\$180,378,743</u>
Add: Unamortized Premium	39,822,095	39,822,095	-
Total Certificates of Participation	<u>\$628,983,838</u>	<u>\$448,605,095</u>	<u>\$180,378,743</u>

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA  
Notes to the Basic Financial Statements  
June 30, 2018

**8. State School Bonds**

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

The District receives annual financial data from the Florida Department of Education for recording the District's portion of the motor vehicle license revenues and related debt service and other expenditures. Total funding sources received in the current fiscal year are \$761,986 all of which relates to debt service.

Outstanding State Board of Education Bonds are as follows:

<u>Bond Type</u>	<u>Amount Outstanding</u>	<u>Interest Rates (Percent)</u>	<u>Annual Maturity To</u>	<u>Original Amount</u>
Series 2009-A	\$ 100,000	5.00	2019	\$ 800,000
Series 2010-A	110,000	4.00-5.00	2022	210,000
Series 2011-A	580,000	3.00-5.00	2023	5,375,000
Series 2014-A	592,000	3.00-5.00	2025	817,000
Series 2014-B	83,000	2.00-5.00	2020	1,062,000
Series 2017-A	335,000	5.00	2026	362,000
Total Bonds Payable	<u>\$ 1,800,000</u>			<u>\$ 8,626,000</u>

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

<u>Fiscal year ending June 30</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
State School Bonds:			
2019	\$ 447,890	\$ 366,000	\$ 81,890
2020	348,840	285,000	63,840
2021	315,850	265,000	50,850
2022	322,600	285,000	37,600
2023	304,850	279,000	25,850
2024-2028	344,700	320,000	24,700
Total Minimum Bond Payments	\$ 2,084,730	\$ 1,800,000	\$ 284,730
Add: Unamortized Premium	365,108	365,108	-
Total Bonds Payable	<u>\$ 2,449,838</u>	<u>\$ 2,165,108</u>	<u>\$ 284,730</u>

**9. Defeased Debt**

In prior years, the District defeased certain certificates of participation, in substance, by placing the proceeds of new certificates of participation in an irrevocable trust to provide for all future debt service payments on the old debt. Accordingly, the trust account assets and liabilities for the defeased debt are not included in the District's financial statements. As of June 30, 2018, all certificates of participation previously held in escrow were called during the fiscal year and all defeased debt has been extinguished.

**THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA**  
**Notes to the Basic Financial Statements**  
**June 30, 2018**

**10. Changes in Long-Term Liabilities**

The following is a summary of changes in long-term liabilities for the year ended June 30, 2018:

Description	Balance July 1, 2017	Additions	Deductions	Balance June 30, 2018	Due in One Year
<b>GOVERNMENTAL ACTIVITIES</b>					
Certificates of participation payable	\$ 425,218,000	\$ -	\$ 16,435,000	\$ 408,783,000	\$ 18,275,000
Plus unamortized net premium	43,010,748	-	3,188,653	39,822,095	3,188,653
Net certificate of participation payable	468,228,748	-	19,623,653	448,605,095	21,463,653
Bonds payable	2,459,000	-	659,000	1,800,000	366,000
Plus unamortized net premium	445,987	-	80,879	365,108	80,879
Net bonds payable	2,904,987	-	739,879	2,165,108	446,879
Estimated claims payable	17,355,054	71,563,352	71,393,131	17,525,275	8,222,525
Compensated absences payable	40,776,141	20,452,746	19,710,299	41,518,588	4,688,325
OPEB obligation - restated	18,915,988	1,401,001	2,204,038	18,112,951	-
Net Pension Liability	346,556,848	45,811,499	29,187,760	363,180,587	-
Total governmental activities	\$ 894,737,766	\$ 139,228,598	\$ 142,858,760	\$ 891,107,604	\$ 34,821,382
<b>BUSINESS-TYPE ACTIVITIES</b>					
Compensated absences payable	\$ 236,682	\$ 274,186	\$ 293,489	\$ 217,379	\$ 9,544
OPEB obligation - restated	195,275	14,463	22,753	186,985	-
Net Pension Liability	3,220,916	472,926	301,314	3,392,528	-
Total business-type activities	\$ 3,652,873	\$ 761,575	\$ 617,556	\$ 3,796,892	\$ 9,544

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

**11. Arbitrage Payable**

Certain long-term debt obligations are subject to Section 148 of the Internal Revenue Code. The code requires a rebate to the federal government for interest earned on tax exempt proceeds if the earnings exceed the interest cost on the related debt. Pursuant to the IRS regulations, the arbitrage liabilities have been calculated for outstanding Certificates of Participation, and the District's liability is zero as of June 30, 2018.

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA  
Notes to the Basic Financial Statements  
June 30, 2018

**12. Interfund Receivables, Payables, and Transfers**

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

<u>Fund</u>	<u>Receivables</u>	<u>Payables</u>
Major funds:		
General	\$ 2,792,452	\$ -
Capital projects - tax levy	303,047	-
Nonmajor governmental funds:		
Capital projects - PECO	-	303,047
Special revenue - contracted programs	-	2,792,452
Total	<u>\$ 3,095,499</u>	<u>\$ 3,095,499</u>

The interfund receivables/payables at June 30, 2018, are primarily due to the reclassification of cash balances in the District's Master Account in order to cover cash deficits in Special Revenue – contracted programs, and Capital Projects - PECO funds. The interfund receivables and payables represent the payments of expenditures paid by one fund for another fund and will be repaid within 12 months after year end.

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

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
Major funds:		
General	\$ 16,038,702	\$ 2,600,000
Debt service-other	35,289,865	-
Capital projects- local capital improvement	-	42,812,868
Impact Fees	-	1,470,551
Nonmajor governmental funds		
PECO	-	1,117,932
Food Service	-	2,311,333
Other capital projects	2,311,333	3,628,181
Internal service funds:		
Workman's Comp	2,600,000	-
Enterprise	-	2,299,035
Total	<u>\$ 56,239,900</u>	<u>\$ 56,239,900</u>

The District transferred \$33,819,314 and \$1,470,551 from the Capital projects - local capital improvement fund and Impact fees, respectively, to the Debt Service funds to pay principal and interest payments due on certificates of participation. Also from Capital projects – local capital improvements, \$4,752,164 was transferred to the General fund for the property insurance and \$4,241,390 to the General fund for maintenance costs. The District also transferred to the General fund \$3,628,181 from other capital projects for federally connected funds, \$1,117,932 from PECO for charter schools, and \$2,299,035 was transferred from the Enterprise Fund. A transfer from the General fund of \$2,600,000 to Workman's Comp was made to cover additional claims. Food service transferred \$2,311,333 to Other capital projects to fund additional renovation and maintenance of the District's kitchens.

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA  
Notes to the Basic Financial Statements  
June 30, 2018

**13. Schedule of Revenue Sources**

The following is a schedule of the District's state and federal revenue for the year ended June 30, 2018:

<b>State Revenue Sources</b>	<b>Amount</b>
Florida education finance program (FEFP) <sup>(a)</sup>	
Class size reduction	\$ 78,909,366
ESE guaranteed allocation	29,739,839
Supplemental academic instruction	20,018,468
Transportation	10,440,772
Instructional materials	6,035,052
Reading allocation	3,215,595
Workforce development program	3,828,536
Safe schools	1,663,196
Teachers Classroom Supply Assistance	1,181,448
DJJ supplemental allocation	173,822
FEFP - all other	171,560,521
School recognition program	3,373,139
Capital outlay and debt service withheld for SBE bonds	2,736,272
Voluntary prekindergarten program	2,198,380
Gross receipts tax (public education capital outlay)	1,739,856
Charter school capital outlay	1,117,932
District Discretionary Lottery Funds	128,476
Food service supplement	346,934
Other	
Motor vehicle license tax	274,660
Racing commission funds	223,250
Pre-school projects	192,635
Miscellaneous	8,865,585
<b>Total</b>	<b>\$ 347,963,734</b>

(a) Source: FEFP 2017-18 Fourth Calculation (Final Calculation not available as of preparation date)

<b>Federal Revenue Sources</b>	<b>Amount</b>
Contracted Programs	
Title I	\$ 19,056,197
IDEA	19,415,548
Head Start	4,770,465
Other	7,037,465
Food service program	24,915,016
Other federal funds	3,038,182
<b>Total</b>	<b>\$ 78,232,873</b>



THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA  
Notes to the Basic Financial Statements  
June 30, 2018

**14. Property Taxes**

The following table represents a summary of millages and taxes levied for the fiscal year ended June 30, 2018 based on the District's final Certification of School Taxable Value received from the Brevard County Property Appraiser.

	<u>Millages</u>	<u>Taxes Levied</u>
General Fund		
Nonvoted school tax:		
Required local effort	4.320	\$167,629,097
Basic discretionary local effort	0.748	29,024,668
Capital Projects Fund		
Nonvoted tax:		
Local capital improvements	1.500	58,204,548
<b>TOTAL</b>	<b>6.568</b>	<b>\$254,858,313</b>

**15. Pension Obligations**

➤ **Retirement Plans – Defined Benefit Pension**

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

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

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

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

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA  
Notes to the Basic Financial Statements  
June 30, 2018

➤ **FRS Pension Plan**

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

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

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

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

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

**THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA**  
**Notes to the Basic Financial Statements**  
**June 30, 2018**

**Contributions** - The State of Florida establishes contribution rates for participating employers and employees. Contribution rates during the 2017-18 fiscal year were as follows:

<b>Class or Plan</b>	<b>Percent of Gross Salary</b>	
	<b>Employee</b>	<b>Employer <sup>(a)</sup></b>
Florida Retirement System, Regular	3.00	7.92
Florida Retirement System, Elected County Officers	3.00	45.50
Florida Retirement System, Senior Manager	3.00	22.71
Deferred Retirement Option Program - Applicable to members from all of the above classes or plans	0.00	13.26
Florida Retirement System, reemployed retiree prior to July 1, 2010	(b)	(b)

Notes: (a) Employer rates include 1.66 percent for the post-employment health insurance supplement and 0.6 percent for administrative costs of the Public Employee Optional Retirement Program.

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

**Pension Liabilities, Pension Expense, Deferred Outflows and Deferred Inflows of Resources** - At June 30, 2018, the District reported a liability of \$245,802,205, for its proportionate share of the Plan's net pension liability. The respective net pension liabilities were measured as of June 30, 2017 and the amounts used to calculate each of the net pension liabilities was determined by an actuarial valuation as of June 30, 2017. The District's proportionate share of the liability was based on the District's 2016-17 fiscal year contributions relative to the total 2016-17 fiscal year contributions of all participating members. At June 30, 2017 the District proportionate share was 0.830993172 percent, which was a decrease of 0.018045178 from its proportionate share measured as of June 30, 2016

For fiscal year ended June 30, 2018, the District recognized the Plan pension expense of \$16,158,637. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to the pensions from the following sources:

<b>Description</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ 22,558,727	\$ 1,361,618
Change in Assumptions	82,606,894	-
Net difference between projected and actual earnings on pension plan investments	-	6,091,593
Changes in proportion and differences between District contributions and proportionate share of contributions	33,716	5,765,411
District contributions subsequent to the measurement date	23,373,402	-
<b>Total</b>	<b>\$ 128,572,739</b>	<b>\$ 13,218,622</b>

**THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA**  
**Notes to the Basic Financial Statements**  
**June 30, 2018**

The defer outflows related to pensions resulting from District contributions to the Plan subsequent to the measurement date, totaling \$23,373,402 will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2019. Other amounts reported 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>Amortization</u>
2019	\$ 11,346,101
2020	32,491,274
2021	22,598,156
2022	3,861,792
2023	15,723,987
Thereafter	5,959,405
<b>Total</b>	<b><u>\$ 91,980,715</u></b>

**Actuarial Assumptions** - The actuarial assumptions that determined the June 30, 2017 total pension liability, were based on an actuarial experience study of the FR for the period July 1, 2008 through June 30, 2013. Some of the key actuarial assumptions applied were:

Inflation	2.60 percent
Salary increases	3.25 percent, average, including inflation
Long-term expected rate of return	7.10 percent, net of investment expense

Mortality rates were based on the Generational RP-2000 with Projection Scale BB, the cost method used was *Individual Entry Age*.

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

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

<u>Asset Class</u>	<u>Target Allocation</u> <sup>(a)</sup>	<u>Annual Arithmetic Return</u>	<u>Compound Annual (Geometric) Return</u>	<u>Standard Deviation</u>
Cash	1.00%	3.00%	3.00%	1.80%
Fixed income	18.00%	4.50%	4.40%	4.20%
Global equity	53.00%	7.80%	6.60%	17.00%
Real Estate (Property)	10.00%	6.60%	5.90%	12.80%
Private Equity	6.00%	11.50%	7.80%	30.00%
Strategic investments	12.00%	6.10%	5.60%	9.70%
<b>Total</b>	<b><u>100.00%</u></b>			
Assumed inflation - Mean		2.60%		1.90%

Note: <sup>(a)</sup> As outlined in the Plan's investment policy.

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA  
Notes to the Basic Financial Statements  
June 30, 2018

**Discount Rate** - The discount rate used to measure the total pension liability was 7.10%. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from participating members will be made at statutorily required rates, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

**Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** - The following represents the District's proportionate share of the net pension liability calculated using the discount rate of 7.10 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower (6.10 percent) and one percentage point higher (8.10 percent) than the current rate.

	1% Decrease 6.10%	Current Discount Rate 7.10%	1% Increase 8.10%
District's proportionate share of net pension liability	\$ 444,887,144	\$ 245,802,205	\$ 80,516,092

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

**Payables to the Pension Plan** - At June 30, 2018, the District reported a payable of \$4,048,909 for the outstanding amount of contributions to the Plan required for the fiscal year ended June 30, 2018.

➤ **HIS Pension Plan**

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

**Benefits Provided** - For fiscal year June 30, 2018, eligible retirees and beneficiaries received a monthly HIS payment equal to the number of years of creditable service completed at the time of retirement multiplied by \$5. The payments are at least \$30 but no more than \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS benefit, a retiree under a state-administered retirement system must provide proof of health insurance coverage, which can include Medicare.

**Contributions** - The HIS Plan is funded by the required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For fiscal year ended June 30, 2018, the contribution rate was 1.26 percent of payroll pursuant to section 112.363, Florida Statutes. The state contributed 100 percent of its statutorily required contributions for the current and preceding three years. HIS contributions are deposited in a separate trust fund from which HIS payments are authorized. HIS benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provided full subsidy benefits to all participants, benefits may be reduced or cancelled.

**THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA**  
**Notes to the Basic Financial Statements**  
**June 30, 2018**

**Pension Liabilities, Pension Expense, Deferred Outflows, and Deferred Inflows of Resources** - At June 30, 2018, the District reported a liability of \$120,770,910 for its proportionate share of the Plan's net pension liability. The respective net pension liabilities were measured as of June 30, 2017 and the amounts used to calculate each of the net pension liabilities was determined by an actuarial valuation as of July 1, 2016. The District's proportionate share of the liability was based on the District's 2016-17 fiscal year contributions relative to the total 2016-17 fiscal year contributions of all participating members. At June 30, 2017, the District proportionate share was 1.129495875 percent, which was an increase of 0.032234943 from its proportionate share measured as of June 30, 2016.

For fiscal year ended June 30, 2018, the District recognized the HIS Plan pension expense of \$2,556,444. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to the pensions from the following sources:

<b>Description</b>	<b>Deferred Outflows of Resources</b>	<b>Deferred Inflows of Resources</b>
Differences between expected and actual experience	\$ -	\$ 251,465
Change in Assumptions	16,976,237	-
Net difference between projected and actual earnings on FRS pension plan investments	66,976	10,443,189
Changes in proportion and differences between District contributions and proportionate share of contributions	2,345,656	4,698,416
District contributions subsequent to the measurement date	6,028,710	-
<b>Total</b>	<b>\$ 25,417,579</b>	<b>\$ 15,393,070</b>

The deferred outflows related to pensions resulting from District contributions to the Plan subsequent to the measurement date, totaling \$6,028,710, will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

<b>Fiscal Year Ending June 30</b>	<b>Amortization</b>
2019	\$ 1,378,258
2020	1,365,584
2021	1,359,501
2022	1,360,173
2023	580,217
Thereafter	(2,047,934)
<b>Total</b>	<b>\$ 3,995,799</b>

**Actuarial Assumptions** - The total pension liability in the July 1, 2017, actuarial valuation was determined using the following actuarial assumption, applied to all periods included in the measurement:

Inflation	2.60 percent
Salary increases	3.25 percent, average, including inflation
Long-term expected rate of return	N/A

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

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA  
Notes to the Basic Financial Statements  
June 30, 2018

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

**Discount Rate** - The discount rate used to measure the total pension liability was 3.58 percent. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

**Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate** - The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 3.58 percent, as well as what the District's proportionate share of the net pension liability would be if it were calculated using a discount rate that is one percentage point lower than the current rate, at 2.58 per cent and one percentage point higher, at 4.58 percent.

	<b>1% Decrease 2.58%</b>	<b>Current Discount Rate 3.58%</b>	<b>1% Increase 4.58%</b>
District's proportionate share of net pension liability	\$ 137,815,602	\$ 120,770,910	\$ 106,573,624

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

**Payables to the Pension Plan** - At June 30, 2018, the District reported a payable of \$692,758 for the outstanding amount of contributions to the Plan required for the fiscal year ended June 30, 2018.

➤ **FRS – Defined Contribution Pension Plan**

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

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

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA  
Notes to the Basic Financial Statements  
June 30, 2018

For all membership classes, employees are immediately invested in their own contributions and are vested after one year of service for employer contributions and investment earning, regardless of membership class. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including service credit represented by the transferred funds) to be vested for these funds and earnings on the funds. Non-vested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five-year period, the employee will regain control over their account. If the employee does not return within the five-year period, the employee will forfeit the accumulated account balance. For fiscal year ended June 30, 2018, the information for the amount of forfeitures was unavailable from the SBA; however, management believed that these amounts, if any, would be immaterial to the District.

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

Required employer and employee contributions for the fiscal year end June 30, 2018, were \$4,904,871 and \$1,803,909 respectively. At June 30, 2018, the District reported a payable of \$959,778 for employer and employee contributions to the Investment Plan for the fiscal year ending June 30, 2018.

**16. Other Postemployment Benefits (OPEB)**

For the fiscal year ending June 30, 2018, the District implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, which established standards for recognizing and measuring liabilities, deferred outflows and inflows of resources and expenses/expenditures for post-employment benefits.

**Plan Description** - The OPEB Plan is a single-employer benefit plan administered by the District, pursuant to the provision of the Section 112.0801, Florida Statutes. Eligible retirees may choose the Brevard School Board's medical plan that is available to active employees until Medicare eligible. Dependents of retirees may be covered at the retiree's option. Prescription drug coverage is extended to retirees and their dependents who are covered under the medical plan. Retirees and their dependents are also eligible to participate in the employer-sponsored vision and dental plans; however, these benefits are fully insured and purchased by the employee/retiree and not considered a post-employment benefit. Retiring employees have an option of participating in the employer-sponsored group life policy; however, the cost is not subsidized by the employer and is not considered a post-employment benefit.

The OPEB Plan does not issue a stand-alone report and is not included in the report of another entity. There are no assets that are accumulated in a trust that meets the criteria in paragraph 4 of the Statement. The following chart contains a summary of participants covered by the Plan as of June 30, 2018.

Inactive employees or beneficiaries receiving benefit payments	223
Inactive employees entitled to but not yet receiving benefit payments	0
Active employees	<u>6,223</u>
Total Active/Inactive Employees	<u><u>6,446</u></u>



THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA  
Notes to the Basic Financial Statements  
June 30, 2018

**Total OPEB Liability**

The District's total OPEB liability of \$18,299,936 was measured as of June 30, 2017, and was determined by an actuarial valuation as of June 30, 2017.

**Actuarial Assumptions:** The total OPEB liability was determined by using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified.

Inflation	2.50 percent
Salary increases	3.7-7.8 percent including inflation
Discount rate	3.56 percent
Healthcare cost trend rates	Trend starting at 7.0 percent and gradually decreasing to an ultimate trend rate of 4.25%, plus .46% increase for excise tax

The Actuarial Cost Method is the *Individual Entry Age Normal Cost Method* with an increasing normal cost pattern consistent with the salary increase assumptions listed in the above table and used in the July 1, 2016 actuarial valuation of the Florida Retirement System.

The discount rate was based on the *Fidelity General Obligation AA Index* as of June 30, 2017, which is the most recent data available on or before the measurement date. This index is the fixed income market yield curve for municipal bonds with 20 years to maturity and includes only federally tax -exempt municipal bonds as reported in Fidelity's 20-year Municipal GO AA index.

Mortality rates are based on the results of a statewide experience study periods 2008-2013 and are obtained from mortality tables used in the July 1, 2016 actuarial valuation of the Florida Retirement System. Mortality tables are used to measure the probabilities of participants dying before and after retirement. The RP2000 Generational tables used are projected by Scale BB for healthy inactive mortality, post-employment and healthy active mortality during employment. Changes of assumptions and other inputs reflect a change in the discount rate from 2.92 percent in 2017 to 3.56 percent in 2018.

The Chart below represents the components of the changes in the total OPEB liability for fiscal year ending June 30, 2018, based on the measurement period July 1, 2016 to June 30, 2017.

<b>Changes in Total OPEB Liability</b>	<b>Total OPEB Liability</b>
Balance at 6/30/17 (restated)	<u>\$ 19,111,263</u>
Changes for the year:	
Service cost	\$ 854,258
Interest	561,206
Changes of benefit terms	-
Differences between expected and actual experience	-
Changes in assumptions or other inputs	(734,540)
Benefit payments	<u>(1,492,251)</u>
Net Changes	<u>(811,327)</u>
Balance 6/30/18	<u><u>\$ 18,299,936</u></u>

**THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA**  
**Notes to the Basic Financial Statements**  
**June 30, 2018**

**Sensitivity to changes in the discount rate:** The chart listed below represents the total liability of \$18,299,936 at the discount rate of 3.56 percent as well as calculations of the liability using a discount rate of 1 percentage point lower (2.56 percent) or 1 percentage higher (4.56 percent).

	<b>1% Decrease</b>	<b>Current</b>	<b>1% Increase</b>
	<b>2.56%</b>	<b>Discount Rate</b>	<b>4.56%</b>
	<b>3.56%</b>	<b>3.56%</b>	<b>4.56%</b>
Total OPEB Liability	\$19,453,295	\$18,299,936	\$17,189,608

**Sensitivity to changes in the health care trend rate:** The chart listed below represents the total liability of \$ 18,299,936, as well as calculations of the liability using healthcare cost trend rates that are 1 percentage point lower (6% down to 3.24%) or 1 percentage higher (8% down to 5.24%).

	<b>1% Decrease</b>	<b>Current</b>	<b>1% Increase</b>
	<b>(6% down to</b>	<b>Discount Rate</b>	<b>(8% down to</b>
	<b>3.24%)</b>	<b>4.24%</b>	<b>5.24%)</b>
Total OPEB Liability	\$16,439,573	\$18,299,936	\$20,488,719

**Deferred Outflows of Resources and Deferred Inflows of Resources** related to OPEB are reported from the following sources:

	<b>Deferred Outflows</b>	<b>Deferred Inflows</b>
	<b>of Resources</b>	<b>of Resources</b>
Changes of assumptions or other inputs	\$ -	\$ 665,720
District contributions subsequent to the measurement date	1,840,799	-
Total	\$ 1,840,799	\$ 665,720

The deferred outflows of resources related to OPEB, in the amount of \$1,840,799, are Employer OPEB contributions made after the measurement date, and will be recognized as a reduction of the OPEB liability in fiscal year 2019. Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

<b><u>Fiscal Year Ending June 30</u></b>	<b><u>Amortization</u></b>
2019	\$ (68,820)
2020	(68,820)
2021	(68,820)
2022	(68,820)
2023	(68,820)
Thereafter	(321,620)
Total	\$ (665,720)

**THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA**  
**Notes to the Basic Financial Statements**  
**June 30, 2018**

**17. Commitments**

The District uses encumbrance accounting for recording purchase order commitments for goods and services and has recorded \$27,782,522 in encumbrances for major funds (General \$3,429,667, Debt Service – Other \$10,213, Local Capital Improvement \$8,698,518, Local Sales Surtax \$15,372,716 and Impact Fees \$271,408) and \$3,224,497 in non-major funds at June 30, 2018. The District has also recorded the following major construction contract commitments as of June 30, 2018, which may include encumbrances:

<b>Project</b>	<b>Balance Committed</b>
Apollo ES Surtax Renewal Attachment F	\$ 209,176
Bayside HS Facility Renewal	799,146
Central MS Facility Renewal	263,779
Central MS Surtax Renewal and Structured Cabling Attachment F	1,065,748
Cocoa HS Surtax Renewal Attachment F	3,283,382
Coquina ES Surtax Renewal Attachment F	1,637,008
Creel ES Surtax Renewal Attachment F	1,331,113
Croton ES Surtax Renewal Attachment F	981,746
DeLaura MS Surtax Renewal Attachment F	283,434
District-Wide Security	243,307
District-Wide Surtax Renewal Security Attachment F	1,996,218
District-Wide Replace at Failure	568,515
Eau Gallie HS Aviation Hangar (Program-Related)	100,556
Eau Gallie HS Kitchen Grease Trap	153,609
Eau Gallie HS Program-Related Facility Improvements	358,876
Golfview ES Facility Renewal	135,724
Golfview ES Surtax Facility Renewal Attachment F	469,290
Harbor City ES ADA Improvements	143,841
Hoover MS Surtax Facility Renewal Attachment F	831,232
Jackson MS Facility Renewal	127,737
Jackson MS Surtax Facility Renewal Attachment F	359,674
Kennedy MS Facility Renewal and Portable Replacement	112,485
Kennedy MS Surtax Facility Renewal Attachment F	144,288
Kennedy MS Food Services Capital Serving Line Renovation	419,907
Melbourne HS Facility Renewal	153,975
Melbourne HS Surtax Facility Renewal Attachment F	301,608
Mila ES Facility Renewal	207,704
Mila ES Surtax Facility Renewal Attachment F	857,942
Palm Bay HS Football Field Turf Replacement	277,396
Palm Bay HS Program-Related Facility Improvements	575,803
Pinewood ES Surtax Facility Renewal Attachment F	102,709
Port Malabar ES Surtax Facility Renewal Attachment F	503,633
Rockledge HS Surtax Facility Renewal Attachment F	2,721,808
Sabal Elementary HVAC Surtax Attachment F	198,556
School Initiated Projects	117,167
South Lake ES Facility Renewal and Reopening	933,636
South Lake ES Surtax Facility Renewal Attachment F	859,479

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA  
Notes to the Basic Financial Statements  
June 30, 2018

<b>Project (continued)</b>	<b>Balance Committed</b>
Southwest MS Surtax Facility Renewal Attachment F	139,822
Titusville HS Food Services Serving Line Renovation	602,368
Titusville HS Roof Renewal	133,697
Turner ES Surtax Facility Renewal Attachment F	114,416
West Melbourne ES Surtax Facility Renewal Attachment F	103,190
West Shore JR/SR HS Surtax Facility Renewal Attachment F	1,524,394
Williams ES Surtax Facility Renewal Attachment F	645,691
Total Commitments	\$ 27,094,785

## 18. Risk Management - Self Insured Programs

The District is exposed to various casualty risks including workers' compensation related injuries to employees and volunteers, state tort claims (auto and general liability exposures), and allegations of wrongful or intentional acts that result in claims of negligence typically handled in the state court system, but on occasion depending on how the claim is plead may be handled in federal court jurisdictions. The District utilizes a third-party administrator to adjust or handle all of these claims. In addition to the self-insured portion of these casualty claims, the District procures insurance with high deductibles to reduce the effect of excessive losses for all of these exposures through commercial insurance companies. A list of these exposures and how they are treated can be found below. In the last three years, no claim has exceeded the self-insured retention limits as stated in statute and though no claim exceeded the self-insured limit the district further protects itself by purchasing insurance to protect the district in the event of this type of loss exposure.

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

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

- The first \$500,000 of each workers' compensation claim is paid via the District's self-insurance trust funds. These claims are administered through a third-party administrator, Sedgwick CMS.
- All workers' compensation claims with values in excess of \$500,000 are paid via an excess workers' compensation policy purchased through a commercial insurance carrier (Safety National Casualty Co.). Excess workers' compensation claims remain under the control and of Sedgwick CMS as they handle the claim to its conclusion. For claims whose payments exceed \$500,000, Sedgwick CMS will communicate with Safety National Casualty Co. and they request reimbursement of dollars paid in excess. The excess dollars are received by Sedgwick CMS from Safety National Casualty Co. These dollars are then used to offset costs for the continuing excess claim and other claims that incur cost during the month received thereby reducing the reimbursement the district would incur otherwise.

**THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA**  
**Notes to the Basic Financial Statements**  
**June 30, 2018**

General Liability and Automobile Liability Claims:

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

Errors and Omissions Liability Claims:

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

Self-Insured Health Claims:

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

The liability for workers’ compensation is \$11,469,810, general liability is \$1,215,997, automobile liability is \$570,468, and medical claims is \$4,269,000 for a total amount of \$17,525,275. The liability amounts were determined based on claims adjusters’ evaluation of individual claims and management’s evaluation, along with actuarial calculations with respect to the probable number and nature of claims arising from losses that have been incurred but have not yet been reported.

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

<u>Fiscal Year</u>	<u>Balance July 1</u>	<u>Current Year Claims</u>	<u>Claims Payments</u>	<u>Balance June 30</u>
2016-17	\$ 15,975,921	\$ 72,356,690	\$ (70,977,557)	\$ 17,355,054
2017-18	\$ 17,355,054	\$ 71,563,352	\$ (71,393,131)	\$ 17,525,275

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA  
Notes to the Basic Financial Statements  
June 30, 2018

**Commercially Purchased Insurance**

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

**Property Insurance:**

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

**Boiler and Machinery:**

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

**Employee Theft/Crime:**

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

**Under and Above Ground Storage Tanks:**

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

During the fiscal year ended June 30, 2018 the District did not experience any significant reductions in insurance coverage nor did any claim settlement as noted in any area above exceed the insurance coverage purchased in each of the last three fiscal years.

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA  
Notes to the Basic Financial Statements  
June 30, 2018

**19. Internal Service Funds**

The following is a summary of financial information reported in the internal service funds for the year ended June 30, 2018:

	<u>Total</u>	<u>Medical Insurance</u>	<u>Worker's Compensation</u>	<u>General/Auto Liability</u>
Total assets	\$ 41,286,855	\$ 24,831,303	\$ 14,280,954	\$ 2,174,598
Liabilities and net position:				
Accounts payable	609,954	1,395	567,628	40,931
Estimated insurance claims payable	17,525,275	4,269,000	11,469,810	1,786,465
Net position:				
Net investment in capital assets	1,306,050	1,306,050	-	-
Unrestricted net position	21,845,576	19,254,858	2,243,516	347,202
Total net position	23,151,626	20,560,908	2,243,516	347,202
Total liabilities and net position	\$ 41,286,855	\$ 24,831,303	\$ 14,280,954	\$ 2,174,598
Revenues:				
Premium contributions	71,244,747	66,865,833	3,465,301	913,613
Investment earnings	73,298	31,427	36,501	5,370
Other	94,496	71	43	94,382
Total revenues	71,412,541	66,897,331	3,501,845	1,013,365
Total expenses	(73,919,731)	(67,355,332)	(5,636,599)	(927,800)
Transfers	2,600,000	-	2,600,000	-
Change in net position	\$ 92,810	\$ (458,001)	\$ 465,246	\$ 85,565

**20. Fund Balance Reporting**

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

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

- **Restricted:** fund balances that are constrained by external parties, constitutional provisions, or enabling legislation.
- **Committed:** fund balances that contain self imposed constraints of the government from its highest level of decision making authority.

THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA  
Notes to the Basic Financial Statements  
June 30, 2018

- Assigned: fund balances that contain self imposed constraints of the government to be used for a particular purpose.
- Unassigned: fund balances of the general fund that are not constrained for any particular purpose.

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

Nonspendable: The District has a total of \$5,555,017 classified as nonspendable which consists of \$1,990,894 for inventory and \$3,564,123 for prepaid.

Spendable: The District has classified the spendable fund balances as *Restricted*, *Committed*, *Assigned*, and *Unassigned* and considers each to have been spent when expenditures are incurred. The District does not have a policy regarding either committed or assigned fund balances. When assigned and unassigned balances are available for use, assigned resources will be used first and then unassigned resources will be used as needed.

- Restricted for Capital Projects, State Categoricals, Debt Service, Food Services and Emergency Operations:

Florida Statute requires that certain revenues be specifically designated for the purposes of capital and debt service requirements, certain designated state categorical spending and other earmarked spending programs, and food services. These funds have been included in the restricted category of fund balance. The restricted fund balances for capital projects, state categoricals, debt service, and food services total \$107,595,637, \$5,152,248, \$4,180,876, and \$11,370,935 respectively.

- Committed to Funding Priorities:

The District has set aside certain fund balances through board action for funding priorities over the next two years to be spent equally between fiscal years 2019 and 2020. For fiscal year 2018, the total committed fund balance is \$3,905,904. The funding priorities consist of instructional coaches, social workers, school resource officers, centralized internal accounts, and athletic assistance. The committed fund balances for each are \$1,648,216, \$875,520, \$500,000, \$482,168, and \$400,000 respectively.

- Assigned for School Operations and Capital Projects:

The School Board has set aside certain fund balances for school operations and capital projects. For fiscal year 2018, the assigned fund balance is \$4,796,904 of which \$3,313,651 is for school operations and \$1,483,253 is for capital projects not restricted for a particular purpose.

- Unassigned:

The unassigned fund balance for the general fund is \$41,888,590.



**THE SCHOOL BOARD OF BREVARD COUNTY, FLORIDA**  
**Notes to the Basic Financial Statements**  
**June 30, 2018**

The below table is a summary of the fund balance classifications for the District at June 30, 2018:

Fund	General Fund	Debt Service Fund - Other	Local Capital Improvement	Impact Fees	Local Sales Surtax	Nonmajor Governmental Funds	Total Governmental Funds
Nonspendable:							
Inventory	\$ 497,808	\$ -	\$ -	\$ -	\$ -	\$ 1,493,086	\$ 1,990,894
Prepaid	3,564,123	-	-	-	-	-	3,564,123
Restricted:							
Capital projects	-	-	18,184,401	33,076,311	50,880,657	5,454,268	107,595,637
State categoricals	5,152,248	-	-	-	-	-	5,152,248
Debt service	-	4,135,646	-	-	-	45,230	4,180,876
Food Services	-	-	-	-	-	11,370,935	11,370,935
Committed:							
Funding priorities	3,905,904	-	-	-	-	-	3,905,904
Assigned:							
School operations	3,313,651	-	-	-	-	1,483,253	4,796,904
Capital projects	-	-	-	-	-	-	-
Unassigned:							
	41,888,590	-	-	-	-	-	41,888,590
Total fund balances	<u>\$ 58,322,324</u>	<u>\$ 4,135,646</u>	<u>\$ 18,184,401</u>	<u>\$ 33,076,311</u>	<u>\$ 50,880,657</u>	<u>\$ 19,846,772</u>	<u>\$ 184,446,111</u>

The District has set aside “contingency reserves” per Board Policy 6120, to help sustain the financial stability of the District during times of emergency spending for items such as disaster recovery and revenue shortfalls that could potentially occur after the current year’s budget adoption. Policy 6120 requires at least 3 percent of the current year’s annual estimated general fund revenues to be reserved for contingency purposes. In the event these reserves are needed, a majority vote of the Board is required before using these funds and the Superintendent is required to provide a financial plan to the Board to restore the funds to the minimum 3 percent amount, along with a timeline for restoration. The contingency funds of \$19,880,369 are included as part of the unassigned general fund balance of \$41,888,590 and equates to 3.63 percent of fiscal year 2018 total general fund revenues.

## 21. Litigation

The School Board is a defendant in a number of lawsuits as of June 30, 2018. It is the opinion of the District’s management, after giving consideration to the District’s related insurance coverage, as well as the Florida statutory limitations on governmental liability on uninsured risks, that the amount of losses resulting from litigation, which exceeded the above-mentioned limits, would not be material to the financial position of the District.



REQUIRED  
SUPPLEMENTARY  
INFORMATION

The School Board of Brevard County, Florida  
Required Supplementary Information

Single - Employer Other Postemployment Benefits Plan

Schedule of Changes in Total OPEB Liability and Related Ratios  
Last Ten Fiscal Years\*

	2018
<b>Total OPEB Liability</b>	
Service cost	\$ 854,258
Interest	561,206
Changes of benefit items	0
Difference between expected and actual experience	0
Changes of assumptions or other inputs	(734,540)
Benefit payments	(1,492,251)
<b>Net change in total OPEB liability</b>	<b>\$ (811,327)</b>
Total OPEB liability - beginning	19,111,263
Total OPEB liability - ending	<b>\$ 18,299,936</b>
Covered-employee payroll	\$ 273,228,712
Total OPEB liability as a percentage of covered-employee payroll	6.70%
Total OPEB Plan's fiduciary net position as a percentage of total OPEB liability	0.00%

*Changes in assumptions:* The discount rate was changed from 2.92% as of the beginning of the measurement period to 3.56%.

*Changes in benefit terms:* There were no changes in benefit terms during 2018.

*Actuarial valuation date:* June 30, 2017

*Reporting period:* June 30, 2018

\* Data is not available prior to fiscal year 2018

The School Board of Brevard County, Florida  
Required Supplementary Information

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

	2018	2017	2016	2015	2014
Brevard County District School Board's proportion of the net pension liability (asset)	0.830993172%	0.849038350%	0.873903029%	0.876490442%	0.889368881%
Brevard County District School Board's proportionate share of the net pension liability (asset)	\$ 245,802,205	\$ 214,382,250	\$ 112,876,297	\$ 53,295,762	\$ 153,099,968
Brevard County District School Board's covered-employee payroll	\$ 363,166,019	\$ 360,321,185	\$ 358,930,491	\$ 342,344,742	\$ 334,805,743
Brevard County District School Board's proportionate share of the net pension liability(asset) as a percentage of its covered-employee payroll	67.68%	59.50%	31.45%	15.57%	45.73%
Plan fiduciary net position as a percentage of the total pension liability	83.89%	84.88%	92.00%	96.09%	88.54%

\* Data is not available prior to fiscal year 2014.

The School Board of Brevard County, Florida  
Required Supplementary Information

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

	2018	2017	2016	2015	2014
Brevard County District School Board's proportion of the net pension liability (asset)	1.129495875%	1.161730818%	1.128125564%	1.126860263%	1.177649683%
Brevard County District School Board's proportionate share of the net pension liability (asset)	\$ 120,770,910	\$ 135,394,914	\$ 115,051,062	\$ 105,364,184	\$ 102,529,889
Brevard County District School Board's covered-employee payroll	\$ 363,166,019	\$ 360,321,185	\$ 358,930,491	\$ 342,344,742	\$ 334,805,743
Brevard County District School Board's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	33.26%	37.58%	32.05%	30.78%	30.62%
Plan fiduciary net position as a percentage of the total pension liability	1.64%	0.97%	0.50%	0.99%	1.78%

\* Data is not available prior to fiscal year 2014.

The School Board of Brevard County, Florida  
Required Supplementary Information

Schedule of Contributions  
Florida Retirement System  
Last 10 Fiscal Years\*

	2018	2017	2016	2015	2014
Contractually required contribution	\$ 23,373,402	\$ 21,632,798	\$ 20,705,154	\$ 21,306,498	\$ 19,133,147
Contributions in relation to the contractually required contribution	(23,373,402)	(21,632,798)	(20,705,154)	(21,306,498)	(19,133,147)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Brevard County District School Board's covered-employee payroll	\$ 363,166,019	\$ 360,321,185	\$ 358,930,491	\$ 342,344,742	\$ 334,805,743
Contributions as a percentage of covered-employee payroll	6.44%	6.00%	5.77%	6.22%	5.71%

\* Data is not available prior to fiscal year 2014.

The School Board of Brevard County, Florida  
Required Supplementary Information

Schedule of Contributions  
Health Insurance Subsidy Program  
Last 10 Fiscal Years\*

	2018	2017	2016	2015	2014
Contractually required contribution	\$ 6,028,710	\$ 5,977,618	\$ 5,958,246	\$ 4,312,398	\$ 3,860,244
Contributions in relation to the contractually required contribution	(6,028,710)	(5,977,618)	(5,958,246)	(4,312,398)	(3,860,244)
Contribution deficiency (excess)	\$ -	\$ -	\$ -	\$ -	\$ -
Brevard County District School Board's covered-employee payroll	\$ 363,166,019	\$ 360,321,185	\$ 358,930,491	\$ 342,344,742	\$ 334,805,743
Contributions as a percentage of covered-employee payroll	1.66%	1.66%	1.66%	1.26%	1.15%

\* Data is not available prior to fiscal year 2014.



OTHER SUPPLEMENTARY  
INFORMATION

COMBINING AND INDIVIDUAL FUND  
FINANCIAL STATEMENTS  
AND SCHEDULES

The School Board of Brevard County, Florida  
Debt Service Fund - Other  
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
For the Fiscal Year Ended June 30, 2018

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget</b>
	<b>Original</b>	<b>Final</b>		
Revenues:				
Local sources:				
Investment income	\$ 144,000	\$ 205,875	\$ 205,875	\$ -
Total revenues	<u>144,000</u>	<u>205,875</u>	<u>205,875</u>	<u>-</u>
Expenditures:				
Principal	16,435,000	16,435,000	16,435,000	-
Interest and fiscal charges	<u>18,924,291</u>	<u>18,924,205</u>	<u>18,924,205</u>	<u>-</u>
Total expenditures	<u>35,359,291</u>	<u>35,359,205</u>	<u>35,359,205</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(35,215,291)</u>	<u>(35,153,330)</u>	<u>(35,153,330)</u>	<u>-</u>
Other financing sources (uses)				
Transfers in	<u>35,358,359</u>	<u>35,289,865</u>	<u>35,289,865</u>	<u>-</u>
Total other financing sources (uses)	<u>35,358,359</u>	<u>35,289,865</u>	<u>35,289,865</u>	<u>-</u>
Net change in fund balance	<u>\$ 143,068</u>	<u>\$ 136,535</u>	136,535	<u>\$ -</u>
Fund balance, beginning of year			<u>3,999,111</u>	
Fund balance, end of year			<u>\$ 4,135,646</u>	

The School Board of Brevard County, Florida  
Local Capital Improvement Capital Projects Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
For the Fiscal Year Ended June 30, 2018

	<b>Budgeted Amounts</b>		<b>Actual</b>	<b>Variance with Final Budget</b>
	<b>Original</b>	<b>Final</b>		
Revenues:				
Local sources:				
Ad valorem taxes	\$ 55,813,944	\$ 56,378,223	\$ 56,378,223	\$ -
Investment income	132,870	533,783	533,783	-
Other	436,045	45,334	45,334	-
Total local sources	<u>56,382,859</u>	<u>56,957,340</u>	<u>56,957,340</u>	<u>-</u>
Total revenues	<u>56,382,859</u>	<u>56,957,340</u>	<u>56,957,340</u>	<u>-</u>
Expenditures:				
Facilities acquisition and construction	1,069,104	5,265,854	10,286,094	(5,020,240)
Capital outlay:				
Facilities	13,437,801	22,202,581	3,402,283	18,800,298
Charter School Local Capital Improvement	-	570,451	570,451	-
Other capital outlay	6,669,770	11,324,472	8,722,264	2,602,208
Total expenditures	<u>21,176,675</u>	<u>39,363,358</u>	<u>22,981,092</u>	<u>16,382,266</u>
Excess of revenues over expenditures	<u>35,206,184</u>	<u>17,593,982</u>	<u>33,976,248</u>	<u>16,382,266</u>
Other financing sources (uses):				
Transfers out	<u>(41,666,615)</u>	<u>(42,812,868)</u>	<u>(42,812,868)</u>	<u>-</u>
Total other financing sources (uses):	<u>(41,666,615)</u>	<u>(42,812,868)</u>	<u>(42,812,868)</u>	<u>-</u>
Net change in fund balance	<u>\$ (6,460,431)</u>	<u>\$ (25,218,886)</u>	(8,836,620)	<u>\$ 16,382,266</u>
Fund balance, beginning of year			<u>27,021,021</u>	
Fund balance, end of year			<u>\$ 18,184,401</u>	

The School Board of Brevard County, Florida  
 Local Sales Surtax Capital Projects Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
 For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
Discretionary Surtax	\$ 43,269,088	\$ 45,767,671	\$ 45,767,671	\$ -
Investment Income	161,100	502,234	502,234	-
Other	-	5,893	5,893	-
Total revenues	<u>43,430,188</u>	<u>46,275,798</u>	<u>46,275,798</u>	<u>-</u>
Expenditures:				
Facilities acquisition and construction	76,349	87,771	16,634,577	(16,546,806)
Capital outlay:				
Facilities	66,531,761	58,434,895	23,443,575	34,991,320
Other capital outlay	95,310	1,903,388	1,870,898	32,490
Total expenditures	<u>66,703,420</u>	<u>60,426,054</u>	<u>41,949,050</u>	<u>18,477,004</u>
Excess of revenues over expenditures	<u>(23,273,232)</u>	<u>(14,150,256)</u>	<u>4,326,748</u>	<u>18,477,004</u>
Net change in fund balance	<u>\$ (23,273,232)</u>	<u>\$ (14,150,256)</u>	4,326,748	<u>\$ 18,477,004</u>
Fund balance, beginning of year			<u>46,553,909</u>	
Fund balance, end of year			<u>\$ 50,880,657</u>	

The School Board of Brevard County, Florida  
Impact Fees Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local sources:				
Investment income	\$ 6,030	\$ 200,677	\$ 200,677	\$ -
Impact fees	<u>7,500,000</u>	<u>11,602,549</u>	<u>11,602,549</u>	<u>-</u>
Total local sources	<u>7,506,030</u>	<u>11,803,226</u>	<u>11,803,226</u>	<u>-</u>
Total revenues	<u>7,506,030</u>	<u>11,803,226</u>	<u>11,803,226</u>	<u>-</u>
Expenditures:				
Facilities acquisition and construction	-	-	170,801	(170,801)
Capital outlay:				
Facilities	<u>-</u>	<u>16,320,022</u>	<u>-</u>	<u>16,320,022</u>
Total expenditures	<u>-</u>	<u>16,320,022</u>	<u>170,801</u>	<u>16,149,221</u>
Excess (deficiency) of revenues over (under) expenditures	<u>7,506,030</u>	<u>(4,516,796)</u>	<u>11,632,425</u>	<u>16,149,221</u>
Other financing sources (uses):				
Transfers out	<u>(1,470,465)</u>	<u>(1,470,551)</u>	<u>(1,470,551)</u>	<u>-</u>
Total other financing uses	<u>(1,470,465)</u>	<u>(1,470,551)</u>	<u>(1,470,551)</u>	<u>-</u>
Net change in fund balance	<u>\$ 6,035,565</u>	<u>\$ (5,987,347)</u>	10,161,874	<u>\$ 16,149,221</u>
Fund balance, beginning of year			<u>22,914,437</u>	
Fund balance, end of year			<u>\$ 33,076,311</u>	



## NONMAJOR GOVERNMENTAL FUNDS

### Special Revenue Funds

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

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

**Contracted Programs Fund**—To account for programs funded by federal and state sources, requiring separate accountability due to legal or regulatory restrictions.

### Debt Service Funds

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

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

### Capital Projects Funds

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

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

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

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

The School Board of Brevard County, Florida  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2018

	<u>Special Revenue</u>		<u>Debt Service</u>
	<u>Food Services</u>	<u>Contracted Programs</u>	<u>SBE / COBI Bonds</u>
<b>ASSETS</b>			
Cash and cash equivalents	\$ 11,736,440	\$ -	\$ -
Cash with fiscal agent	-	-	45,230
Investments	-	-	-
Due from other agencies	218,608	4,833,204	-
Inventory	1,493,086	-	-
Total assets	<u>\$ 13,448,134</u>	<u>\$ 4,833,204</u>	<u>\$ 45,230</u>
<b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accounts, contracts and retainage payable	\$ 170,303	\$ 485,876	\$ -
Accrued salaries and benefits	35,191	1,414,886	-
Due to other agencies	806	139,990	-
Due to budgetary funds	-	2,792,452	-
Unearned revenues	377,813	-	-
Total liabilities	<u>584,113</u>	<u>4,833,204</u>	<u>-</u>
Fund balances:			
Nonspendable	1,493,086	-	-
Restricted	11,370,935	-	45,230
Assigned	-	-	-
Total fund balances	<u>12,864,021</u>	<u>-</u>	<u>45,230</u>
Total liabilities and fund balances	<u>\$ 13,448,134</u>	<u>\$ 4,833,204</u>	<u>\$ 45,230</u>



<b>Capital Projects</b>				<b>Total</b>
<b>Capital Outlay and Debt Service</b>	<b>Public Education Capital Outlay</b>	<b>Other Capital Projects</b>	<b>Total Nonmajor Capital Projects</b>	<b>Nonmajor Governmental Funds</b>
\$ 2,402,382	\$ -	\$ 4,829,625	\$ 7,232,007	\$ 18,968,447
-	-	-	-	45,230
-	-	4,996	4,996	4,996
-	1,452,356	-	1,452,356	6,504,168
-	-	-	-	1,493,086
<u>\$ 2,402,382</u>	<u>\$ 1,452,356</u>	<u>\$ 4,834,621</u>	<u>\$ 8,689,359</u>	<u>\$ 27,015,927</u>
\$ 253,055	\$ 530,415	\$ 664,724	\$ 1,448,194	\$ 2,104,373
-	-	-	-	1,450,077
-	-	597	597	141,393
-	303,047	-	303,047	3,095,499
-	-	-	-	377,813
<u>253,055</u>	<u>833,462</u>	<u>665,321</u>	<u>1,751,838</u>	<u>7,169,155</u>
-	-	-	-	1,493,086
2,149,327	618,894	2,686,047	5,454,268	16,870,433
-	-	1,483,253	1,483,253	1,483,253
<u>2,149,327</u>	<u>618,894</u>	<u>4,169,300</u>	<u>6,937,521</u>	<u>19,846,772</u>
<u>\$ 2,402,382</u>	<u>\$ 1,452,356</u>	<u>\$ 4,834,621</u>	<u>\$ 8,689,359</u>	<u>\$ 27,015,927</u>

The School Board of Brevard County, Florida  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Fiscal Year Ended June 30, 2018

	<u>Special Revenue</u>		<u>Debt Service</u>
	<u>Food Services</u>	<u>Contracted Services</u>	<u>SBE / COBI Bonds</u>
Revenues:			
Local sources:			
Food service sales	\$ 7,869,829	\$ -	\$ -
Other	287,645	2,445	-
Total local sources	<u>8,157,474</u>	<u>2,445</u>	<u>-</u>
State sources:			
Public education capital outlay	-	-	-
Food services	346,934	-	-
Other	-	745,386	761,986
Total state sources	<u>346,934</u>	<u>745,386</u>	<u>761,986</u>
Federal sources:			
Federal direct	-	7,101,065	-
Other federal grants	-	43,178,610	-
Food services	24,915,016	-	-
Total federal sources	<u>24,915,016</u>	<u>50,279,675</u>	<u>-</u>
Total revenues	<u>33,419,424</u>	<u>51,027,506</u>	<u>761,986</u>

<b>Capital Projects</b>				<b>Total Nonmajor Governmental Funds</b>
<b>Capital Outlay and Debt Service</b>	<b>Public Education Capital Outlay</b>	<b>Other Capital Projects</b>	<b>Total Nonmajor Capital Projects</b>	
\$ -	\$ -	\$ -	\$ -	\$ 7,869,829
-	-	187,737	187,737	477,827
-	-	187,737	187,737	8,347,656
-	2,857,788	-	2,857,788	2,857,788
-	-	-	-	346,934
1,933,805	-	142,986	2,076,791	3,584,163
1,933,805	2,857,788	142,986	4,934,579	6,788,885
-	-	-	-	7,101,065
-	-	-	-	43,178,610
-	-	-	-	24,915,016
-	-	-	-	75,194,691
1,933,805	2,857,788	330,723	5,122,316	90,331,232

Continued on next page.

The School Board of Brevard County, Florida  
Combining Statement of Revenues, Expenditures and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Fiscal Year Ended June 30, 2018

	<u>Special Revenue</u>		<u>Debt Service</u>
	<u>Food Services</u>	<u>Contracted Services</u>	<u>SBE / COBI Bonds</u>
Expenditures:			
Current operating:			
Instructional services	\$ -	\$ 22,297,377	\$ -
Pupil personnel services	-	5,701,557	-
Instructional media services	-	10,471	-
Instructional and curriculum development services	-	12,677,654	-
Instructional staff training	-	3,190,110	-
Instruction related technology	-	2,107,329	-
General administration	-	2,093,168	-
School administration	-	62,379	-
Facilities acquisition and construction	-	1,072	-
Fiscal services	-	38,708	-
Food services	30,773,969	34,560	-
Central services	-	36,272	-
Pupil transportation services	-	197,423	-
Operation of plant	-	123,109	-
Maintenance of plant	-	3,513	-
Administrative technology services	-	1,840	-
Community services	-	887,601	-
Capital outlay:			
Facilities	-	709,251	-
Other capital outlay	1,827,157	854,112	-
Debt service:			
Principal	-	-	659,000
Interest and fiscal charges	-	-	109,555
Total expenditures	<u>32,601,126</u>	<u>51,027,506</u>	<u>768,555</u>
Excess (deficiency) of revenues over (under) expenditures	<u>818,298</u>	<u>-</u>	<u>(6,569)</u>
Other financing sources (uses):			
Transfers in	-	-	-
Transfers out	(2,311,333)	-	-
Total other financing sources (uses)	<u>(2,311,333)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	(1,493,035)	-	(6,569)
Fund balances, beginning of year	14,357,056	-	51,799
Fund balances, end of year	<u>\$ 12,864,021</u>	<u>\$ -</u>	<u>\$ 45,230</u>

<b>Capital Projects</b>				<b>Total Nonmajor Governmental Funds</b>
<b>Capital Outlay and Debt Service</b>	<b>Public Education Capital Outlay</b>	<b>Other Capital Projects</b>	<b>Total Nonmajor Capital Projects</b>	
\$ -	\$ -	\$ -	\$ -	\$ 22,297,377
-	-	-	-	5,701,557
-	-	-	-	10,471
-	-	-	-	12,677,654
-	-	-	-	3,190,110
-	-	-	-	2,107,329
-	-	-	-	2,093,168
-	-	-	-	62,379
96,105	2,396,755	1,212,080	3,704,940	3,706,012
-	-	-	-	38,708
-	-	-	-	30,808,529
-	-	-	-	36,272
-	-	-	-	197,423
-	-	-	-	123,109
-	-	-	-	3,513
-	-	-	-	1,840
-	-	-	-	887,601
2,164,914	-	1,102,074	3,266,988	3,976,239
-	64,127	-	64,127	2,745,396
-	-	-	-	659,000
2,216	-	-	2,216	111,771
<u>2,263,235</u>	<u>2,460,882</u>	<u>2,314,154</u>	<u>7,038,271</u>	<u>91,435,458</u>
<u>(329,430)</u>	<u>396,906</u>	<u>(1,983,431)</u>	<u>(1,915,955)</u>	<u>(1,104,226)</u>
-	-	2,311,333	2,311,333	2,311,333
-	(1,117,932)	(3,628,181)	(4,746,113)	(7,057,446)
-	(1,117,932)	(1,316,848)	(2,434,780)	(4,746,113)
<u>(329,430)</u>	<u>(721,026)</u>	<u>(3,300,279)</u>	<u>(4,350,735)</u>	<u>(5,850,339)</u>
2,478,757	1,339,920	7,469,579	11,288,256	25,697,111
<u>\$ 2,149,327</u>	<u>\$ 618,894</u>	<u>\$ 4,169,300</u>	<u>\$ 6,937,521</u>	<u>\$ 19,846,772</u>

The School Board of Brevard County, Florida  
Special Revenue Fund - Food Services  
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local sources:				
Food service sales	\$ 9,297,443	\$ 8,157,474	\$ 8,157,474	\$ -
Total local sources	<u>9,297,443</u>	<u>8,157,474</u>	<u>8,157,474</u>	<u>-</u>
State sources:				
Food services	344,841	346,934	346,934	-
Total state sources	<u>344,841</u>	<u>346,934</u>	<u>346,934</u>	<u>-</u>
Federal sources:				
Food services	24,075,387	24,915,016	24,915,016	-
Total federal sources	<u>24,075,387</u>	<u>24,915,016</u>	<u>24,915,016</u>	<u>-</u>
Total revenues	<u>33,717,671</u>	<u>33,419,424</u>	<u>33,419,424</u>	<u>-</u>
Expenditures:				
Food service:				
Salaries	9,286,571	10,107,837	9,272,692	835,145
Employee benefits	3,065,356	3,592,601	3,033,006	559,595
Purchased services	1,448,912	1,463,832	1,157,148	306,684
Energy services	617,978	617,978	554,397	63,581
Materials and supplies	15,772,571	15,786,052	15,280,344	505,708
Capital outlay	300,929	374,575	564,365	(189,790)
Other expenditures	967,895	967,895	912,017	55,878
Total food service	<u>31,460,212</u>	<u>32,910,770</u>	<u>30,773,969</u>	<u>2,136,801</u>
Capital outlay:				
Facilities	1,300,421	668,681	-	668,681
Other capital outlay	1,305,910	2,770,594	1,827,157	943,437
Total expenditures	<u>34,066,543</u>	<u>36,350,045</u>	<u>32,601,126</u>	<u>3,748,919</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(348,872)</u>	<u>(2,930,621)</u>	<u>818,298</u>	<u>3,748,919</u>
Other financing (uses):				
Transfers out	(750,000)	(2,311,333)	(2,311,333)	-
Total other financing (uses):	<u>(750,000)</u>	<u>(2,311,333)</u>	<u>(2,311,333)</u>	<u>-</u>
Net change in fund balance	<u>\$ (1,098,872)</u>	<u>\$ (5,241,954)</u>	<u>(1,493,035)</u>	<u>\$ 3,748,919</u>
Fund balance, beginning of year			<u>14,357,056</u>	
Fund balance, end of year			<u>\$ 12,864,021</u>	

The School Board of Brevard County, Florida  
Special Revenue Fund - Contracted Programs  
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local sources:				
Other	\$ -	\$ 2,445	\$ 2,445	\$ -
State sources:				
State grants and other	862,856	745,386	745,386	-
Federal sources:				
Federal direct	7,586,088	7,101,065	7,101,065	-
Other Federal grants	<u>50,766,760</u>	<u>43,178,610</u>	<u>43,178,610</u>	<u>-</u>
Total revenues	<u>59,215,704</u>	<u>51,027,506</u>	<u>51,027,506</u>	<u>-</u>
Expenditures:				
Instructional services:				
Salaries	16,271,367	14,050,717	14,050,717	-
Employee benefits	5,323,488	4,187,267	4,187,267	-
Purchased services	1,829,719	1,857,958	1,857,958	-
Materials and supplies	3,049,776	1,644,991	1,644,991	-
Capital outlay	1,287,059	522,931	522,931	-
Other expenditures	<u>110,809</u>	<u>33,513</u>	<u>33,513</u>	<u>-</u>
Total instructional services	<u>27,872,218</u>	<u>22,297,377</u>	<u>22,297,377</u>	<u>-</u>
Pupil personnel services				
Salaries	3,411,086	3,588,902	3,588,902	-
Employee benefits	940,310	973,174	973,174	-
Purchased services	1,723,161	907,678	907,678	-
Materials and supplies	335,537	219,397	219,397	-
Capital outlay	3,132	4,647	4,647	-
Other expenditures	<u>10,955</u>	<u>7,759</u>	<u>7,759</u>	<u>-</u>
Total pupil personnel services	<u>6,424,181</u>	<u>5,701,557</u>	<u>5,701,557</u>	<u>-</u>
Instructional media services:				
Purchased services	200	-	-	-
Materials and supplies	-	105	105	-
Capital outlay	<u>265</u>	<u>10,366</u>	<u>10,366</u>	<u>-</u>
Total instructional media services	<u>465</u>	<u>10,471</u>	<u>10,471</u>	<u>-</u>
Instruction and curriculum development services:				
Salaries	9,379,170	9,487,485	9,487,485	-
Employee benefits	2,431,332	2,524,308	2,524,308	-
Purchased services	835,786	457,622	457,622	-
Materials and supplies	226,411	136,756	136,756	-
Capital outlay	167,715	40,919	40,919	-
Other expenditures	<u>47,909</u>	<u>30,564</u>	<u>30,564</u>	<u>-</u>
Total instruction and curriculum development services:	<u>13,088,323</u>	<u>12,677,654</u>	<u>12,677,654</u>	<u>-</u>

Continued on next page.

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

The School Board of Brevard County, Florida  
Special Revenue Fund - Contracted Programs  
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Expenditures (continued):				
Instructional staff training services:				
Salaries	2,488,363	1,497,283	1,497,283	-
Employee benefits	641,167	336,118	336,118	-
Purchased services	1,346,355	823,690	823,690	-
Materials and supplies	324,972	168,010	168,010	-
Capital outlay	11,591	8,357	8,357	-
Other expenditures	409,041	356,652	356,652	-
Total instructional staff training services	<u>5,221,489</u>	<u>3,190,110</u>	<u>3,190,110</u>	<u>-</u>
Instructional Related Technology:				
Salaries	2,276	-	-	-
Employee benefits	5,435	-	-	-
Purchased services	231,136	791,318	791,318	-
Materials and supplies	-	97	97	-
Capital outlay	528,435	1,315,914	1,315,914	-
Total instructional related technology	<u>767,282</u>	<u>2,107,329</u>	<u>2,107,329</u>	<u>-</u>
Board:				
Purchased services	15,303	-	-	-
Other expenditures	1,367	-	-	-
Total board	<u>16,670</u>	<u>-</u>	<u>-</u>	<u>-</u>
General administration:				
Materials and supplies	741	-	-	-
Other expenditures	2,154,360	2,093,168	2,093,168	-
Total general administration	<u>2,155,101</u>	<u>2,093,168</u>	<u>2,093,168</u>	<u>-</u>
School administration:				
Salaries	73,376	32,658	32,658	-
Employee benefits	37,492	10,589	10,589	-
Purchased services	2,950	4,026	4,026	-
Materials and supplies	12,027	8,459	8,459	-
Capital outlay	1,999	5,267	5,267	-
Other expenditures	325	1,380	1,380	-
Total school administration	<u>128,169</u>	<u>62,379</u>	<u>62,379</u>	<u>-</u>
Facilities acquisition and construction:				
Capital outlay	-	1,072	1,072	-
Total facilities acquisition and construction	<u>-</u>	<u>1,072</u>	<u>1,072</u>	<u>-</u>
Fiscal Services:				
Salaries	32,797	33,303	33,303	-
Employee benefits	5,316	5,405	5,405	-
Total fiscal services	<u>38,113</u>	<u>38,708</u>	<u>38,708</u>	<u>-</u>
Food Services:				
Salaries	25,654	26,039	26,039	-
Employee benefits	6,955	6,959	6,959	-
Materials and supplies	-	552	552	-
Capital outlay	-	1,010	1,010	-
Total food services	<u>32,609</u>	<u>34,560</u>	<u>34,560</u>	<u>-</u>

Continued on next page.

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



The School Board of Brevard County, Florida  
Special Revenue Fund - Contracted Programs  
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual Amounts</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Expenditures (continued):				
Central services:				
Salaries	200	-	-	-
Purchased services	20,398	30,938	30,938	-
Materials and supplies	-	343	343	-
Capital outlay	77	-	-	-
Other expenditures	5,561	4,991	4,991	-
Total central services	<u>26,236</u>	<u>36,272</u>	<u>36,272</u>	<u>-</u>
Pupil transportation services:				
Purchased services	68,665	62,206	62,206	-
Energy services	151,775	71,736	71,736	-
Other expenditures	94,227	63,481	63,481	-
Total pupil transportation services	<u>314,667</u>	<u>197,423</u>	<u>197,423</u>	<u>-</u>
Operation of plant:				
Salaries	62,880	65,571	65,571	-
Employee benefits	22,126	23,511	23,511	-
Purchased services	36,012	28,418	28,418	-
Energy services	-	5,405	5,405	-
Materials and supplies	-	204	204	-
Total operation of plant	<u>121,018</u>	<u>123,109</u>	<u>123,109</u>	<u>-</u>
Maintenance of plant:				
Energy services	5,025	361	361	-
Materials and supplies	11,126	3,152	3,152	-
Total maintenance of plant	<u>16,151</u>	<u>3,513</u>	<u>3,513</u>	<u>-</u>
Administrative technology services:				
Purchased services	3,495	1,840	1,840	-
Total administrative technology services	<u>3,495</u>	<u>1,840</u>	<u>1,840</u>	<u>-</u>
Community services:				
Salaries	815,196	657,778	657,778	-
Employee benefits	217,865	173,123	173,123	-
Purchased services	54,671	56,700	56,700	-
Total community services	<u>1,087,732</u>	<u>887,601</u>	<u>887,601</u>	<u>-</u>
Capital outlay:				
Facilities	-	709,251	709,251	-
Other capital outlay	1,901,785	854,112	854,112	-
Total capital outlay	<u>1,901,785</u>	<u>1,563,363</u>	<u>1,563,363</u>	<u>-</u>
Total expenditures	<u>59,215,704</u>	<u>51,027,506</u>	<u>51,027,506</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>\$ -</u>
Fund balances, beginning of year			-	
Fund balances, end of year			<u>\$ -</u>	

The School Board of Brevard County, Florida  
SBE / COBI Bonds Debt Service Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
Withheld for SBE/COBI	\$ 787,465	\$ 757,446	\$ 757,446	\$ -
SBE/COBI Bond interest	-	4,540	4,540	-
Total state sources	<u>787,465</u>	<u>761,986</u>	<u>761,986</u>	<u>-</u>
Total revenues	<u>787,465</u>	<u>761,986</u>	<u>761,986</u>	<u>-</u>
Expenditures:				
Principal	662,000	659,000	659,000	-
Interest and fiscal charges	125,465	109,555	109,555	-
Total expenditures	<u>787,465</u>	<u>768,555</u>	<u>768,555</u>	<u>-</u>
Deficiency of revenues under expenditures	<u>-</u>	<u>(6,569)</u>	<u>(6,569)</u>	<u>-</u>
Net change in fund balance	<u>\$ -</u>	<u>\$ (6,569)</u>	<u>(6,569)</u>	<u>\$ -</u>
Fund balance, beginning of year			<u>51,799</u>	
Fund balance, end of year			<u>\$ 45,230</u>	

The School Board of Brevard County, Florida  
 Capital Outlay and Debt Service Capital Projects Fund  
 Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
 For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
Other	\$ 1,920,454	\$ 1,933,805	\$ 1,933,805	\$ -
Total revenues	<u>1,920,454</u>	<u>1,933,805</u>	<u>1,933,805</u>	<u>-</u>
Expenditures:				
Facilities acquisition and construction	-	-	96,105	(96,105)
Capital outlay:				
Facilities	4,374,845	4,410,346	2,164,914	2,245,432
Interest and fiscal charges	-	2,216	2,216	-
Total expenditures	<u>4,374,845</u>	<u>4,412,562</u>	<u>2,263,235</u>	<u>2,149,327</u>
Net change in fund balance	<u>\$ (2,454,391)</u>	<u>\$ (2,478,757)</u>	(329,430)	<u>\$ 2,149,327</u>
Fund balance, beginning of year			<u>2,478,757</u>	
Fund balance, end of year			<u>\$ 2,149,327</u>	

The School Board of Brevard County, Florida  
Public Education Capital Outlay Capital Projects Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
State sources:				
Public education capital outlay	\$ 2,616,664	\$ 2,857,788	\$ 2,857,788	\$ -
Total revenues	<u>2,616,664</u>	<u>2,857,788</u>	<u>2,857,788</u>	<u>-</u>
Expenditures:				
Facilities acquisition and construction	-	46,561	2,396,755	(2,350,194)
Capital outlay:				
Facilities	3,956,584	2,967,088	-	2,967,088
Other capital outlay	-	66,127	64,127	2,000
Total expenditures	<u>3,956,584</u>	<u>3,079,776</u>	<u>2,460,882</u>	<u>618,894</u>
Excess of revenues over expenditures	<u>(1,339,920)</u>	<u>(221,988)</u>	<u>396,906</u>	<u>618,894</u>
Other financing sources (uses):				
Transfers out	-	(1,117,932)	(1,117,932)	-
Total other financing sources (uses):	<u>-</u>	<u>(1,117,932)</u>	<u>(1,117,932)</u>	<u>-</u>
Net change in fund balance	<u>\$ (1,339,920)</u>	<u>\$ (1,339,920)</u>	(721,026)	<u>\$ 618,894</u>
Fund balance, beginning of year			<u>1,339,920</u>	
Fund balance, end of year			<u>\$ 618,894</u>	

The School Board of Brevard County, Florida  
Other Capital Projects Fund  
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual  
For the Fiscal Year Ended June 30, 2018

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance with Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues:				
Local sources:				
Other	\$ 90,000	\$ 187,737	\$ 187,737	\$ -
Total local sources	<u>90,000</u>	<u>187,737</u>	<u>187,737</u>	<u>-</u>
State sources:				
Other	150,000	142,986	142,986	-
Total state sources	<u>150,000</u>	<u>142,986</u>	<u>142,986</u>	<u>-</u>
Total revenues	<u>240,000</u>	<u>330,723</u>	<u>330,723</u>	<u>-</u>
Expenditures:				
Facilities acquisition and construction	129	129	1,212,080	(1,211,951)
Capital outlay:				
Facilities	2,547,470	4,132,998	1,102,074	3,030,924
Total expenditures	<u>2,547,599</u>	<u>4,133,127</u>	<u>2,314,154</u>	<u>1,818,973</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,307,599)</u>	<u>(3,802,404)</u>	<u>(1,983,431)</u>	<u>1,818,973</u>
Other financing sources (uses):				
Transfers in	750,000	2,311,333	2,311,333	-
Transfers out	(3,628,180)	(3,628,181)	(3,628,181)	-
Total other financing uses	<u>(2,878,180)</u>	<u>(1,316,848)</u>	<u>(1,316,848)</u>	<u>-</u>
Net change in fund balance	<u>\$ (5,185,779)</u>	<u>\$ (5,119,252)</u>	<u>(3,300,279)</u>	<u>\$ 1,818,973</u>
Fund balance, beginning of year			<u>7,469,579</u>	
Fund balance, end of year			<u>\$ 4,169,300</u>	



# AGENCY FUNDS

The Districts Agency Fund represents the Individual Schools Internal Funds.

The School Board of Brevard County, Florida  
School Internal Funds  
Combining Statement of Changes in Assets and Liabilities  
For the Fiscal Year Ended June 30, 2018

	<u>Balance</u> <u>July 1, 2017</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2018</u>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 6,816,821	\$ 16,977,468	\$ 16,656,517	\$ 7,137,772
Total Assets	<u>\$ 6,816,821</u>	<u>\$ 16,977,468</u>	<u>\$ 16,656,517</u>	<u>\$ 7,137,772</u>
<b>LIABILITIES</b>				
Internal accounts payable	\$ 6,816,821	\$ 16,977,468	\$ 16,656,517	\$ 7,137,772
Total Liabilities	<u>\$ 6,816,821</u>	<u>\$ 16,977,468</u>	<u>\$ 16,656,517</u>	<u>\$ 7,137,772</u>



## INTERNAL SERVICE FUNDS

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

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

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

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

The School Board of Brevard County, Florida  
Combining Statement of Net Position  
Internal Service Funds  
June 30, 2018

	Medical Insurance	Workers' Compensation	General/ Automotive Liability	Totals
<b>ASSETS</b>				
Current assets:				
Cash and cash equivalents	\$ 10,962,862	\$ -	\$ 2,174,598	\$ 13,137,460
Investments	12,496,730	14,209,090	-	26,705,820
Accounts receivable	6,978	-	-	6,978
Other receivables	58,683	71,864	-	130,547
Total current assets	<u>23,525,253</u>	<u>14,280,954</u>	<u>2,174,598</u>	<u>39,980,805</u>
Noncurrent assets:				
Building & fixed equipment, net	1,306,050	-	-	1,306,050
Total noncurrent assets	<u>1,306,050</u>	<u>-</u>	<u>-</u>	<u>1,306,050</u>
Total assets	<u>24,831,303</u>	<u>14,280,954</u>	<u>2,174,598</u>	<u>41,286,855</u>
<b>LIABILITIES</b>				
Current liabilities:				
Accounts payable	1,395	567,628	40,931	609,954
Total current liabilities	<u>1,395</u>	<u>567,628</u>	<u>40,931</u>	<u>609,954</u>
Long-term liabilities:				
Portion due within one year:				
Estimated insurance claims payable	4,269,000	3,125,901	827,624	8,222,525
Portion due after one year:				
Estimated insurance claims payable	-	8,343,909	958,841	9,302,750
Total long-term liabilities	<u>4,269,000</u>	<u>11,469,810</u>	<u>1,786,465</u>	<u>17,525,275</u>
Total liabilities	<u>4,270,395</u>	<u>12,037,438</u>	<u>1,827,396</u>	<u>18,135,229</u>
<b>NET POSITION</b>				
Unrestricted	<u>20,560,908</u>	<u>2,243,516</u>	<u>347,202</u>	<u>23,151,626</u>
Total net position	<u>\$ 20,560,908</u>	<u>\$ 2,243,516</u>	<u>\$ 347,202</u>	<u>\$ 23,151,626</u>

The School Board of Brevard County, Florida  
Combining Statement of Revenues, Expenses  
and Changes in Fund Net Position  
Internal Service Funds  
For the Fiscal Year Ended June 30, 2018

	Medical Insurance	Workers' Compensation	General/ Automotive Liability	Totals
<b>OPERATING REVENUES</b>				
Premium revenues	\$ 66,865,833	\$ 3,465,301	\$ 913,613	\$ 71,244,747
Other operating revenues	71	43	94,382	94,496
Total operating revenues	<u>66,865,904</u>	<u>3,465,344</u>	<u>1,007,995</u>	<u>71,339,243</u>
<b>OPERATING EXPENSES</b>				
Salaries	578,135	80,202	90,629	748,966
Employee benefits	172,578	21,894	23,448	217,920
Purchased services	1,299,605	44,847	-	1,344,452
Energy services	6,190	-	-	6,190
Material and supplies	8,980	779	-	9,759
Capital outlay	2,267	-	-	2,267
Claims expenses	65,260,752	5,488,877	813,723	71,563,352
Depreciation expense	26,825	-	-	26,825
Total operating expenses	<u>67,355,332</u>	<u>5,636,599</u>	<u>927,800</u>	<u>73,919,731</u>
Operating income (loss)	<u>(489,428)</u>	<u>(2,171,255)</u>	<u>80,195</u>	<u>(2,580,488)</u>
<b>NON-OPERATING REVENUES</b>				
Investment earnings	31,427	36,501	5,370	73,298
Total non-operating revenues	<u>31,427</u>	<u>36,501</u>	<u>5,370</u>	<u>73,298</u>
Income (loss) before transfers	<u>(458,001)</u>	<u>(2,134,754)</u>	<u>85,565</u>	<u>(2,507,190)</u>
Transfers in	-	2,600,000	-	2,600,000
Change in net position	<u>(458,001)</u>	<u>465,246</u>	<u>85,565</u>	<u>92,810</u>
Total net position, beginning	21,018,909	1,778,270	261,637	23,058,816
Total net position, ending	<u>\$ 20,560,908</u>	<u>\$ 2,243,516</u>	<u>\$ 347,202</u>	<u>\$ 23,151,626</u>

The School Board of Brevard County, Florida  
Combining Statement of Cash Flows  
Internal Service Funds  
For the Fiscal Year Ended June 30, 2018

	Medical Insurance	Workers' Compensation	General/ Automotive Liability	Totals
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash received from premiums	\$ 66,876,592	\$ 3,465,301	\$ 913,613	\$ 71,255,506
Cash payments for insurance claims	(65,669,012)	(4,994,520)	(729,599)	(71,393,131)
Cash payments to employees	(750,713)	(102,096)	(114,077)	(966,886)
Other receipts	71	43	94,382	94,496
Other payments	(1,379,443)	(331,255)	(102,226)	(1,812,924)
Net cash provided by (used in) operating activities	<u>(922,505)</u>	<u>(1,962,527)</u>	<u>62,093</u>	<u>(2,822,939)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfers from other funds	-	2,600,000	-	2,600,000
Net cash provided by noncapital financing activities	<u>-</u>	<u>2,600,000</u>	<u>-</u>	<u>2,600,000</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Interest on investments	31,427	36,501	5,370	73,298
Purchase of investments	(7,953)	(673,974)	-	(681,927)
Net cash provided by (used in) investment activities	<u>23,474</u>	<u>(637,473)</u>	<u>5,370</u>	<u>(608,629)</u>
Net change in cash and cash equivalents	(899,031)	-	67,463	(831,568)
Cash and cash equivalents, beginning	11,861,893	-	2,107,135	13,969,028
Cash and cash equivalents, ending	<u>\$ 10,962,862</u>	<u>\$ -</u>	<u>\$ 2,174,598</u>	<u>\$ 13,137,460</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>				
Operating income (loss)	\$ (489,428)	\$ (2,171,255)	\$ 80,195	\$ (2,580,488)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:				
Depreciation expense	26,825	-	-	26,825
Changes in assets and liabilities:				
Decrease (increase) in other receivable	(23,474)	(28,884)	-	(52,358)
Decrease (increase) in accounts receivable	10,759	-	-	10,759
(Decrease) increase in accounts payable	(38,927)	(256,745)	(102,226)	(397,898)
(Decrease) increase in estimated liabilities for self-insurance programs	(408,260)	494,357	84,124	170,221
Total adjustments	<u>(433,077)</u>	<u>208,728</u>	<u>(18,102)</u>	<u>(242,451)</u>
Net cash provided by (used in) operating activities	<u>\$ (922,505)</u>	<u>\$ (1,962,527)</u>	<u>\$ 62,093</u>	<u>\$ (2,822,939)</u>

## **DISCRETELY PRESENTED COMPONENT UNITS**

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

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

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



The School Board of Brevard County, Florida  
Combining Statement of Net Position  
Nonmajor Component Units  
June 30, 2018

	<b>Palm Bay Academy</b>	<b>Campus Charter School</b>	<b>Odyssey Charter School</b>	<b>Sculptor Charter School</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 83,903	\$ -	\$ 3,690,124	\$ 1,500,584
Investments	-	-	-	1,536,764
Inventory	-	-	-	-
Accounts receivable, net	-	-	2,930	19,207
Due from other agencies	141,334	-	509,652	16,381
Cash with fiscal/service agents	1,695,339	-	-	-
Prepaid items	-	-	-	7,699
Deposits	8,192	-	138,464	-
Capital assets (net of accumulated depreciation):				
Land	1,711,383	-	2,097,867	496,140
Improvements other than buildings	21,632	-	-	90,461
Buildings and fixed equipment	5,977,997	-	9,088,646	3,465,581
Furniture, fixtures and equipment	121,390	-	721,463	134,609
Motor vehicles	5,168	-	496,109	-
Property under capital leases	-	-	-	-
Audiovisual materials	-	-	-	-
Computer software	-	-	1,476	-
<b>Total assets</b>	<b>9,766,338</b>	<b>-</b>	<b>16,746,731</b>	<b>7,267,426</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Net Carrying Amount of Debt Refunding	2,759,625	-	-	-
<b>Total deferred outflows of resources</b>	<b>2,759,625</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>LIABILITIES</b>				
Payroll deductions and withholdings	226,370	-	444,711	326,048
Accounts payable	54,702	-	42,518	17,211
Interest Payable	-	-	-	-
Unearned revenue	-	-	-	-
Long-term liabilities:				
Portion due or payable within one year:				
Compensated absences payable	-	-	-	-
Notes payable	-	-	87,562	97,495
Obligations under capital leases	-	-	89,817	-
Other long term liabilities	-	-	-	-
Portion due or payable after one year:				
Compensated absences payable	-	-	-	-
Notes payable	-	-	212,216	5,118,050
Obligations under capital leases	-	-	128,398	-
Other long term liabilities	-	-	35,922	-
Bonds payable	14,610,000	-	11,411,381	-
<b>Total liabilities</b>	<b>14,891,072</b>	<b>-</b>	<b>12,452,525</b>	<b>5,558,804</b>
<b>NET POSITION (Deficit)</b>				
Net investment in capital assets	(4,012,805)	-	476,187	157,575
Restricted for:				
Food service	9,231	-	-	-
Debt service	1,686,108	-	1,323,922	402,914
Other purposes	-	-	-	-
Unrestricted	(47,643)	-	2,494,097	1,148,133
<b>Total net position (Deficit)</b>	<b>\$ (2,365,109)</b>	<b>\$ -</b>	<b>\$ 4,294,206</b>	<b>\$ 1,708,622</b>

Continued on next page.

The School Board of Brevard County, Florida  
Combining Statement of Net Position  
Nonmajor Component Units  
June 30, 2018

	<b>Royal Palm Charter School</b>	<b>Educational Horizons Charter School</b>	<b>Imagine Schools at West Melbourne</b>	<b>Emma Jewel Charter Academy</b>
<b>ASSETS</b>				
Cash and cash equivalents	\$ 190,797	\$ 214,103	\$ 178,964	\$ 186,812
Investments	-	-	-	-
Inventory	-	-	-	-
Accounts receivable, net	73,115	1,826	-	-
Due from other agencies	-	-	105,610	25,458
Cash with fiscal/service agents	-	-	-	-
Prepaid items	24,888	2,733	3,855	-
Deposits	59,022	-	1,430	15,511
Capital assets (net of accumulated depreciation):				
Land	126,616	-	-	-
Improvements other than buildings	22,458	-	4,912	-
Buildings and fixed equipment	46,964	-	214	985,513
Furniture, fixtures and equipment	56,974	10,630	55,391	43,868
Motor vehicles	-	-	40,258	-
Property under capital leases	-	-	-	-
Audiovisual materials	-	-	6,767	-
Computer software	-	-	-	-
<b>Total assets</b>	<b>600,834</b>	<b>229,292</b>	<b>397,401</b>	<b>1,257,162</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Net Carrying Amount of Debt Refunding	-	-	-	-
<b>Total deferred outflows of resources</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>LIABILITIES</b>				
Payroll deductions and withholdings	95,280	-	112,914	-
Accounts payable	20,903	4,010	260	126,177
Interest Payable	-	-	-	-
Unearned revenue	4,500	-	-	-
Long-term liabilities:				
Portion due or payable within one year:				
Compensated absences payable	-	-	-	-
Notes payable	-	-	-	120,623
Obligations under capital leases	-	-	-	-
Other long term liabilities	5,753	-	-	-
Portion due or payable after one year:				
Compensated absences payable	-	-	-	-
Notes payable	-	-	-	5,250
Obligations under capital leases	-	-	-	-
Other long term liabilities	-	-	-	-
Bonds payable	-	-	-	-
<b>Total liabilities</b>	<b>126,436</b>	<b>4,010</b>	<b>113,174</b>	<b>252,050</b>
<b>NET POSITION (Deficit)</b>				
Net investment in capital assets	247,259	10,630	107,542	903,508
Restricted for:				
Food service	-	-	171,399	-
Debt service	-	-	-	-
Other purposes	-	-	-	-
Unrestricted	227,139	214,652	5,286	101,604
<b>Total net position (Deficit)</b>	<b>\$ 474,398</b>	<b>\$ 225,282</b>	<b>\$ 284,227</b>	<b>\$ 1,005,112</b>



<b>Viera Charter School</b>	<b>Odyssey Preparatory Academy</b>	<b>Pineapple Cove Classical Academy</b>	<b>Legacy Academy</b>	<b>Brevard Schools Foundation</b>	<b>Total Component Units</b>
\$ 1,751,370	\$ 258,200	\$ 118,803	\$ 868	\$ 732,826	\$ 8,907,354
-	-	-	-	1,819,885	3,356,649
-	-	-	-	242,627	242,627
4,125	-	419,005	7,516	202,772	730,496
137,277	175,903	9,929	3,400	-	1,124,944
1,687,955	345,054	-	-	-	3,728,348
12,842	33,450	147,928	-	2,479,773	2,713,168
52,076	-	-	18,094	-	292,789
2,350,000	676,578	-	-	-	7,458,584
-	-	-	-	-	139,463
13,375,074	2,646,552	-	-	-	35,586,541
119,689	291,875	80,114	-	-	1,636,003
-	-	-	-	-	541,535
-	-	70,616	-	-	70,616
-	-	-	-	-	6,767
4,449	30,896	-	-	-	36,821
<u>19,494,857</u>	<u>4,458,508</u>	<u>846,395</u>	<u>29,878</u>	<u>5,477,883</u>	<u>66,572,705</u>
-	-	-	-	-	2,759,625
-	-	-	-	-	2,759,625
427,215	127,188	219,386	42,177	60,437	2,081,726
26,697	3,166	12,459	5,019	44,383	357,505
158,594	-	-	-	-	158,594
28,728	-	-	-	-	33,228
12,000	-	-	-	-	12,000
-	-	300,000	-	-	605,680
-	17,133	-	-	-	106,950
-	-	-	-	-	5,753
37,393	-	-	-	-	37,393
-	-	-	-	-	5,335,516
-	28,977	-	-	-	157,375
-	-	-	-	-	35,922
<u>18,434,959</u>	<u>3,891,890</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>48,348,230</u>
<u>19,125,586</u>	<u>4,068,354</u>	<u>531,845</u>	<u>47,196</u>	<u>104,820</u>	<u>57,275,872</u>
(2,585,747)	-	150,730	-	-	(4,545,121)
-	-	-	-	-	180,630
1,687,955	345,054	-	-	-	5,445,953
-	-	-	-	4,870,061	4,870,061
<u>1,267,063</u>	<u>45,100</u>	<u>163,820</u>	<u>(17,318)</u>	<u>503,002</u>	<u>6,104,935</u>
<u>\$ 369,271</u>	<u>\$ 390,154</u>	<u>\$ 314,550</u>	<u>\$ (17,318)</u>	<u>\$ 5,373,063</u>	<u>\$ 12,056,458</u>

The School Board of Brevard County, Florida  
Combining Statement of Activities  
Nonmajor Component Units  
June 30, 2018

	<b>Palm Bay Academy</b>	<b>Campus Charter School</b>	<b>Odyssey Charter School</b>	<b>Sculptor Charter School</b>
<b>EXPENSES</b>				
Instruction	\$ 2,791,348	\$ 146,719	\$ 5,447,369	\$ 2,853,656
Pupil personnel services	-	249	124,756	70,244
Instructional media services	15,274	-	16,451	71,303
Instructional and curriculum development services	-	24,895	174,308	-
Instructional staff training services	547	1,557	29,645	21,165
Instructional related technology	-	-	188,228	64,230
Board	21,938	7,046	-	-
General administration	-	-	-	-
School administration	638,385	59,787	1,994,206	438,431
Non-capitalizable facilities acquisition and construction	305,237	32,000	-	-
Fiscal services	58,220	3,080	183,501	23,238
Food services	400,349	9,458	636,798	-
Central services	13,551	-	-	-
Pupil transportation services	218,828	-	423,712	108,000
Operation of plant	261,696	19,502	1,170,730	318,696
Maintenance of plant	139,720	5,362	62,155	17,597
Administrative technology services	-	-	-	-
Community services	-	-	180,566	-
Interest on long-term debt	677,794	-	700,046	375,820
Proprietary and fiduciary expense	-	-	-	-
Unallocated depreciation/amortization expense	-	-	-	-
Total expenses	<u>5,542,887</u>	<u>309,655</u>	<u>11,332,471</u>	<u>4,362,380</u>
<b>PROGRAM REVENUES</b>				
Charges for services	9,116	-	335,231	248,389
Operating grants and contributions	729,643	27,054	1,292,043	-
Capital grants and contributions	-	-	564,268	-
Total program revenues	<u>738,759</u>	<u>27,054</u>	<u>2,191,542</u>	<u>248,389</u>
Net program expense	<u>(4,804,128)</u>	<u>(282,601)</u>	<u>(9,140,929)</u>	<u>(4,113,991)</u>
<b>GENERAL REVENUES</b>				
Grants and contributions not restricted to specific programs	3,960,502	264,322	9,408,185	4,038,007
Investment earnings	-	-	-	16,436
Miscellaneous	72,801	3,729	53,345	213,913
Special Items	-	(12,638)	-	-
Total general revenues	<u>4,033,303</u>	<u>255,413</u>	<u>9,461,530</u>	<u>4,268,356</u>
Change in net position	(770,825)	(27,188)	320,601	154,365
Total net position - July 1, 2017	<u>(1,594,284)</u>	<u>27,188</u>	<u>3,973,605</u>	<u>1,554,257</u>
Total net position (deficit) - June 30, 2018	<u><u>\$ (2,365,109)</u></u>	<u><u>\$ -</u></u>	<u><u>\$ 4,294,206</u></u>	<u><u>\$ 1,708,622</u></u>

<b>Royal Palm Charter School</b>	<b>Educational Horizons Charter School</b>	<b>Imagine Schools at West Melbourne</b>	<b>Emma Jewel Charter Academy</b>	<b>Viera Charter School</b>	<b>Odyssey Preparatory Academy</b>
\$ 1,435,276	\$ 427,653	\$ 2,017,870	\$ 1,623,160	\$ 4,103,664	\$ 1,479,358
-	-	-	-	-	29,203
-	-	-	-	7,062	38,564
-	-	-	-	82,870	103,913
-	-	-	135,487	24,383	6,530
-	-	-	-	65,500	51,277
-	5,698	37,369	3,470	750,879	-
415,280	112,096	-	87,390	312,238	-
-	123,747	947,031	431,601	590,872	628,581
-	-	-	-	208,244	-
13,519	-	-	43,928	355,756	44,903
48,773	-	294,396	287,352	-	256,602
72,771	-	175	-	-	-
-	-	242,470	130,780	262,800	78,439
661,183	191,711	1,776,070	225,338	957,049	337,072
18,241	-	131,075	47,924	59,309	14,839
-	-	-	7,085	-	-
-	-	42,556	-	3,121	123,830
971	-	-	15,247	524,139	187,297
27,871	-	-	-	-	-
-	-	-	-	-	-
<u>2,693,885</u>	<u>860,905</u>	<u>5,489,012</u>	<u>3,038,762</u>	<u>8,307,886</u>	<u>3,380,408</u>
8,609	5,500	206,779	-	27,172	25,748
59,967	-	598,833	624,426	50,208	521,332
-	-	-	104,399	-	110,226
<u>68,576</u>	<u>5,500</u>	<u>805,612</u>	<u>728,825</u>	<u>77,380</u>	<u>657,306</u>
<u>(2,625,309)</u>	<u>(855,405)</u>	<u>(4,683,400)</u>	<u>(2,309,937)</u>	<u>(8,230,506)</u>	<u>(2,723,102)</u>
2,651,372	844,106	4,442,438	2,517,654	7,409,819	2,678,024
-	-	-	-	-	-
-	1,105	314,693	53,458	384,344	46,261
-	-	-	-	-	-
<u>2,651,372</u>	<u>845,211</u>	<u>4,757,131</u>	<u>2,571,112</u>	<u>7,794,163</u>	<u>2,724,285</u>
26,063	(10,194)	73,731	261,175	(436,343)	1,183
448,335	235,476	210,496	743,937	805,614	388,971
<u>\$ 474,398</u>	<u>\$ 225,282</u>	<u>\$ 284,227</u>	<u>\$ 1,005,112</u>	<u>\$ 369,271</u>	<u>\$ 390,154</u>

Continued on next page.

The School Board of Brevard County, Florida  
Combining Statement of Activities  
Nonmajor Component Units  
June 30, 2018

	<b>Pineapple Cove Classical Academy</b>	<b>Legacy Academy</b>	<b>Brevard Schools Foundation</b>	<b>Total Component Units</b>
<b>EXPENSES</b>				
Instruction	\$ 2,335,686	\$ 746,238	\$ -	\$ 25,407,997
Pupil personnel services	-	150	2,621,977	2,846,579
Instructional media services	6,558	-	-	155,212
Instructional and curriculum development services	590	56	-	386,632
Instructional staff training services	1,150	8,171	-	228,635
Instructional related technology	19,015	-	-	388,250
Board	143,977	4,838	-	975,215
General administration	-	60,252	330,451	1,317,707
School administration	428,188	187,022	-	6,467,851
Non-capitalizable facilities acquisition and construction	985,833	116,637	-	1,647,951
Fiscal services	136,265	38,743	-	901,153
Food services	217,631	30,441	-	2,181,800
Central services	-	1,144	-	87,641
Pupil transportation services	-	5,135	-	1,470,164
Operation of plant	279,006	106,102	-	6,304,155
Maintenance of plant	32,794	10,614	-	539,630
Administrative technology services	-	-	-	7,085
Community services	109,033	33,525	-	492,631
Interest on long-term debt	-	-	-	2,481,314
Proprietary and fiduciary expense	-	-	-	27,871
Unallocated depreciation/amortization expense	18,634	-	-	18,634
Total expenses	<u>4,714,360</u>	<u>1,349,068</u>	<u>2,952,428</u>	<u>54,334,107</u>
<b>PROGRAM REVENUES</b>				
Charges for services	50,509	63,306	-	980,359
Operating grants and contributions	257,478	5,425	-	4,166,409
Capital grants and contributions	108,940	-	-	887,833
Total program revenues	<u>416,927</u>	<u>68,731</u>	<u>-</u>	<u>6,034,601</u>
Net program expense	<u>(4,297,433)</u>	<u>(1,280,337)</u>	<u>(2,952,428)</u>	<u>(48,299,506)</u>
<b>GENERAL REVENUES</b>				
Grants and contributions not restricted to specific programs	4,057,534	1,263,019	3,149,502	46,684,484
Investment earnings	-	-	84,980	101,416
Miscellaneous	474,712	-	-	1,618,361
Special Items	-	-	-	(12,638)
Total general revenues	<u>4,532,246</u>	<u>1,263,019</u>	<u>3,234,482</u>	<u>48,391,623</u>
Change in net position	234,813	(17,318)	282,054	92,117
Total net position - July 1, 2017	79,737	-	5,091,009	11,964,341
Total net position (deficit) - June 30, 2018	<u>\$ 314,550</u>	<u>\$ (17,318)</u>	<u>\$ 5,373,063</u>	<u>\$ 12,056,458</u>



SCHOOL BOARD OF BREVARD COUNTY  
STATISTICAL SECTION

June 30, 2018

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

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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



**The School Board of Brevard County, Florida**  
**Net Position by Component**  
**Last Ten Fiscal Years**  
**(accrual basis of accounting)**  
**(unaudited)**

	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018
<b>GOVERNMENTAL ACTIVITIES:</b>										
Net investment in capital assets	\$ 420,216,985	\$ 413,560,257	\$ 399,117,000	\$ 379,227,332	\$ 344,339,000	\$ 344,645,491	\$ 368,445,526	\$ 365,072,402	\$ 336,902,661	\$ 365,334,344
Restricted	14,473,739	27,067,461	38,964,000	42,684,176	58,058,000	55,892,174	55,174,151	50,559,902	123,462,793	125,643,613
Unrestricted	32,259,610	34,085,588	34,840,000	3,796,485	(8,781,000)	(33,410,677)	(251,872,409)	(191,397,781)	(208,746,007)	(215,111,624)
Total governmental activities net position	<u>\$466,950,334</u>	<u>\$474,713,306</u>	<u>\$472,921,000</u>	<u>\$425,707,993</u>	<u>\$ 393,616,000</u>	<u>\$ 367,126,988</u>	<u>\$ 171,747,268</u>	<u>\$ 224,234,523</u>	<u>\$ 251,619,447</u>	<u>\$ 275,866,333</u>
<b>BUSINESS-TYPE ACTIVITIES:</b>										
Net investment in capital assets	\$ 477,298	\$ 298,073	\$ 165,392	\$ 122,477	\$ 107,957	\$ 93,301	\$ 82,416	\$ 68,824	\$ 60,390	\$ 61,707
Unrestricted	484,157	3,016,869	2,831,803	2,480,707	2,389,808	2,224,590	(451,529)	(1,143,937)	(1,800,184)	(2,448,592)
Total business-type activities net position	<u>961,455</u>	<u>3,314,942</u>	<u>2,997,195</u>	<u>2,603,184</u>	<u>2,497,765</u>	<u>2,317,891</u>	<u>(369,113)</u>	<u>(1,075,113)</u>	<u>(1,739,794)</u>	<u>(2,386,885)</u>
<b>PRIMARY GOVERNMENT:</b>										
Net investment in capital assets	420,694,283	413,858,330	399,282,392	379,349,809	344,446,957	344,738,792	368,527,942	365,141,226	336,963,051	365,396,051
Restricted	14,473,739	27,067,461	38,964,000	42,684,176	58,058,000	55,892,174	55,174,151	50,559,902	123,462,793	125,643,613
Unrestricted	32,743,767	37,102,457	37,671,803	6,277,192	(6,391,192)	(31,186,087)	(252,323,938)	(192,541,718)	(210,546,191)	(217,560,216)
Total primary government net position	<u>\$467,911,789</u>	<u>\$478,028,248</u>	<u>\$475,918,195</u>	<u>\$428,311,177</u>	<u>\$ 396,113,765</u>	<u>\$ 369,444,879</u>	<u>\$ 171,378,155</u>	<u>\$ 223,159,410</u>	<u>\$ 249,879,653</u>	<u>\$ 273,479,448</u>

Source: District records



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

	<u>June 30, 2009</u>	<u>June 30, 2010</u>	<u>June 30, 2011</u>	<u>June 30, 2012</u>	<u>June 30, 2013</u>	<u>June 30, 2014</u>	<u>June 30, 2015</u>	<u>June 30, 2016</u>	<u>June 30, 2017</u>	<u>June 30, 2018</u>
<b>EXPENSES</b>										
Governmental activities:										
Instruction	\$ 370,648,447	\$ 356,678,062	\$ 362,877,769	\$ 338,856,782	\$ 338,346,375	\$ 346,701,425	\$ 345,050,707	\$ 363,325,533	\$ 384,378,001	\$ 405,458,614
Pupil personnel services	22,776,377	24,948,731	24,645,059	22,350,394	23,865,190	23,999,545	23,253,129	24,344,514	25,682,172	26,364,675
Instructional media services	9,444,161	9,055,980	7,911,748	7,441,960	7,360,227	7,252,879	6,873,114	7,360,706	7,530,275	7,711,408
Instruction and curriculum development services	21,415,099	22,040,050	22,045,648	19,612,029	20,513,701	23,604,229	22,765,646	24,362,417	27,238,431	28,791,547
Instructional staff training services	3,972,483	5,322,308	5,389,862	5,251,597	4,782,355	4,975,240	5,822,401	6,327,209	6,202,478	5,637,035
Instruction related technology	7,574,585	7,770,521	8,124,900	8,767,468	8,692,258	9,863,996	12,464,923	10,576,742	10,658,000	11,403,792
Board of education	1,259,688	1,423,997	1,246,300	1,350,096	1,322,255	1,316,516	1,086,966	1,006,496	1,158,801	1,109,912
General administration	3,199,791	4,235,291	5,174,769	3,274,140	3,434,279	3,913,668	4,005,962	3,810,739	3,322,276	3,409,936
School administration	39,907,153	37,766,419	36,258,763	35,357,701	34,878,842	36,191,191	33,992,047	36,628,315	39,813,243	40,788,487
Facilities acquisition & construction	11,108,907	7,609,175	7,243,614	10,335,347	7,164,440	11,510,663	7,240,143	18,254,047	26,525,908	31,521,059
Fiscal services	2,332,682	2,470,193	2,401,546	2,446,861	2,300,709	2,481,619	2,419,175	2,617,691	2,808,978	3,041,757
Food services	27,895,684	27,638,480	27,590,864	28,049,097	27,504,197	29,113,962	28,690,992	29,314,776	30,441,341	31,774,135
Central services	6,423,890	5,851,495	5,506,109	5,343,341	5,568,880	6,180,084	5,795,988	6,307,794	6,755,719	7,118,335
Pupil transportation services	25,026,563	23,377,915	23,812,751	23,603,087	22,637,750	20,719,755	19,168,861	19,497,569	19,953,219	20,720,303
Operation of plant	50,688,231	47,149,629	45,406,102	44,360,378	43,232,995	44,277,506	42,558,084	44,198,270	45,829,671	42,613,305
Maintenance of plant	4,085,223	4,868,932	6,822,587	5,810,498	11,926,343	11,351,939	10,791,604	10,816,362	10,279,572	15,096,153
Administrative technology services	4,278,746	3,983,415	3,796,175	3,404,128	3,613,194	4,269,817	4,046,939	3,677,859	3,733,104	4,347,022
Community services	667,213	647,346	1,097,914	1,156,343	1,626,101	1,606,068	1,461,730	1,396,694	1,634,036	1,525,770
Interest and fiscal charges	29,557,718	28,389,169	27,189,417	26,451,837	25,502,042	23,561,936	19,502,799	19,186,203	18,263,731	17,133,145
Depreciation - unallocated	39,968,487	45,861,839	44,510,099	39,802,008	37,239,586	37,519,483	37,381,808	35,952,044	35,758,360	37,889,017
Loss of Disposition of Assets	-	-	-	-	-	-	-	-	-	4,590,064
Total governmental activities expenses	<u>682,231,128</u>	<u>667,088,947</u>	<u>669,051,996</u>	<u>633,025,092</u>	<u>631,511,719</u>	<u>650,411,521</u>	<u>634,373,018</u>	<u>668,961,980</u>	<u>707,967,316</u>	<u>748,045,471</u>
Business type activities										
Extended day program	7,332,972	6,491,524	5,231,016	4,822,235	4,610,730	4,599,270	4,790,785	5,498,676	5,658,383	6,106,373
Total business type activities expenses	<u>7,332,972</u>	<u>6,491,524</u>	<u>5,231,016</u>	<u>4,822,235</u>	<u>4,610,730</u>	<u>4,599,270</u>	<u>4,790,785</u>	<u>5,498,676</u>	<u>5,658,383</u>	<u>6,106,373</u>
Total primary government expenses	<u>\$ 689,564,100</u>	<u>\$ 673,580,471</u>	<u>\$ 674,283,012</u>	<u>\$ 637,847,327</u>	<u>\$ 636,122,449</u>	<u>\$ 655,010,791</u>	<u>\$ 639,163,803</u>	<u>\$ 674,460,656</u>	<u>\$ 713,625,699</u>	<u>\$ 754,151,844</u>

Continued on next page.

	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018
<b>PROGRAM REVENUES</b>										
Governmental activities:										
Charges for services										
Food services	\$ 13,505,390	\$ 12,720,835	\$ 11,924,263	\$ 11,519,105	\$ 10,779,880	\$ 10,202,460	\$ 9,273,331	\$ 9,067,185	\$ 8,808,210	\$ 7,681,839
Other	1,222,117	960,658	699,351	947,103	844,216	830,318	718,479	264,581	197,620	210,168
Operating grants and contributions	26,401,127	27,524,588	28,699,564	29,674,141	30,208,289	30,224,654	32,084,023	34,238,783	34,084,497	36,047,967
Capital grants and contributions	8,562,446	12,303,555	10,669,250	2,814,855	2,734,192	11,012,195	3,964,450	4,512,396	5,342,053	5,594,059
Total governmental activities program revenues	<u>49,691,080</u>	<u>53,509,636</u>	<u>51,992,428</u>	<u>44,955,204</u>	<u>44,566,577</u>	<u>52,269,627</u>	<u>46,040,283</u>	<u>48,082,945</u>	<u>48,432,380</u>	<u>49,534,033</u>
Business type activities:										
Extended day program	7,120,437	6,490,329	6,212,822	5,727,293	5,804,346	5,718,431	6,440,764	7,085,626	7,286,422	7,557,744
Total business type activities program revenues	<u>7,120,437</u>	<u>6,490,329</u>	<u>6,212,822</u>	<u>5,727,293</u>	<u>5,804,346</u>	<u>5,718,431</u>	<u>6,440,764</u>	<u>7,085,626</u>	<u>7,286,422</u>	<u>7,557,744</u>
Total primary government program revenues	<u>\$ 56,811,517</u>	<u>\$ 59,999,965</u>	<u>\$ 58,205,250</u>	<u>\$ 50,682,497</u>	<u>\$ 50,370,923</u>	<u>\$ 57,988,058</u>	<u>\$ 52,481,047</u>	<u>\$ 55,168,571</u>	<u>\$ 55,718,802</u>	<u>\$ 57,091,777</u>
Net (expense)/revenue										
Governmental activities	\$ (632,540,048)	\$ (613,579,311)	\$ (617,059,568)	\$ (588,069,888)	\$ (586,945,142)	\$ (598,141,894)	\$ (588,332,735)	\$ (620,879,035)	\$ (659,534,936)	\$ (698,511,438)
Business-type activities	(212,535)	(1,195)	981,806	905,058	1,193,616	1,119,161	1,649,979	1,586,950	1,628,039	1,451,371
Total primary government net expense	<u>\$ (632,752,583)</u>	<u>\$ (613,580,506)</u>	<u>\$ (616,077,762)</u>	<u>\$ (587,164,830)</u>	<u>\$ (585,751,526)</u>	<u>\$ (597,022,733)</u>	<u>\$ (586,682,756)</u>	<u>\$ (619,292,085)</u>	<u>\$ (657,906,897)</u>	<u>\$ (697,060,067)</u>
<b>GENERAL REVENUES AND OTHER</b>										
<b>CHANGES IN NET POSITION</b>										
Governmental activities:										
Property taxes										
Levied for operational purposes	234,639,152	221,527,587	192,993,909	177,926,942	175,202,040	169,647,480	176,467,531	185,145,850	187,636,629	190,559,131
Levied for capital projects	69,530,936	53,885,513	47,073,866	40,381,450	39,861,618	41,683,221	45,333,488	48,092,404	51,960,851	56,378,223
Local sales surtax	-	-	-	-	-	-	19,540,053	41,641,525	44,914,836	45,767,671
Grants and contributions										
Not restricted to specific programs	293,891,433	321,166,133	364,289,302	313,223,334	326,991,359	356,178,755	372,197,975	387,855,610	389,939,301	397,472,030
Miscellaneous	9,107,569	24,697,915	8,502,563	7,301,683	11,027,484	8,614,101	6,934,670	6,837,644	8,642,393	9,756,029
Unrestricted investment earnings	6,303,807	2,422,873	1,107,682	724,279	471,933	510,151	774,180	1,494,221	1,526,815	3,258,946
Insurance recoveries	-	-	-	-	-	-	-	-	-	-
Transfers	-	(2,354,644)	1,299,586	1,299,035	1,299,035	1,299,035	2,299,035	2,299,035	2,299,035	2,299,035
Total governmental activities	<u>613,472,897</u>	<u>621,345,377</u>	<u>615,266,908</u>	<u>540,856,723</u>	<u>554,853,469</u>	<u>577,932,743</u>	<u>623,546,932</u>	<u>673,366,289</u>	<u>686,919,860</u>	<u>705,491,065</u>
Business type activities:										
Extended day program	-	-	-	-	-	-	4,600	6,084	6,315	6,286
Transfers	-	2,354,644	(1,299,586)	(1,299,035)	(1,299,035)	(1,299,035)	(2,299,035)	(2,299,035)	(2,299,035)	(2,299,035)
Total business type activities	<u>-</u>	<u>2,354,644</u>	<u>(1,299,586)</u>	<u>(1,299,035)</u>	<u>(1,299,035)</u>	<u>(1,299,035)</u>	<u>(2,294,435)</u>	<u>(2,292,951)</u>	<u>(2,292,720)</u>	<u>(2,292,749)</u>
Total primary government	<u>613,472,897</u>	<u>623,700,021</u>	<u>613,967,322</u>	<u>539,557,688</u>	<u>553,554,434</u>	<u>576,633,708</u>	<u>621,252,497</u>	<u>671,073,338</u>	<u>684,627,140</u>	<u>703,198,316</u>
<b>CHANGE IN NET POSITION</b>										
Governmental activities	\$ (19,067,151)	\$ 7,766,066	\$ (1,792,660)	\$ (47,213,165)	\$ (32,091,673)	\$ (20,209,151)	\$ 35,214,197	\$ 52,487,254	\$ 27,384,924	\$ 6,979,627
Business-type activities	(212,535)	2,353,449	(317,780)	(393,977)	(105,419)	(179,874)	(644,456)	(706,001)	(664,681)	(841,378)
Total primary government	<u>\$ (19,279,686)</u>	<u>\$ 10,119,515</u>	<u>\$ (2,110,440)</u>	<u>\$ (47,607,142)</u>	<u>\$ (32,197,092)</u>	<u>\$ (20,389,025)</u>	<u>\$ 34,569,741</u>	<u>\$ 51,781,253</u>	<u>\$ 26,720,243</u>	<u>\$ 6,138,249</u>

Source: District records



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

<u>Fiscal Year Ending</u>	<u>Property Tax</u>		<u>Total</u>
	<u>General Purpose</u>	<u>Capital Projects</u>	
June 30, 2018	\$ 190,559,131	\$ 56,378,223	\$ 246,937,354
June 30, 2017	187,636,629	51,960,851	239,597,480
June 30, 2016	185,145,850	48,092,404	233,238,254
June 30, 2015	176,467,531	45,333,488	221,801,019
June 30, 2014	169,647,479	41,683,221	211,330,700
June 30, 2013	175,202,040	39,861,618	215,063,658
June 30, 2012	177,926,942	40,381,450	218,308,392
June 30, 2011	192,993,909	47,073,866	240,067,775
June 30, 2010	221,527,587	53,885,513	275,413,100
June 30, 2009	234,639,152	69,530,936	304,170,088

Source: District records

**The School Board of Brevard County, Florida**  
**Fund Balances of Governmental Funds**  
**Last Ten Fiscal Years**  
**(modified accrual basis of accounting)**  
**(unaudited)**

	<u>June 30, 2009</u>	<u>June 30, 2010</u>	<u>June 30, 2011</u>	<u>June 30, 2012</u>	<u>June 30, 2013</u>	<u>June 30, 2014</u>	<u>June 30, 2015</u>	<u>June 30, 2016</u>	<u>June 30, 2017</u>	<u>June 30, 2018</u>
<b>GENERAL FUND</b>										
Nonspendable	\$ 2,512,795	\$ 3,077,655	\$ 2,731,371	\$ 2,324,612	\$ 1,428,634	\$ 941,792	\$ 844,807	\$ 834,571	\$ 884,684	\$ 4,061,931
Restricted	6,203,780	6,905,156	4,330,508	4,157,523	2,591,888	1,119,749	2,025,128	3,682,097	6,519,283	5,152,248
Committed	-	-	-	-	-	-	-	-	-	3,905,904
Assigned	2,635,584	1,565,840	1,991,937	1,966,142	2,134,174	2,627,977	2,651,043	3,078,912	2,591,483	3,313,651
Unassigned	<u>31,026,842</u>	<u>45,605,441</u>	<u>70,442,803</u>	<u>51,401,774</u>	<u>37,003,774</u>	<u>44,689,863</u>	<u>42,670,005</u>	<u>40,640,305</u>	<u>47,642,853</u>	<u>41,888,590</u>
Total General Fund	<u>\$ 42,379,001</u>	<u>\$ 57,154,092</u>	<u>\$ 79,496,619</u>	<u>\$ 59,850,051</u>	<u>\$ 43,158,470</u>	<u>\$ 49,379,381</u>	<u>\$ 48,190,983</u>	<u>\$ 48,235,885</u>	<u>\$ 57,638,303</u>	<u>\$ 58,322,324</u>
<b>ALL OTHER GOVERNMENTAL FUNDS</b>										
Nonspendable	\$ 1,881,388	\$ 2,797,117	\$ 2,724,485	\$ 3,221,634	\$ 2,013,850	\$ 1,384,716	\$ 1,337,739	\$ 1,685,787	\$ 1,809,932	\$ 1,493,086
Restricted	108,801,259	80,343,469	68,072,625	43,236,626	54,372,533	57,531,020	71,894,657	104,084,175	119,093,622	123,147,448
Committed	-	-	-	-	-	-	-	-	-	-
Assigned	202,142	1,213,522	935,738	12,211,654	2,393,589	962,820	946,860	3,183,759	5,282,035	1,483,253
Unassigned	<u>(23,024,691)</u>	<u>(20,377,756)</u>	<u>(9,611,670)</u>	<u>(83,044)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total all other governmental funds	<u>\$ 87,860,098</u>	<u>\$ 63,976,352</u>	<u>\$ 62,121,178</u>	<u>\$ 58,586,870</u>	<u>\$ 58,779,972</u>	<u>\$ 59,878,556</u>	<u>\$ 74,179,256</u>	<u>\$ 108,953,721</u>	<u>\$ 126,185,589</u>	<u>\$ 126,123,787</u>
Total governmental funds	<u>\$ 130,239,099</u>	<u>\$ 121,130,444</u>	<u>\$ 141,617,797</u>	<u>\$ 118,436,921</u>	<u>\$ 101,938,442</u>	<u>\$ 109,257,937</u>	<u>\$ 122,370,239</u>	<u>\$ 157,189,606</u>	<u>\$ 183,823,892</u>	<u>\$ 184,446,111</u>

Source: District records

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

	<u>June 30, 2009</u>	<u>June 30, 2010</u>	<u>June 30, 2011</u>	<u>June 30, 2012</u>	<u>June 30, 2013</u>	<u>June 30, 2014</u>	<u>June 30, 2015</u>	<u>June 30, 2016</u>	<u>June 30, 2017</u>	<u>June 30, 2018</u>
<b>FEDERAL DIRECT SOURCES</b>										
Miscellaneous federal direct	\$ 2,649,320	\$ 1,968,718	\$ 2,261,318	\$ 2,449,667	\$ 5,545,588	\$ 8,177,025	\$ 11,030,846	\$ 9,696,608	\$ 8,406,021	\$ 7,579,417
Total federal direct	<u>2,649,320</u>	<u>1,968,718</u>	<u>2,261,318</u>	<u>2,449,667</u>	<u>5,545,588</u>	<u>8,177,025</u>	<u>11,030,846</u>	<u>9,696,608</u>	<u>8,406,021</u>	<u>7,579,417</u>
<b>FEDERAL THROUGH STATE SOURCES</b>										
Food service	14,278,998	15,786,166	17,235,518	18,482,430	18,998,743	19,576,797	21,400,723	22,908,105	23,197,866	24,915,016
Other federal through state grants	36,464,296	77,939,265	93,829,252	43,555,444	40,701,478	44,748,667	46,645,227	45,449,328	44,833,602	45,738,440
Total federal through state grants	<u>50,743,294</u>	<u>93,725,431</u>	<u>111,064,770</u>	<u>62,037,874</u>	<u>59,700,221</u>	<u>64,325,464</u>	<u>68,045,950</u>	<u>68,357,433</u>	<u>68,031,468</u>	<u>70,653,456</u>
<b>STATE SOURCES</b>										
Florida education finance program (FEFP)	152,985,399	161,571,907	187,295,041	186,380,952	198,781,377	221,339,707	227,095,226	237,277,188	241,604,325	244,028,713
Workforce development	-	2,809,523	2,958,834	3,144,759	3,255,150	3,255,150	3,420,675	3,545,190	3,809,489	3,828,536
Categorical educational programs	104,774,758	77,076,882	86,576,153	86,241,859	88,529,568	85,789,025	86,416,641	86,447,284	85,015,255	84,673,520
District discretionary lottery funds	1,779,984	-	-	-	-	-	-	-	1,237,932	128,476
Public education capital outlay	5,734,106	1,495,191	4,173,040	-	-	-	1,299,412	1,734,190	2,616,664	1,739,856
Food services	418,153	410,072	391,124	363,711	356,865	364,540	346,997	337,438	343,807	346,934
State grants and other state sources	8,460,491	12,224,244	5,081,180	4,607,509	2,974,545	4,962,541	5,196,639	5,756,891	7,853,434	13,217,699
Total state sources	<u>274,152,891</u>	<u>255,587,819</u>	<u>286,475,372</u>	<u>280,738,790</u>	<u>293,897,505</u>	<u>315,710,962</u>	<u>323,775,590</u>	<u>335,098,181</u>	<u>342,480,906</u>	<u>347,963,734</u>
<b>LOCAL SOURCES</b>										
Ad valorem taxes	304,170,087	275,413,101	240,067,775	218,308,391	215,063,658	211,330,701	221,801,019	233,238,254	239,597,480	246,937,354
Local sales surtax	-	-	-	-	-	-	19,540,053	41,641,525	44,914,836	45,767,671
Food service sales	13,611,185	12,720,835	11,924,263	11,519,105	10,779,880	10,203,463	9,532,119	9,067,726	8,808,688	7,869,829
Interest income and others	5,794,837	731,670	496,036	493,745	408,825	313,248	542,677	1,105,622	-	2,979,773
Net increase (decrease) in fair value of investments	-	-	-	-	(20,817)	-	-	-	-	-
Impact fees	2,660,046	8,433,555	3,678,774	-	-	8,300,400	4,706,010	12,392,103	9,186,001	11,602,549
Local grants and other local sources	6,658,654	10,140,874	7,863,832	6,522,820	6,922,840	8,578,717	8,048,037	7,450,368	11,489,268	11,250,094
Total local sources	<u>332,894,809</u>	<u>307,440,035</u>	<u>264,030,680</u>	<u>236,844,061</u>	<u>233,154,386</u>	<u>238,726,529</u>	<u>264,169,915</u>	<u>304,895,598</u>	<u>313,996,273</u>	<u>326,407,270</u>
Total revenues	<u>\$ 660,440,314</u>	<u>\$ 658,722,003</u>	<u>\$ 663,832,140</u>	<u>\$ 582,070,392</u>	<u>\$ 592,297,700</u>	<u>\$ 626,939,980</u>	<u>\$ 667,022,301</u>	<u>\$ 718,047,820</u>	<u>\$ 732,914,668</u>	<u>\$ 752,603,877</u>

Continued on next page.

	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018
<b>EXPENDITURES</b>										
Current:										
Instruction	\$ 360,012,653	\$ 348,063,359	\$ 357,706,509	\$ 334,859,687	\$ 334,100,217	\$ 339,060,470	\$ 357,721,328	\$ 371,507,216	\$ 372,451,412	\$ 392,894,191
Pupil personnel services	22,099,458	24,370,356	24,292,512	22,077,831	23,557,927	23,396,567	24,141,847	24,927,547	25,042,226	25,514,251
Instructional media services	9,184,365	8,818,204	7,786,093	7,340,243	7,252,028	7,044,660	7,167,788	7,561,410	7,272,858	7,434,574
Instruction and curriculum development services	20,805,894	21,454,981	21,691,451	19,344,442	20,218,245	22,935,501	23,759,775	25,054,082	26,247,349	27,722,739
Instructional staff training services	3,870,454	5,220,819	5,333,168	5,199,924	4,729,909	4,868,450	5,940,490	6,417,548	6,053,857	5,498,427
Instruction related technology	7,344,745	7,593,891	7,999,480	8,785,310	8,591,728	9,666,658	12,758,258	10,841,774	10,356,518	11,088,848
Board of education	1,249,049	1,415,961	1,241,466	1,345,967	1,317,780	1,306,446	1,140,283	1,079,173	1,141,280	1,089,878
General administration	3,193,680	4,210,891	5,144,783	3,252,260	3,409,163	3,863,741	4,141,303	3,933,466	3,286,534	3,370,810
School administration	38,615,604	36,836,351	35,643,534	34,844,340	34,334,325	35,111,422	36,220,133	38,567,418	38,378,298	39,265,356
Facilities acquisition & construction	10,553,333	7,651,267	7,290,409	10,487,318	7,252,297	11,532,444	10,447,556	16,027,485	26,545,248	32,840,717
Fiscal services	2,235,858	2,387,378	2,352,083	2,406,469	2,259,145	2,392,263	2,555,715	2,709,133	2,699,402	2,942,237
Food services	27,491,350	27,321,944	27,391,722	27,896,522	27,337,568	28,775,342	29,156,210	29,656,679	29,998,760	31,298,510
Central services	6,241,991	5,699,193	5,417,721	5,270,603	5,486,211	6,004,992	6,113,219	6,537,796	6,534,867	6,861,277
Pupil transportation services	21,486,148	20,214,816	20,924,038	21,012,944	20,223,419	18,102,947	17,750,239	17,635,317	17,840,737	18,263,918
Operation of plant	49,925,978	46,547,250	45,050,307	44,073,941	42,924,133	43,658,181	43,435,689	44,773,777	45,019,455	41,763,159
Maintenance of plant	3,803,619	4,806,178	6,762,657	5,770,505	11,632,734	11,134,057	11,152,718	11,043,427	9,986,368	14,779,523
Administrative technology services	4,190,244	3,892,561	3,743,485	3,361,756	3,567,135	4,168,186	4,212,600	3,795,329	3,605,303	4,209,108
Community services	642,991	629,980	1,079,240	1,139,486	1,602,167	1,560,833	1,522,654	1,425,028	1,579,374	1,301,345
<b>CAPITAL OUTLAY</b>										
Capital outlay	153,735,032	39,117,356	10,301,002	654,706	1,849,965	1,962,899	10,552,878	15,393,584	28,691,813	31,869,008
Other Capital Outlay	-	6,076,020	3,766,064	4,272,094	2,992,310	7,327,009	6,826,732	7,674,940	7,083,363	15,542,841
<b>DEBT SERVICE</b>										
Principal	13,601,417	14,120,000	14,750,000	15,425,000	16,070,000	15,105,000	16,145,000	16,313,000	16,794,000	17,094,000
Interest and fiscal charges	29,791,323	27,894,061	26,690,998	25,764,471	23,519,063	22,580,865	21,014,288	20,806,296	19,846,859	19,035,976
Total expenditures	790,075,186	664,342,817	642,358,722	604,585,819	604,227,469	621,558,933	653,876,703	683,681,425	706,455,881	751,680,693
Excess (deficiency) of revenues over (under) expenditures	(129,634,872)	(5,620,814)	21,473,418	(22,515,427)	(11,929,769)	5,381,047	13,145,598	34,366,395	26,458,787	923,184

Continued on next page.

	<u>June 30, 2009</u>	<u>June 30, 2010</u>	<u>June 30, 2011</u>	<u>June 30, 2012</u>	<u>June 30, 2013</u>	<u>June 30, 2014</u>	<u>June 30, 2015</u>	<u>June 30, 2016</u>	<u>June 30, 2017</u>	<u>June 30, 2018</u>
<b>OTHER FINANCIAL SOURCES (USES)</b>										
Issuance of refunding certificates of participation	-	-	-	-	142,220,000	-	-	-	82,385,000	-
Proceeds of lease-purchase agreement	-	-	-	-	592,196	-	163,005,000	-	-	-
Premium on lease-purchase agreement	-	-	-	-	-	-	-	-	-	-
Inception of capital lease	-	-	-	-	-	-	-	-	-	-
Premium on refunding bonds	-	81,502	34,832	515,251	13,686,476	128,037	26,278,704	-	7,037,205	-
Face value of refunding bonds	-	-	-	-	-	817,000	1,062,000	-	-	-
Payment to refunded certificates escrow agent	-	(874,238)	(245,889)	(5,874,994)	(155,270,250)	(334,742)	(190,562,411)	-	(90,008,545)	-
Premium on sale of bonds/notes	-	-	-	-	-	-	-	-	-	-
Refunding bonds issued	-	800,000	210,000	5,375,000	-	-	-	-	362,000	-
Reissuance premium	7,020,000	-	-	-	-	-	-	-	-	-
Sale of capital assets	97,187	157,480	154,834	414,876	81,439	-	-	134,384	-	-
Loss recoveries	308,469	2,059	260,571	405,383	22,394	29,118	34,377	19,552	100,805	-
Transfers in	56,089,398	53,187,307	57,117,484	52,090,540	47,327,922	38,814,853	37,203,419	46,322,414	46,803,903	53,639,900
Transfers out	(54,789,398)	(56,841,951)	(58,517,897)	(53,591,505)	(53,228,887)	(37,515,818)	(37,054,384)	(46,023,379)	(46,504,868)	(53,940,865)
Total other financing sources (uses)	<u>8,725,656</u>	<u>(3,487,841)</u>	<u>(986,065)</u>	<u>(665,449)</u>	<u>(4,568,710)</u>	<u>1,938,448</u>	<u>(33,296)</u>	<u>452,971</u>	<u>175,500</u>	<u>(300,965)</u>
Net change in fund balance	(120,909,216)	(9,108,655)	20,487,353	(23,180,876)	(16,498,479)	7,319,495	13,112,302	34,819,366	26,634,287	622,219
Fund balance, beginning	<u>251,148,315</u>	<u>130,239,099</u>	<u>121,130,444</u>	<u>141,617,797</u>	<u>118,436,921</u>	<u>101,938,442</u>	<u>109,257,937</u>	<u>122,370,239</u>	<u>157,189,605</u>	<u>183,823,892</u>
Fund balance ending	<u>\$ 130,239,099</u>	<u>\$ 121,130,444</u>	<u>\$ 141,617,797</u>	<u>\$ 118,436,921</u>	<u>\$ 101,938,442</u>	<u>\$ 109,257,937</u>	<u>\$ 122,370,239</u>	<u>\$ 157,189,605</u>	<u>\$ 183,823,892</u>	<u>\$ 184,446,111</u>
Debt service as a percentage of noncapital expenditures	6.82%	6.82%	6.45%	6.81%	6.55%	6.06%	5.87%	5.61%	5.19%	5.14%

Source: District records



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

	<b>Fiscal Year Ending</b>			
	<b>June 30, 2009</b>	<b>June 30, 2010</b>	<b>June 30, 2011</b>	<b>June 30, 2012</b>
<b>FEDERAL SOURCES</b>				
Federal direct	\$ 1,351,403	\$ 885,336	\$ 1,056,078	\$ 826,416
Total federal direct	<u>1,351,403</u>	<u>885,336</u>	<u>1,056,078</u>	<u>826,416</u>
<b>FEDERAL THROUGH STATE SOURCES</b>				
Other federal through state grants	349,524	2,017,563	2,624,632	2,579,216
Total federal through state grants	<u>349,524</u>	<u>2,017,563</u>	<u>2,624,632</u>	<u>2,579,216</u>
<b>STATE SOURCES</b>				
Florida education finance program	152,985,399	161,571,907	187,295,041	186,380,952
Workforce development	-	2,809,523	2,958,834	3,144,759
Categorical programs	104,774,758	77,076,882	86,576,153	86,241,860
Lottery enhancement	1,779,984	-	-	-
Other	5,436,200	9,238,506	2,117,297	1,634,597
Total state sources	<u>264,976,341</u>	<u>250,696,818</u>	<u>278,947,325</u>	<u>277,402,168</u>
<b>LOCAL SOURCES</b>				
Ad valorem taxes	234,639,152	221,527,587	192,993,909	177,926,942
Investment income	1,764,820	278,893	200,750	250,370
Other	5,968,702	8,670,467	7,619,382	6,325,289
Total local sources	<u>242,372,674</u>	<u>230,476,947</u>	<u>200,814,041</u>	<u>184,502,601</u>
Total revenues	<u>509,049,942</u>	<u>484,076,664</u>	<u>483,442,076</u>	<u>465,310,401</u>
<b>EXPENDITURES: (by object)</b>				
Salaries	336,005,830	300,723,075	293,586,131	320,356,881
Employee benefits	98,871,641	89,060,251	85,742,192	78,936,573
Purchased services	45,817,669	48,017,567	48,960,608	44,267,573
Energy services	16,966,815	15,460,444	15,157,665	15,185,648
Material and supplies	15,331,240	10,098,156	13,880,326	14,868,643
Capital outlay	4,490,363	3,659,582	4,446,485	4,305,772
Other expenditures	4,544,193	2,660,827	2,476,404	2,735,551
Total expenditures	<u>522,027,751</u>	<u>469,679,902</u>	<u>464,249,811</u>	<u>480,656,641</u>
Excess (deficiency) of revenues over expenditures	<u>(12,977,809)</u>	<u>14,396,762</u>	<u>19,192,265</u>	<u>(15,346,240)</u>
Other financing sources	<u>5,942,183</u>	<u>378,330</u>	<u>3,150,261</u>	<u>(4,300,328)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(7,035,626)</u>	<u>14,775,092</u>	<u>22,342,526</u>	<u>(19,646,568)</u>
Beginning fund balances	<u>49,414,627</u>	<u>42,379,001</u>	<u>57,154,093</u>	<u>79,496,619</u>
Ending fund balances	<u>\$ 42,379,001</u>	<u>\$ 57,154,093</u>	<u>\$ 79,496,619</u>	<u>\$ 59,850,051</u>

Source: District records

**Fiscal Year Ending**

<u>June 30, 2013</u>	<u>June 30, 2014</u>	<u>June 30, 2015</u>	<u>June 30, 2016</u>	<u>June 30, 2017</u>	<u>June 30, 2018</u>
\$ 694,794	\$ 568,779	\$ 674,139	\$ 537,093	\$ 403,202	\$ 478,352
<u>694,794</u>	<u>568,779</u>	<u>674,139</u>	<u>537,093</u>	<u>403,202</u>	<u>478,352</u>
2,219,325	1,419,367	2,398,484	2,876,836	2,065,939	2,559,830
<u>2,219,325</u>	<u>1,419,367</u>	<u>2,398,484</u>	<u>2,876,836</u>	<u>2,065,939</u>	<u>2,559,830</u>
198,781,377	221,339,707	227,095,226	237,277,188	241,604,325	244,028,713
3,255,150	3,255,150	3,420,675	3,545,190	3,809,489	3,828,536
88,529,568	85,789,025	86,416,641	86,447,284	85,015,255	84,673,520
-	-	-	-	1,237,932	128,476
-	2,022,218	2,330,992	2,877,831	4,532,973	8,515,604
<u>290,566,095</u>	<u>312,406,100</u>	<u>319,263,534</u>	<u>330,147,493</u>	<u>336,199,974</u>	<u>341,174,849</u>
175,202,040	169,647,480	176,467,531	185,145,850	187,636,629	190,559,131
190,255	156,324	243,491	496,851	740,949	1,743,079
6,440,015	7,928,852	7,751,623	7,045,633	9,387,579	10,515,165
<u>181,832,310</u>	<u>177,732,656</u>	<u>184,462,645</u>	<u>192,688,334</u>	<u>197,765,157</u>	<u>202,817,375</u>
475,312,524	492,126,902	506,798,802	526,249,756	536,434,272	547,030,406
322,291,202	310,579,625	317,878,849	334,333,349	333,021,239	343,680,024
80,976,336	85,198,758	91,634,502	93,866,478	95,004,956	98,004,779
45,524,004	55,877,177	61,621,558	68,105,469	70,833,841	75,430,974
14,127,616	14,130,444	13,432,154	12,445,036	12,729,679	13,557,156
15,164,083	14,097,067	15,792,548	11,343,340	9,712,326	17,330,171
5,000,710	4,532,325	4,975,337	5,738,393	5,897,090	8,604,952
2,299,305	2,813,748	2,835,663	3,342,067	2,898,100	3,177,031
<u>485,383,256</u>	<u>487,229,144</u>	<u>508,170,611</u>	<u>529,174,132</u>	<u>530,097,231</u>	<u>559,785,087</u>
(10,070,732)	4,897,758	(1,371,809)	(2,924,376)	6,337,041	(12,754,681)
<u>(6,620,849)</u>	<u>1,323,153</u>	<u>183,411</u>	<u>2,969,279</u>	<u>3,065,376</u>	<u>13,438,702</u>
(16,691,581)	6,220,911	(1,188,398)	44,903	9,402,417	684,021
59,850,051	43,158,470	49,379,381	48,190,983	48,235,886	57,638,303
<u>\$ 43,158,470</u>	<u>\$ 49,379,381</u>	<u>\$ 48,190,983</u>	<u>\$ 48,235,886</u>	<u>\$ 57,638,303</u>	<u>\$ 58,322,324</u>

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

	<b>Fiscal Year Ending</b>			
	<b>June 30, 2009</b>	<b>June 30, 2010</b>	<b>June 30, 2011</b>	<b>June 30, 2012</b>
<b>FEDERAL SOURCES</b>				
Federal direct	\$ 1,297,917	\$ 1,083,383	\$ 1,205,240	\$ 1,623,252
Other federal	36,114,772	37,795,475	36,328,709	38,247,009
Total federal sources	<u>37,412,689</u>	<u>38,878,858</u>	<u>37,533,949</u>	<u>39,870,261</u>
<b>STATE SOURCES</b>	81,246	53,593	53,272	58,090
<b>LOCAL SOURCES</b>	-	-	-	-
Total revenues	<u>37,493,935</u>	<u>38,932,451</u>	<u>37,587,221</u>	<u>39,928,351</u>
<b>EXPENDITURES</b>				
Salaries	20,394,405	20,854,903	19,855,445	22,966,348
Employee benefits	5,838,520	5,874,547	5,775,857	5,421,406
Purchased services	6,200,940	7,375,460	6,047,334	5,565,368
Energy	6,215	7,373	7,292	120,898
Material and supplies	2,161,708	1,588,632	1,414,031	1,830,872
Capital outlay	1,834,110	1,995,646	2,945,064	2,441,195
Other expenditures	1,058,037	1,235,890	1,542,198	1,582,264
Total expenditures	<u>37,493,935</u>	<u>38,932,451</u>	<u>37,587,221</u>	<u>39,928,351</u>
Excess (deficiency) of revenues over expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Beginning fund balance	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Ending fund balance	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

Source: District records

**Fiscal Year Ending**

<u>June 30, 2013</u>	<u>June 30, 2014</u>	<u>June 30, 2015</u>	<u>June 30, 2016</u>	<u>June 30, 2017</u>	<u>June 30, 2018</u>
\$ 4,814,999	\$ 7,545,272	\$ 10,356,707	\$ 9,159,515	\$ 8,002,819	\$ 7,101,065
37,254,006	39,090,794	43,187,100	42,572,491	42,767,663	43,178,610
<u>42,069,005</u>	<u>46,636,066</u>	<u>53,543,807</u>	<u>51,732,006</u>	<u>50,770,482</u>	<u>50,279,675</u>
54,177	61,911	64,131	43,520	464,184	745,386
-	2,396	44,175	911	11,910	2,445
<u>42,123,182</u>	<u>46,700,373</u>	<u>53,652,113</u>	<u>51,776,437</u>	<u>51,246,576</u>	<u>51,027,506</u>
25,115,886	27,661,746	28,938,647	29,924,621	30,195,489	29,439,736
6,035,943	7,286,246	8,093,935	8,341,401	8,348,143	8,240,454
4,839,135	3,539,269	4,096,904	4,917,964	4,705,480	5,022,394
139,394	109,068	33,081	28,598	120,753	77,502
1,861,857	2,175,098	2,409,465	2,486,849	2,107,234	2,182,066
2,435,082	3,784,888	7,579,091	3,735,082	3,196,052	3,473,846
1,695,885	2,144,058	2,500,990	2,341,922	2,573,425	2,591,508
<u>42,123,182</u>	<u>46,700,373</u>	<u>53,652,113</u>	<u>51,776,437</u>	<u>51,246,576</u>	<u>51,027,506</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

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

	<b>Fiscal Year Ending</b>			
	<b>June 30, 2009</b>	<b>June 30, 2010</b>	<b>June 30, 2011</b>	<b>June 30, 2012</b>
<b>FEDERAL THROUGH STATE SOURCES</b>				
Food service	\$ 12,566,829	\$ 14,202,101	\$ 15,344,693	\$ 16,712,386
Donated foods	1,712,169	1,584,065	1,890,825	1,770,044
Total federal through state grants	<u>14,278,998</u>	<u>15,786,166</u>	<u>17,235,518</u>	<u>18,482,430</u>
<b>STATE SOURCES</b>				
Food service	421,622	415,457	396,048	371,394
Total state sources	<u>421,622</u>	<u>415,457</u>	<u>396,048</u>	<u>371,394</u>
<b>LOCAL SOURCES</b>				
Food service sales	13,611,184	12,720,835	11,924,263	11,519,105
Interest income and others	31,421	1,287	10,254	179,305
Total local services	<u>13,642,605</u>	<u>12,722,122</u>	<u>11,934,517</u>	<u>11,698,410</u>
Total revenues	<u>28,343,225</u>	<u>28,923,745</u>	<u>29,566,083</u>	<u>30,552,234</u>
<b>EXPENDITURES: (by object)</b>				
Salaries	8,695,980	8,409,844	8,210,469	8,332,342
Employee benefits	3,279,285	3,122,882	3,141,383	2,722,490
Purchased services	1,051,077	1,152,238	1,089,235	1,255,929
Energy services	724,317	690,360	691,141	698,791
Material and supplies	12,646,227	12,759,708	12,741,170	13,370,477
Capital outlay	760,446	960,698	532,823	545,003
Other expenditures	760,445	743,740	968,371	916,240
Total expenditures	<u>27,917,777</u>	<u>27,839,470</u>	<u>27,374,592</u>	<u>27,841,272</u>
Excess (deficiency) of revenues over expenditures	<u>425,448</u>	<u>1,084,275</u>	<u>2,191,491</u>	<u>2,710,962</u>
Other financing sources (uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(746,177)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>425,448</u>	<u>1,084,275</u>	<u>2,191,491</u>	<u>1,964,784</u>
Beginning fund balance	5,891,288	6,316,736	7,401,011	9,592,502
Ending fund balance	<u>\$ 6,316,736</u>	<u>\$ 7,401,011</u>	<u>\$ 9,592,502</u>	<u>\$ 11,557,286</u>

Source: District records

**Fiscal Year Ending**

	<b>June 30, 2013</b>	<b>June 30, 2014</b>	<b>June 30, 2015</b>	<b>June 30, 2016</b>	<b>June 30, 2017</b>	<b>June 30, 2018</b>
\$	17,345,777	\$ 17,962,104	\$ 19,351,188	\$ 20,824,640	\$ 21,080,279	\$ 22,948,589
	1,652,966	1,614,693	2,049,535	2,083,465	2,117,587	1,966,427
	<u>18,998,743</u>	<u>19,576,797</u>	<u>21,400,723</u>	<u>22,908,105</u>	<u>23,197,866</u>	<u>24,915,016</u>
	370,178	364,540	346,997	337,438	343,807	346,934
	<u>370,178</u>	<u>364,540</u>	<u>346,997</u>	<u>337,438</u>	<u>343,807</u>	<u>346,934</u>
	10,779,880	10,203,463	9,532,118	9,067,726	8,808,688	7,869,829
	187,544	220,879	-	249,677	261,957	287,645
	<u>10,967,424</u>	<u>10,424,342</u>	<u>9,532,118</u>	<u>9,317,403</u>	<u>9,070,645</u>	<u>8,157,474</u>
	<u>30,336,345</u>	<u>30,365,679</u>	<u>31,279,838</u>	<u>32,562,946</u>	<u>32,612,318</u>	<u>33,419,424</u>
	8,298,086	8,480,519	8,510,508	8,915,895	9,104,482	9,272,692
	2,635,223	2,829,683	2,970,478	2,951,486	2,948,318	3,033,006
	1,247,799	1,128,339	1,160,833	1,237,745	1,068,310	1,157,148
	544,084	589,392	513,765	494,216	521,210	554,397
	13,376,590	14,207,941	14,463,102	14,638,302	14,784,036	15,280,344
	977,680	1,419,384	1,565,228	1,460,918	965,362	564,365
	791,070	842,192	858,524	816,573	904,480	2,739,174
	<u>27,870,532</u>	<u>29,497,450</u>	<u>30,042,438</u>	<u>30,515,135</u>	<u>30,296,198</u>	<u>32,601,126</u>
	2,465,813	868,229	1,237,400	2,047,811	2,316,120	818,298
	<u>(1,184,518)</u>	<u>(942,576)</u>	<u>(1,307,368)</u>	<u>(980,722)</u>	<u>(1,720,420)</u>	<u>(2,311,333)</u>
	1,281,295	(74,347)	(69,968)	1,067,089	595,700	(1,493,035)
	<u>11,557,286</u>	<u>12,838,581</u>	<u>12,764,234</u>	<u>12,694,267</u>	<u>13,761,356</u>	<u>14,357,056</u>
\$	<u><u>12,838,581</u></u>	<u><u>\$ 12,764,234</u></u>	<u><u>\$ 12,694,267</u></u>	<u><u>\$ 13,761,356</u></u>	<u><u>\$ 14,357,056</u></u>	<u><u>\$ 12,864,021</u></u>

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

	<b>Fiscal Year Ending</b>			
	<b>June 30, 2009</b>	<b>June 30, 2010</b>	<b>June 30, 2011</b>	<b>June 30, 2012</b>
<b>STATE SOURCES</b>				
CO & DS withheld for SBE/COBI bonds	\$ 2,371,419	\$ 2,372,366	\$ 2,367,496	\$ 2,376,773
SBE/COBI bond interest	707	1,383	343	(270)
Total state sources	2,372,126	2,373,749	2,367,839	2,376,503
<b>LOCAL SOURCES</b>				
Interest income and others	9,142	295,587	142,746	119,740
Total local sources	9,142	295,587	142,746	119,740
Total revenues	2,381,268	2,669,336	2,510,585	2,496,243
<b>EXPENDITURES: (by object)</b>				
Debt service:				
Principal	12,970,000	14,120,000	14,750,000	15,425,000
Interest and fiscal charges	27,337,626	26,755,821	26,107,121	25,487,416
Total expenditures	40,307,626	40,875,821	40,857,121	40,912,416
Excess (deficiency) of revenues over expenditures	(37,926,358)	(38,206,485)	(38,346,536)	(38,416,173)
Other financing sources (uses):	38,390,544	38,149,697	40,052,339	36,825,850
Excess (deficiency) of revenues and other sources over expenditures and other uses	464,186	(56,788)	1,705,803	(1,590,323)
Beginning fund balance	4,106,132	4,570,318	4,513,530	6,219,333
Ending fund balance	\$ 4,570,318	\$ 4,513,530	\$ 6,219,333	\$ 4,629,010

Source: District records

**Fiscal Year Ending**

<u>June 30, 2013</u>	<u>June 30, 2014</u>	<u>June 30, 2015</u>	<u>June 30, 2016</u>	<u>June 30, 2017</u>	<u>June 30, 2018</u>
\$ 2,282,336	\$ 2,269,095	\$ 2,116,514	\$ 735,488	\$ 749,526	\$ 757,446
9,972	99	1,853	140	205	4,540
<u>2,292,308</u>	<u>2,269,194</u>	<u>2,118,367</u>	<u>735,628</u>	<u>749,731</u>	<u>761,986</u>
360,634	126,231	130,834	135,628	141,862	205,875
<u>360,634</u>	<u>126,231</u>	<u>130,834</u>	<u>135,628</u>	<u>141,862</u>	<u>205,875</u>
2,652,942	2,395,425	2,249,201	871,256	891,593	967,861
16,070,000	15,105,000	16,145,000	16,313,000	16,794,000	17,094,000
23,454,524	22,579,357	21,012,797	20,804,349	19,844,805	19,033,760
<u>39,524,524</u>	<u>37,684,357</u>	<u>37,157,797</u>	<u>37,117,349</u>	<u>36,638,805</u>	<u>36,127,760</u>
(36,871,582)	(35,288,932)	(34,908,596)	(36,246,093)	(35,747,212)	(35,159,899)
<u>36,953,992</u>	<u>35,919,836</u>	<u>33,380,310</u>	<u>36,361,975</u>	<u>35,868,202</u>	<u>35,289,865</u>
82,410	630,904	(1,528,286)	115,882	120,990	129,966
4,629,010	4,711,420	5,342,324	3,814,038	3,929,920	4,050,910
<u>\$ 4,711,420</u>	<u>\$ 5,342,324</u>	<u>\$ 3,814,038</u>	<u>\$ 3,929,920</u>	<u>\$ 4,050,910</u>	<u>\$ 4,180,876</u>



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

	<b>Fiscal Year Ending</b>			
	<b>June 30, 2009</b>	<b>June 30, 2010</b>	<b>June 30, 2011</b>	<b>June 30, 2012</b>
<b>REVENUES</b>				
State sources:				
CO & DS distributed to district	\$ 414,445	\$ 401,872	\$ 407,827	\$ 396,582
Public education capital outlay	5,734,106	1,495,191	4,173,040	-
State grants and other state sources	153,005	151,138	130,022	134,052
Total state sources	<u>6,301,556</u>	<u>2,048,201</u>	<u>4,710,889</u>	<u>530,634</u>
Local sources:				
Ad valorem taxes	69,530,936	53,885,514	47,073,866	40,381,450
Local sales tax	-	-	-	-
Interest income and others	3,998,500	156,565	152,422	123,564
Local grants and other local sources	680,906	1,469,746	234,314	18,297
Impact Fees	2,660,046	8,433,555	3,678,774	-
Total local sources	<u>76,870,388</u>	<u>63,945,380</u>	<u>51,139,376</u>	<u>40,523,311</u>
Total revenues	<u>83,171,944</u>	<u>65,993,581</u>	<u>55,850,265</u>	<u>41,053,945</u>
<b>EXPENDITURES: (by object)</b>				
Library books	189,813	244,153	121,540	10,149
Audio visual materials	34,507	48,296	21,979	2
Buildings and fixed materials	55,423,714	3,666,622	23,779	15,950
Furniture, fixtures and equipment	15,552,001	9,151,784	2,430,405	1,035,386
Motor vehicles	5,094,683	-	-	2,023,524
Land	-	-	-	-
Improvements other than buildings	3,493,376	847,957	760,912	319,776
Remodeling and renovations	80,175,473	33,921,967	13,285,128	8,819,179
Computer software	365,162	353,199	186,457	16,899
Charter School Local Capital Improvement	-	-	-	-
Debt service	1,999,367	654,969	583,867	277,055
Total expenditures	<u>162,328,096</u>	<u>48,888,947</u>	<u>17,414,067</u>	<u>12,517,920</u>
Excess (deficiency) of revenues over expenditures	<u>(79,156,152)</u>	<u>17,104,634</u>	<u>38,436,198</u>	<u>28,536,025</u>
Other financing sources (uses)	<u>(35,607,072)</u>	<u>(42,015,868)</u>	<u>(44,188,665)</u>	<u>(32,444,794)</u>
Excess (deficiency) of revenues and other sources over expenditures and other uses	<u>(114,763,224)</u>	<u>(24,911,234)</u>	<u>(5,752,467)</u>	<u>(3,908,769)</u>
Beginning fund balance	191,736,268	76,973,044	52,061,810	46,309,343
Ending fund balance	<u>\$ 76,973,044</u>	<u>\$ 52,061,810</u>	<u>\$ 46,309,343</u>	<u>\$ 42,400,574</u>

Source: District records

**Fiscal Year Ending**

<u>June 30, 2013</u>	<u>June 30, 2014</u>	<u>June 30, 2015</u>	<u>June 30, 2016</u>	<u>June 30, 2017</u>	<u>June 30, 2018</u>
\$ 401,402	\$ 402,121	\$ 506,191	\$ 1,984,147	\$ 1,953,125	\$ 1,933,805
-	-	1,299,412	1,734,190	2,616,664	1,739,856
213,345	207,096	176,959	115,766	153,421	1,260,918
<u>614,747</u>	<u>609,217</u>	<u>1,982,562</u>	<u>3,834,103</u>	<u>4,723,210</u>	<u>4,934,579</u>
39,861,618	41,683,221	45,333,488	48,092,404	51,960,851	56,378,223
-	-	19,540,053	41,641,525	44,914,836	45,767,671
75,960	30,694	168,352	473,144	588,322	1,236,694
56,441	426,589	252,239	153,419	356,689	238,964
-	8,300,400	4,706,010	12,392,831	9,186,001	11,602,549
<u>39,994,019</u>	<u>50,440,904</u>	<u>70,000,142</u>	<u>102,753,323</u>	<u>107,006,699</u>	<u>115,224,101</u>
<u>40,608,766</u>	<u>51,050,121</u>	<u>71,982,704</u>	<u>106,587,426</u>	<u>111,729,909</u>	<u>120,158,680</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
1,640,040	363,419	4,584,243	3,506,763	5,457,735	6,779,211
-	1,085,030	-	3,916,188	2,084,186	8,236,742
-	-	-	-	-	-
786,329	124,359	492,562	1,024,640	2,373,376	5,568,784
5,571,124	12,311,457	17,415,805	26,648,834	48,241,005	50,981,810
-	2,260,355	1,300,000	-	18,715	-
-	-	-	-	-	570,451
64,541	1,511	1,492	1,947	2,054	2,216
<u>8,062,034</u>	<u>16,146,131</u>	<u>23,794,102</u>	<u>35,098,372</u>	<u>58,177,071</u>	<u>72,139,214</u>
32,546,732	34,903,990	48,188,602	71,489,054	53,552,838	48,019,466
<u>(33,717,335)</u>	<u>(34,361,964)</u>	<u>(32,289,648)</u>	<u>(37,897,562)</u>	<u>(37,037,658)</u>	<u>(46,718,199)</u>
<u>(1,170,603)</u>	<u>542,026</u>	<u>15,898,954</u>	<u>33,591,492</u>	<u>16,515,180</u>	<u>1,301,267</u>
42,400,574	41,229,971	41,771,997	57,670,951	91,262,443	107,777,623
<u>\$ 41,229,971</u>	<u>\$ 41,771,997</u>	<u>\$ 57,670,951</u>	<u>\$ 91,262,443</u>	<u>\$ 107,777,623</u>	<u>\$ 109,078,890</u>



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

<b>Fiscal Year</b>	<b>Real Property Fiscal Year Ending Value</b>	<b>Personal Property Assessed Value (2)</b>	<b>Total Assessed Valuations (1)</b>	<b>Real Property Exemptions</b>	<b>Personal Property Exemptions (2)</b>	<b>Taxable Assessed Property Value (3)</b>	<b>Total Direct Rate (Millage)</b>	<b>Ratio of Taxable Assessed Value to Total Assessed Value</b>
2017-18	\$ 45,801,002,760	\$ 9,339,034,869	55,140,037,629	\$ 9,924,699,351	\$ 6,412,306,562	38,803,031,716	6.568	70.37%
2016-17	41,927,251,680	9,361,566,070	51,288,817,750	9,072,494,983	6,409,079,025	35,807,243,742	6.916	69.81%
2015-16	39,087,087,920	9,103,610,759	48,190,698,679	8,753,489,472	6,291,722,829	33,145,486,378	7.275	68.78%
2014-15	37,018,003,250	9,145,078,508	46,163,081,758	8,612,631,100	6,318,133,506	31,232,317,152	7.339	67.66%
2013-14	35,151,988,760	8,322,370,438	43,474,359,198	8,463,604,672	6,294,942,650	28,715,811,876	7.606	66.05%
2012-13	33,963,159,180	8,203,825,764	42,166,984,944	8,409,434,811	6,299,890,755	27,457,659,378	8.096	65.12%
2011-12	34,797,638,470	7,960,382,962	42,758,021,432	8,715,582,392	6,230,400,912	27,812,038,128	8.112	65.05%
2010-11	39,760,031,300	9,660,748,651	49,420,779,951	9,487,493,957	7,543,273,454	32,390,012,540	7.653	65.54%
2009-10	44,585,445,260	9,744,360,040	54,329,805,300	10,202,299,393	7,402,045,637	36,725,460,270	7.687	67.60%
2008-09	49,833,168,839	9,722,525,099	59,555,693,938	10,903,485,773	7,307,103,244	41,345,104,921	7.661	69.42%

Source: Florida Department of Revenue - 2010-11 through 2017-18  
Brevard County Property Appraiser - 2003-04 through 2009-10

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

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

- (1) Total assessed valuations (real, personal and centrally assessed property)
- (2) Personal and centrally assessed property
- (3) Amounts are post VAB assessments

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

	<b>Fiscal Year</b>			
	<b>2009</b>	<b>2010</b>	<b>2011</b>	<b>2012</b>
<b>COUNTY -WIDE</b>				
Brevard County	4.6762	4.5211	5.2249	5.9199
Brevard County School District	7.6610	7.6870	7.6530	8.1120
St. Johns River Water Management	0.4158	0.4158	0.4158	0.3313
Florida Inland Navigation District	0.0345	0.0345	0.0345	0.0345
Total county-wide	<u>12.7875</u>	<u>12.6584</u>	<u>13.3282</u>	<u>14.3977</u>
<b>COUNTY TAXING DISTRICTS</b>				
District I	3.7642	3.7449	4.1446	4.8325
District II	2.6433	2.7488	3.0268	3.3811
District III	2.5546	2.6512	2.9026	3.2155
District IV	3.1528	3.2494	6.4259	4.0729
District V	2.5821	2.6787	2.9745	3.3399
<b>CITIES</b>				
Cape Canaveral	3.0671	3.0671	4.0739	4.0739
Cocoa	4.4891	4.4891	4.9662	5.5813
Cocoa Beach	3.7186	4.0000	4.5000	5.0240
Grant-Valkaria	0.4976	1.0000	1.0000	1.0000
Indialantic	4.9810	5.5374	6.0698	6.7804
Indian Harbour Beach	4.2037	4.7697	5.4077	5.9500
Malabar	1.4676	1.6630	1.6630	1.6630
Melbourne	4.4751	5.1287	5.9223	6.9200
Melbourne Beach	2.9543	3.9950	4.5005	5.1418
Melbourne Village	5.5656	6.1796	7.0759	8.1019
Palm Bay	5.3000	6.8165	7.5000	9.0000
Rockledge	5.3500	5.3500	5.6500	6.2500
Satellite Beach	7.1207	7.8193	8.1439	8.5285
Titusville	5.2694	6.3307	6.9119	7.5645
West Melbourne	1.5899	2.2975	2.2975	2.2975

Source: Brevard County Comprehensive Annual Financial Report for the year ended September 30, 2017.

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

<b>Fiscal Year</b>					
<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>
5.9199	5.7979	5.6310	5.4692	5.2548	5.0025
8.0960	7.6060	7.3390	7.2750	6.9160	6.5680
0.3313	0.3283	0.3164	0.3023	0.2885	0.2724
0.0345	0.0345	0.0345	0.0320	0.0320	0.0320
14.3817	13.7667	13.3209	13.0785	12.4913	11.8749
4.8325	5.1110	4.1215	4.0592	4.0459	3.9432
3.3811	3.3405	3.2703	3.2064	3.0694	2.9666
3.2155	3.1765	3.1038	3.0385	2.8978	2.7906
4.0729	4.0117	3.5505	3.5697	3.5286	3.4150
3.3399	3.3039	3.2328	3.1643	3.0329	2.9170
4.0739	3.9102	3.7246	3.5432	3.5235	4.0190
5.9811	5.9811	5.9790	5.9790	5.9790	5.9790
4.9798	4.9798	4.9798	4.9798	5.4798	5.7298
1.0000	1.0000	1.0000	1.0603	1.1201	1.1490
6.7395	6.5835	6.5835	6.4695	6.2653	6.2653
5.9352	5.8000	5.6061	5.4802	5.4802	5.6401
1.6630	1.6630	1.8000	1.9256	2.0260	2.0906
6.9000	7.3126	7.3125	7.6886	7.6886	7.1878
5.4363	5.1815	5.1104	5.1104	5.2749	5.0192
8.9150	9.2554	9.8362	9.8135	9.7336	9.7332
9.0000	8.6326	8.6326	8.5000	8.4500	8.4500
6.3658	6.3658	6.3500	6.3400	6.2500	6.2000
8.3559	8.3206	8.3206	8.2900	8.1518	8.1518
8.0930	8.1930	8.2799	8.4031	8.1286	8.1979
2.2975	2.2975	2.3850	2.4633	2.4633	2.4633

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

Taxpayer	2018			2009		
	Taxes	Percentage of Total Taxes	Rank	Taxes	Percentage of Total Taxes	Rank
Florida Power & Light Company	\$ 24,221,385	3.52%	1	\$ 7,156,358	0.97%	1
Harris Corporation	4,035,083	0.59%	2	2,660,807	0.36%	4
Plant Oleander Power Project Ltd	2,755,111	0.40%	3	3,491,687	0.47%	2
City of Melbourne Airport Authority	2,646,095	0.38%	4	-	-	-
AT&T Florida	1,869,775	0.27%	5	2,832,542	0.38%	3
Health First Physicians Real & Estate LLC	1,752,474	0.25%	6	-	-	-
Walmart Stores, Inc.	1,662,045	0.24%	7	1,894,643	0.26%	5
Brighthouse Networks	1,588,169	0.23%	8	1,150,756	0.16%	7
Florida East Coast Railroad	1,186,128	0.17%	9	1,350,635	0.18%	6
Rockledge HMA Medical Group LLC	999,681	0.15%	10	-	-	-
The Viera Company	-	-	-	1,128,588	0.15%	8
Cape Caribe, Inc.	-	-	-	921,721	0.12%	9
Reliant Energy Indian River LLC	-	-	-	872,246	0.12%	10
Total taxable assessed value of 10 largest taxpayers	<u>42,715,946</u>	<u>6.20%</u>		<u>\$ 23,459,983</u>	<u>3.17%</u>	
Total property taxes collected (lagged one year)	<u>\$ 687,417,206</u>			<u>\$ 738,570,256</u>		

Source: Brevard County Comprehensive Annual Financial Report for the year ended September 30, 2017.

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

Fiscal Year	Taxable Assessed Value	Millage			Total Tax Levy
		Operating	Capital	Total	
2017-18	\$ 38,820,754,346	5.068	1.500	6.568	254,974,715
2016-17	35,807,253,742	5.416	1.500	6.916	247,642,967
2015-16	33,145,486,378	5.775	1.500	7.275	241,133,413
2014-15	31,232,317,152	5.839	1.500	7.339	229,213,976
2013-14	28,715,811,876	6.106	1.500	7.606	218,412,465
2012-13	27,457,119,378	6.596	1.500	8.096	222,292,838
2011-12	27,812,038,128	6.612	1.500	8.112	225,611,253
2010-11	32,390,012,540	6.153	1.500	7.653	247,880,766
2009-10	36,725,460,270	6.187	1.500	7.687	282,308,613
2008-09	41,345,104,921	5.911	1.750	7.661	316,744,849

Fiscal Year	Total Tax Levy	Collected to End of Tax Year		Delinquent Collections	Collected in Fiscal Year	
		Current Tax Collections	Percent of Levy		Total Collections	Percent of Levy
2017-18	\$ 254,858,312	\$ 245,937,747	96.50	\$ 999,607	\$ 246,937,354	96.89
2016-17	247,642,967	239,074,395	96.54	523,085	239,597,480	96.75
2015-16	241,133,413	232,753,905	96.52	484,349	233,238,254	96.73
2014-15	229,213,976	221,175,853	96.49	625,166	221,801,019	96.77
2013-14	218,412,465	210,541,129	96.40	789,572	211,330,700	96.76
2012-13	222,292,838	213,453,918	96.02	1,610,694	215,064,612	96.75
2011-12	225,611,253	217,607,965	96.45	501,399	218,109,364	96.67
2010-11	247,880,766	238,694,460	96.29	1,373,315	240,067,775	96.85
2009-10	282,308,613	271,447,317	96.15	3,965,784	275,413,101	97.56
2008-09	316,744,849	302,765,351	95.59	1,404,736	304,170,087	96.03

Source: District records  
Brevard County Tax Collector  
Brevard County Property Appraiser (post VAB assessments for 2008-09 to present)

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



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

Fiscal Year	GOVERNMENTAL ACTIVITIES				Total Primary Government	Percentage of Personal Income	Per Capita
	State Board of Education Bonds	Certificates of Participation	Capital Leases				
2017-18	\$ 2,165,108	\$ 448,605,095	\$ -		\$ 450,770,203	Unavailable	784
2016-17	2,904,987	468,228,748	-		471,133,735	1.95%	828
2015-16	3,596,947	487,815,982	-		491,412,929	2.10%	875
2014-15	4,249,731	506,581,630	-		510,831,361	2.34%	925
2013-14	6,216,474	513,435,413	-		519,651,887	2.48%	948
2012-13	8,169,375	528,289,810	-		536,459,185	2.57%	984
2011-12	9,615,000	512,138,000	-		521,753,000	2.49%	952
2010-11	11,815,000	525,718,000	-		537,533,000	2.68%	992
2009-10	13,615,000	538,713,000	-		552,328,000	2.84%	997
2008-09	15,330,000	551,158,000	631,417		567,119,417	2.80%	1,022

Source: Governmental Activities from District records

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

**The School Board of Brevard County, Florida**  
**Ratios of Certificates of Participation Debt Outstanding**  
**Last Ten Fiscal Years**  
**(unaudited)**

<b>Fiscal Year</b>	<b>Certificates of Participation (1)</b>	<b>Less: Amounts Available in Debt Service Fund</b>	<b>Total</b>	<b>Percentage of Estimated Actual Taxable Value of Property</b>	<b>Per Capita</b>
2017-18	\$ 448,605,095	\$ 4,135,646	\$ 444,469,449	1.15%	773
2016-17	468,228,748	3,999,111	464,229,637	1.30%	816
2015-16	487,815,982	3,856,843	483,959,139	1.46%	862
2014-15	506,581,630	3,721,251	502,860,379	1.61%	911
2013-14	513,435,413	4,590,236	508,845,177	1.77%	929
2012-13	528,289,810	4,499,238	523,790,572	1.91%	961
2011-12	512,138,000	4,371,009	507,766,991	1.83%	934
2010-11	525,718,000	5,923,872	519,794,128	1.60%	959
2009-10	538,713,000	4,171,659	534,541,341	1.46%	965
2008-09	551,158,000	4,187,777	546,970,223	1.32%	986

---

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

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

**The School Board of Brevard County, Florida**  
**Calculation of Legal Debt Margin**  
**Last Ten Fiscal Years**  
**(unaudited)**

	<b>Fiscal Year Ending</b>			
	<b>June 30, 2009</b>	<b>June 30, 2010</b>	<b>June 30, 2011</b>	<b>June 30, 2012</b>
Assessed Value	\$ 41,345,104,921	\$ 36,352,622,712	\$ 32,390,012,540	\$ 27,812,038,128
Debt Limit on Assessed Value	41,345,104,921	36,352,622,712	32,390,012,540	27,812,038,128
Amount of Debt Applicable to Debt Limit:				
Bonds Payable	-	-	-	-
Less, Amount Available for Debt Service	-	-	-	-
Total Debt Applicable to the Debt Limit	-	-	-	-
Legal Debt Margin	<u>\$ 41,345,104,921</u>	<u>\$ 36,352,622,712</u>	<u>\$ 32,390,012,540</u>	<u>\$ 27,812,038,128</u>
Total Debt Applicable to the Debt Limit as a Percentage of Debt Limit	0.00%	0.00%	0.00%	0.00%

Source: District records  
Brevard County Property Appraiser (2008-09 to present post VAB assessments)

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

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

**Fiscal Year Ending**

<u>June 30, 2013</u>	<u>June 30, 2014</u>	<u>June 30, 2015</u>	<u>June 30, 2016</u>	<u>June 30, 2017</u>	<u>June 30, 2018</u>
\$ 27,457,119,378	\$ 28,715,811,876	\$ 31,232,317,152	\$ 33,131,450,279	\$ 35,807,253,742	\$ 38,803,031,716
27,457,119,378	28,715,811,876	31,232,317,152	33,131,450,279	35,807,253,742	38,803,031,716
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 27,457,119,378</u>	<u>\$ 28,715,811,876</u>	<u>\$ 31,232,317,152</u>	<u>\$ 33,131,450,279</u>	<u>\$ 35,807,253,742</u>	<u>\$ 38,803,031,716</u>
0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

**The School Board of Brevard County, Florida**  
**Computation of Direct and Overlapping Bonded Debt**  
**June 30, 2018**  
**(unaudited)**

<u>Governmental Unit</u>	<u>Net Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes:			
Brevard County	\$ 68,705,826	100.00%	\$ 68,705,826
City of Cocoa Beach	8,314,419	100.00%	8,314,419
City of Titusville	5,037,000	100.00%	<u>5,037,000</u>
Subtotal, overlapping debt			<u>82,057,245</u>
School Board of Brevard County direct debt:			
Certificates of Participation	448,605,095	100.00%	\$ 448,605,095
Bonds	<u>2,165,108</u>	100.00%	<u>2,165,108</u>
Total direct and overlapping debt	<u>\$ 532,827,448</u>		<u>\$ 532,827,448</u>

Source: Brevard County Comprehensive Annual Financial Report for the period ending September 30, 2017  
Cocoa Beach Comprehensive Annual Financial Report for the period ending September 30, 2017  
City of Titusville Comprehensive Annual Financial Report for the period ending September 30, 2017

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

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

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

<b>Fiscal Year</b>	<b>Tax Year</b>	<b>Taxable Assessed Valuation</b>	<b>Principal Payment</b>	<b>Interest Payment</b>	<b>Total Annual Lease Payment</b>	<b>Millage Levy to Provide 1.00x Coverage</b>
2017-18	2017	\$ 38,820,754,346	\$ 16,435,000	\$ 18,872,043	\$ 35,307,043	0.957 mills
2016-17	2016	35,807,253,742	16,175,000	19,096,557	35,271,557	1.037 mills
2015-16	2015	33,145,486,378	15,735,000	20,571,149	36,306,149	1.153 mills
2014-15	2014	31,232,317,152	14,235,000	19,337,225	33,572,225	1.131 mills
2013-14	2013	28,715,811,876	13,160,000	22,131,324	35,291,324	1.294 mills
2012-13	2012	27,457,119,378	14,195,000	24,207,444	38,402,444	1.472 mills
2011-12	2011	27,812,038,128	13,580,000	24,823,011	38,403,011	1.453 mills
2010-11	2010	32,390,012,540	12,995,000	25,404,694	38,399,694	1.248 mills
2009-10	2009	36,725,460,270	12,445,000	25,956,414	38,401,414	1.100 mills
2008-09	2008	41,345,104,921	11,360,000	26,482,251	37,842,251	0.963 mills

Source: District records  
Brevard County Property Appraiser (2008-09 to present post VAB assessments)

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

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

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

<b>Fiscal Year</b>	<b>Tax Year</b>	<b>Population (1)</b>	<b>Personal Income (1) (in thousands)</b>	<b>Per Capita Personal Income (1)</b>	<b>Median Age (1)</b>	<b>Unemployment Rate (1)</b>	<b>School Membership Enrollment (2)</b>	<b>Governmental Activities Expenses (2)</b>	<b>Cost per Student (in thousands)</b>
2017-18	2017	575,018	(3)	(3)	47.3	3.7%	75,050	\$ 747,741,455	\$ 9,963
2016-17	2016	568,701	\$ 24,141,277	\$ 42,450	47.1	4.9%	75,014	707,890,926	9,437
2015-16	2015	561,503	23,374,652	41,629	46.8	5.3%	74,224	668,961,980	9,013
2014-15	2014	552,176	21,872,080	39,611	46.9	6.2%	73,685	634,373,018	8,609
2013-14	2013	547,898	20,963,007	38,261	47.0	7.3%	72,594	650,411,521	8,960
2012-13	2012	545,109	20,849,459	38,248	46.3	8.7%	75,526	631,511,719	8,362
2011-12	2011	543,700	20,939,312	38,513	46.0	10.0%	72,906	633,025,092	8,683
2010-11	2010	541,811	20,021,208	36,952	45.5	11.3%	72,913	669,051,996	9,176
2009-10	2009	554,059	19,433,219	35,074	44.8	11.4%	73,352	667,088,947	9,094
2008-09	2008	554,668	20,234,526	36,480	44.1	8.7%	74,000	682,231,128	9,219

---

(1) Brevard County Comprehensive Annual Financial Report for period ended September 30, 2017.

(2) District records

(3) Data unavailable

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

EMPLOYER	Fiscal Year					
	2017-18			2008-09		
	Employees	Rank	Percentage of total MSA Employment	Employees	Rank	Percentage of total MSA Employment
Brevard County School Board	8,000 to 8,999	1	3.4%	8,000 to 8,999	1	3.4%
Health First	8,000 to 8,999	2	3.4%	5,000 to 5,999	4	2.2%
Harris Corporation	6,000 to 6,999	3	2.6%	6,000 to 6,999	2	2.6%
Publix Super Markets, Inc.	3,000 to 3,999	4	1.4%	2,000 to 2,999	5	1.0%
Wal-Mart Associates, Inc.	3,000 to 3,999	5	1.4%	2,000 to 2,999	8	1.0%
Northrop Grumman Corporation	2,000 to 2,999	6	1.0%	-	-	-
Brevard County Board of County Commissioners	2,000 to 2,999	7	1.0%	2,000 to 2,999	6	1.0%
U.S. Department of Defense	2,000 to 2,999	8	1.0%	1,000 to 1,999	9	0.6%
NASA	2,000 to 2,999	9	1.0%	2,000 to 2,999	7	1.0%
Rockledge Regional Medical Center	1,000 to 1,999	10	0.6%	-	-	-
United Space Alliance	-	-	-	6,000 to 6,999	3	2.6%
PBS of Central Florida	-	-	-	1,000 to 1,999	10	0.6%
<b>Total</b>	<b>37,000 to 46,990</b>		<b>16.8%</b>	<b>35,000 to 44,990</b>		<b>16.0%</b>

Source: District Records for Brevard County School Board employees; Brevard County Comprehensive Annual Financial Report for the year ended September 30, 2017 for all other employers.



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

	<b>Fiscal Year Ending</b>									
	<b>2018</b>	<b>2017</b>	<b>2016</b>	<b>2015</b>	<b>2014</b>	<b>2013</b>	<b>2012</b>	<b>2011</b>	<b>2010</b>	<b>2009</b>
<b><u>SCHOOLS</u></b>										
<b>Elementary</b>										
Permanent Buildings:										
Number	460	457	456	456	456	465	469	470	462	451
Square Feet	5,259,175	5,156,517	5,146,794	5,146,620	5,151,047	5,286,388	5,354,941	5,356,160	5,328,245	5,320,314
Portables:										
Number	191	192	182	178	177	184	172	159	164	158
Square Feet	148,492	148,676	140,808	137,446	141,756	147,238	137,085	125,912	126,212	120,728
Student Stations	40,281	39,549	39,585	39,527	39,545	40,726	41,434	42,118	44,781	44,638
Enrollment	34,976	35,293	35,249	35,296	35,152	36,127	36,063	35,482	35,868	36,274
<b>Middle</b>										
Permanent Buildings:										
Number	63	65	65	65	65	77	77	77	76	75
Square Feet	1,390,945	1,494,957	1,495,056	1,494,369	1,509,588	1,610,780	1,610,830	1,610,686	1,610,150	1,611,462
Portables:										
Number	15	17	18	18	18	19	23	25	26	29
Square Feet	14,789	16,528	13,858	13,858	14,674	15,348	18,745	20,604	21,032	23,008
Student Stations	10,226	10,946	10,946	10,961	10,911	11,765	11,765	11,818	12,192	12,326
Enrollment	7,627	7,542	7,549	7,757	7,954	8,587	8,600	8,385	8,458	8,610
<b>High</b>										
Permanent Buildings:										
Number	348	347	346	346	344	344	347	330	335	312
Square Feet	4,392,914	4,384,159	4,384,237	4,382,424	4,393,467	4,393,467	4,392,988	4,385,471	4,379,955	4,024,169
Portables:										
Number	128	129	141	147	148	147	156	166	174	192
Square Feet	98,932	99,720	109,164	113,892	121,631	120,505	127,901	136,161	139,975	155,247
Student Stations	30,135	30,120	30,120	30,118	30,126	30,377	30,427	30,332	33,097	31,397
Enrollment	24,088	24,271	23,868	23,778	23,297	22,841	23,374	23,352	23,677	24,150
<b>Other</b>										
Permanent Buildings:										
Number	56	56	57	57	55	34	31	31	42	50
Square Feet	512,570	512,936	525,645	525,645	510,471	272,407	216,539	202,910	211,247	228,066
Portables:										
Number	52	51	52	58	30	25	59	25	61	67
Square Feet	36,163	35,375	36,058	40,156	21,546	17,830	40,338	17,830	41,290	45,254
Student Stations	2,730	2,730	2,730	2,759	2,745	766	190	190	190	184
Enrollment	871	1,008	1,068	1,191	1,067	1,145	1,173	1,197	1,215	1,018
<b><u>ADMINISTRATIVE</u></b>										
Permanent Buildings	14	14	14	14	14	14	14	14	14	6
Square Feet	227,287	227,033	227,024	227,024	228,558	228,558	228,393	228,437	228,437	212,133
Portables	0	0	0	0	0	0	0	0	0	0

Source: District Records

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

	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>
<b><u>ELEMENTARY SCHOOLS</u></b>										
Allen	706	665	545	504	577	595	623	605	632	669
Andersen	696	717	756	738	771	751	714	705	701	736
Apollo	711	761	746	733	710	803	766	857	815	877
Atlantis	762	687	639	640	614	568	618	582	648	675
Audubon	574	475	496	532	473	670	646	644	599	566
Cambridge	510	536	543	564	583	620	637	666	640	680
Cape View	363	361	387	370	379	372	382	426	426	380
Challenger 7	496	489	483	500	486	508	480	514	525	551
Columbia	601	550	610	705	693	615	570	577	544	514
Coquina	405	431	468	520	555	570	569	553	523	590
Creel	760	759	930	900	946	941	972	931	940	888
Croton	515	516	585	597	629	676	653	665	615	578
Discovery	998	939	719	744	689	720	709	634	625	572
Endeavour	588	581	747	798	843	816	808	836	890	817
Enterprise	831	769	680	675	607	569	539	539	543	560
Fairglen	714	732	694	667	679	714	689	691	703	686
Gardendale	474	447	430	449	492	-	-	-	-	-
Gemini	607	631	610	564	536	510	503	483	451	430
Golfview	634	630	653	661	640	648	675	647	619	588
Harbor City	430	471	437	441	440	451	400	434	401	391
Holland	416	378	413	420	394	415	427	432	466	485
Imperial Estates	646	653	680	630	641	652	664	650	718	682
Indialantic	745	779	755	725	744	756	762	753	751	746
Jupiter	824	806	719	793	843	795	844	810	793	755
Lewis Carroll	789	742	670	675	657	633	620	638	660	652
Lockmar	748	787	695	734	781	770	786	721	728	743
Longleaf	686	705	737	708	654	609	599	631	683	613
Manatee	967	1,018	874	911	940	850	836	846	864	914
McAuliffe	913	824	762	763	780	769	741	744	786	794
Meadowlane Primary	700	741	752	778	737	779	780	742	748	749
Meadowlane Intermediate	505	540	973	1,076	900	890	929	1,001	1,010	1,002
Mila	384	420	512	516	517	481	496	495	534	494
Mims	522	489	468	448	479	602	582	517	485	510
Oak Park	705	664	646	609	687	825	847	856	922	892
Ocean Breeze	547	536	555	560	545	531	510	532	519	527
Palm Bay	696	702	803	816	848	850	859	815	799	632
Pinewood	430	405	400	353	379	431	442	479	530	503
Port Malabar	743	715	655	687	752	755	772	761	741	729
Quest	855	849	857	842	861	711	774	848	900	1,000
Riverview	453	405	320	297	-	-	-	-	-	-
Riviera	587	575	644	709	758	727	715	690	647	681
Roosevelt	408	413	443	439	414	409	371	375	359	390
Sabal	587	573	602	580	601	609	585	565	550	544
Saturn	702	736	792	797	829	738	748	785	763	764
Sea Park	300	305	310	354	393	321	343	330	339	317
Sherwood	608	594	524	515	515	530	544	518	485	460
South Lake	472	406	388	399	507	-	-	-	-	-
Sunrise	770	846	748	777	756	727	846	844	841	839
Suntree	828	827	679	697	644	622	629	649	657	686
Surfside	398	437	400	391	383	389	418	449	475	455
Tropical	740	712	690	668	643	674	736	766	787	797
Turner	734	696	664	741	772	715	760	689	631	609
University Park	565	517	518	585	628	675	634	617	546	514
Westside	844	839	779	821	756	803	769	700	712	733
Williams	805	796	583	602	603	552	538	559	581	564
Total Elementary Schools	<u>34,997</u>	<u>34,577</u>	<u>34,168</u>	<u>34,718</u>	<u>34,683</u>	<u>33,712</u>	<u>33,859</u>	<u>33,796</u>	<u>33,850</u>	<u>33,523</u>

Continued on next page.

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

	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>
<b><u>MIDDLE SCHOOLS</u></b>										
Central	966	969	1,096	1,270	1,263	1,278	1,237	1,142	1,098	1,121
Clearlake	449	405	396	422	470	-	-	-	-	-
DeLaura	711	667	651	706	803	741	699	686	703	801
Hoover	449	438	519	543	568	554	564	507	509	533
Jackson	590	636	632	623	568	538	595	578	584	548
Jefferson	689	673	685	643	623	643	651	615	606	629
Johnson	946	894	860	836	794	796	787	785	791	803
Kennedy	677	712	740	718	643	614	608	608	632	682
Madison	586	579	548	484	497	514	470	438	444	460
McNair	510	471	488	558	563	494	457	472	456	386
Southwest	1,372	1,352	1,016	1,023	993	966	905	882	880	842
Stone	665	662	754	774	802	816	784	836	839	822
Total Middle Schools	<u>8,610</u>	<u>8,458</u>	<u>8,385</u>	<u>8,600</u>	<u>8,587</u>	<u>7,954</u>	<u>7,757</u>	<u>7,549</u>	<u>7,542</u>	<u>7,627</u>
<b><u>HIGH SCHOOLS</u></b>										
Astronaut	1,309	1,228	1,153	1,171	1,128	1,144	1,137	1,108	1,132	1,070
Bayside	2,760	2,195	1,930	1,665	1,606	1,628	1,643	1,687	1,712	1,718
Cocoa Beach Jr/Sr	1,470	1,402	1,383	1,389	1,246	1,164	1,127	1,498	1,064	1,004
Cocoa	1,114	1,029	970	960	966	1,458	1,531	1,102	1,572	1,599
Eau Gallie	1,736	1,694	1,654	1,599	1,675	1,682	1,714	1,713	1,672	1,657
Edgewood Jr/Sr	943	948	944	942	930	940	941	949	948	943
Heritage	-	932	1,327	1,759	1,797	1,795	1,825	1,851	1,855	1,778
Melbourne	2,190	1,981	1,997	1,967	1,945	2,013	2,131	2,227	2,304	2,217
Merritt Island	1,545	1,505	1,483	1,508	1,501	1,499	1,594	1,545	1,574	1,569
Palm Bay	2,324	2,108	1,893	1,739	1,587	1,555	1,599	1,570	1,637	1,587
Rockledge	1,238	1,204	1,242	1,269	1,377	1,372	1,374	1,447	1,460	1,537
Satellite	1,259	1,200	1,165	1,169	1,272	1,290	1,319	1,345	1,356	1,336
Space Coast Jr/Sr	1,962	1,833	1,742	1,650	1,552	1,498	1,528	1,474	1,519	1,597
Titusville	1,398	1,425	1,391	1,386	1,282	1,322	1,326	1,393	1,394	1,412
Viera	1,941	2,026	2,117	2,237	2,022	1,976	2,032	2,002	2,117	2,109
West Shore Jr/Sr	961	967	961	964	955	961	957	957	955	955
Total High Schools	<u>24,150</u>	<u>23,677</u>	<u>23,352</u>	<u>23,374</u>	<u>22,841</u>	<u>23,297</u>	<u>23,778</u>	<u>23,868</u>	<u>24,271</u>	<u>24,088</u>
<b><u>SPECIAL CENTERS</u></b>										
Brevard County Jail	-	-	-	-	6	5	5	8	9	5
Brevard Virtual Instruction	-	41	100	132	148	131	128	121	140	139
Cogswell Offsite/ Central Alternative	47	66	43	34	54	-	-	-	-	-
Crosswinds	13	11	6	8	-	-	-	-	-	-
Detention Center	44	35	24	28	13	29	37	40	50	29
Devereux Hospital	29	39	40	39	36	43	63	40	56	59
Fieldston Preparatory	59	71	73	76	62	57	106	109	107	106
Group Treatment Home	27	30	30	27	26	25	28	30	30	31
Halfway House	28	30	29	28	18	20	27	18	-	-
Horace Mann Academy	117	114	112	131	119	111	-	-	-	-
North Alternative Learning Center	41	31	31	40	32	57	69	44	47	48
Outward Bound	11	14	21	15	18	8	13	11	5	13
PRE-K ESE Services	369	493	427	368	290	228	273	257	187	191
Project Search	-	-	-	27	28	19	42	41	43	43
Riverdale Country Day	119	116	120	116	115	105	141	112	111	87
Riverview School	-	-	-	-	66	110	133	132	128	-
South Alternative Learning Center	77	91	108	70	61	60	65	44	34	54
South Area Head Start	-	-	-	-	33	33	33	32	32	34
Space Coast Marine	37	33	33	34	20	-	-	-	-	-
Melbourne Ctr for Personal Growth	-	-	-	-	-	26	28	29	29	32
Total - Special Centers	<u>1,018</u>	<u>1,215</u>	<u>1,197</u>	<u>1,173</u>	<u>1,145</u>	<u>1,067</u>	<u>1,191</u>	<u>1,068</u>	<u>1,008</u>	<u>871</u>

Continued on next page.

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

	<u>2008-09</u>	<u>2009-10</u>	<u>2010-11</u>	<u>2011-12</u>	<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>
<b><u>MILLENNIUM SCHOOLS</u></b>										
Freedom 7 Elementary School	414	413	403	414	410	404	407	413	409	408
Stevenson Elementary School	449	464	480	484	489	485	483	489	484	495
West Melbourne Elementary School	414	414	431	447	545	551	547	551	550	550
Total Millennium Schools	<u>1,277</u>	<u>1,291</u>	<u>1,314</u>	<u>1,345</u>	<u>1,444</u>	<u>1,440</u>	<u>1,437</u>	<u>1,453</u>	<u>1,443</u>	<u>1,453</u>
<b><u>CHARTER SCHOOLS</u></b>										
Campus Primary	132	125	152	138	140	142	134	135	112	97
Educational Horizons	73	68	93	99	92	97	100	109	112	117
Emma Jewel Academy	-	-	-	-	-	202	300	317	312	355
Imagine School of West Melbourne	-	628	673	402	218	174	217	246	343	409
Legacy	-	-	-	-	-	-	-	-	-	166
Odyssey	544	550	565	623	762	911	940	1,026	1,170	1,403
Odyssey Preparatory Academy	-	-	-	-	-	179	234	266	319	374
Palm Bay Academy	544	527	509	580	518	559	621	623	597	540
Palm Bay Community/Patriot	746	646	734	-	-	-	-	-	-	-
Palm Bay Municipal High School	-	16	43	-	-	-	-	-	-	-
Pineapple Cove	-	-	-	-	-	-	-	421	531	602
River's Edge Academy	407	-	-	-	-	-	-	-	-	-
Royal Palm	185	195	216	253	281	334	354	344	344	335
Sculptor	418	445	469	491	518	531	542	545	546	551
Viera Charter	-	-	-	-	-	644	838	961	963	1,047
Total Charter Schools	<u>3,049</u>	<u>3,200</u>	<u>3,454</u>	<u>2,586</u>	<u>2,529</u>	<u>3,773</u>	<u>4,280</u>	<u>4,993</u>	<u>5,349</u>	<u>5,996</u>
Other: McKay Scholarship recipients and Home Education students	<u>899</u>	<u>934</u>	<u>1,043</u>	<u>1,110</u>	<u>1,297</u>	<u>1,351</u>	<u>1,383</u>	<u>1,497</u>	<u>1,551</u>	<u>1,492</u>
Total District	<u>74,000</u>	<u>73,352</u>	<u>72,913</u>	<u>72,906</u>	<u>72,526</u>	<u>72,594</u>	<u>73,685</u>	<u>74,224</u>	<u>75,014</u>	<u>75,050</u>

Source: District records

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

<b>Fiscal Year</b>	<b>Instructional</b>	<b>Administrative</b>	<b>Support</b>	<b>Total</b>	<b>(1) Ratio Students to Instructional</b>	<b>Ratio Instructors to School Administrators</b>
2017-18	5,202	272	3,975	9,449	13.27 : 1	19.13 : 1
2016-17	5,147	272	3,905	9,324	13.54 : 1	18.91 : 1
2015-16	5,044	272	3,857	9,173	13.73 : 1	18.54 : 1
2014-15	4,990	265	3,603	8,858	13.91 : 1	18.83 : 1
2013-14	5,013	263	3,547	8,823	13.73 : 1	19.06 : 1
2012-13	5,335	267	3,653	9,255	13.12 : 1	19.98 : 1
2011-12	5,281	270	3,575	9,126	13.32 : 1	19.56 : 1
2010-11	5,360	259	3,549	9,168	12.96 : 1	20.69 : 1
2009-10	5,333	275	3,802	9,410	13.15 : 1	19.39 : 1
2008-09	5,253	290	3,899	9,442	13.51 : 1	18.11 : 1

---

Source: District Records

(1) Student membership less charter schools

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

<b><u>Fiscal</u></b> <b><u>Year</u></b>	<b><u>Minimum</u></b> <b><u>Salary</u></b>	<b><u>Maximum</u></b> <b><u>Salary</u></b>	<b><u>Median</u></b> <b><u>Salary</u></b>
2017-18	\$ 38,490	\$ 59,145	\$ 43,884
2016-17	38,490	59,145	43,884
2015-16	38,490	59,145	43,884
2014-15	37,840	58,495	43,234
2013-14	37,840	58,495	43,234
2012-13	36,000	56,350	41,314
2011-12	36,000	56,350	41,314
2010-11	36,000	56,350	41,314
2009-10	36,000	56,350	41,314
2008-09	36,000	56,350	41,314

---

Source: District records

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

	<u>June 30, 2009</u>	<u>June 30, 2010</u>	<u>June 30, 2011</u>	<u>June 30, 2012</u>	<u>June 30, 2013</u>	<u>June 30, 2014</u>	<u>June 30, 2015</u>	<u>June 30, 2016</u>	<u>June 30, 2017</u>	<u>June 30, 2018</u>
Days meals were served - total	178	180	180	180	179	180	180	180	177	174
Average number of free and reduced meals served daily	30,843	32,384	33,973	36,168	36,389	35,804	37,499	39,048	39,318	42,727
Number of free and reduced meals served	5,490,005	5,829,068	6,115,086	6,510,228	6,469,966	6,444,663	6,749,804	7,028,556	6,959,350	7,434,508
Average daily subsidy received	\$ 80,219	\$ 87,701	\$ 95,623	\$ 104,743	\$ 108,206	\$ 110,785	\$ 120,821	\$ 129,142	\$ 133,004	\$ 145,184
Total subsidy received	\$ 14,278,997	\$ 15,786,166	\$ 17,212,164	\$ 18,853,824	\$ 19,368,922	\$ 19,941,338	\$ 21,747,719	\$ 23,245,543	\$ 23,541,672	\$ 25,261,950
Average number of meals served daily	52,517	52,212	52,912	54,210	52,551	50,679	51,954	54,200	55,047	56,148
Number of full paid meals served	3,858,005	3,569,110	3,409,160	3,247,490	2,893,069	2,677,498	2,601,918	2,727,495	2,783,971	2,335,181
Average daily revenue	\$ 159,232	\$ 160,687	\$ 164,126	\$ 169,735	\$ 169,477	\$ 168,698	\$ 173,777	\$ 180,905	\$ 184,250	\$ 192,066
Total revenue	\$ 28,343,225	\$ 28,923,745	\$ 29,542,729	\$ 30,552,233	\$ 30,336,345	\$ 30,365,679	\$ 31,279,838	\$ 32,562,947	\$ 32,612,318	\$ 33,419,424
Average daily cost	\$ 156,841	\$ 154,664	\$ 152,081	\$ 159,062	\$ 162,319	\$ 169,111	\$ 174,166	\$ 174,977	\$ 180,885	\$ 200,646
Total cost	\$ 27,917,777	\$ 27,839,470	\$ 27,374,592	\$ 28,631,205	\$ 29,055,050	\$ 30,440,026	\$ 31,349,804	\$ 31,495,857	\$ 32,016,618	\$ 34,912,459

Source: District records





**BREVARD COUNTY  
DISTRICT SCHOOL BOARD  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Fiscal Year Ended June 30, 2018**

Federal Grantor/Pass-Through Grantor/Program Title	Catalog of Federal Domestic Assistance Number	Pass - Through Grantor Number	Amount of Federal Expenditures (1)	Amount Provided to Subrecipients
<b>United States Department of Agriculture:</b>				
Indirect:				
Child Nutrition Cluster:				
Florida Department of Agriculture and Consumer Services:				
School Breakfast Program	10.553	321	\$ 5,665,440	\$ -
National School Lunch Program	10.555 (2)	300, 350	18,647,683	-
Summer Food Service Program for Children	10.559	323	203,766	-
Fresh Fruit and Vegetable Program	10.582	330	125,342	-
<b>Total Child Nutrition Cluster</b>			<u>24,642,231</u>	<u>-</u>
Florida Department of Health				
Child and Adult Care Food Program	10.558	S-4278	95,256	-
Child and Adult Care Food Program	10.558	302	177,529	-
<b>Total United States Department of Agriculture</b>			<u>24,915,016</u>	<u>-</u>
<b>United States Department of Justice</b>				
Direct:				
Office of Community Oriented Policing Services:				
Public Safety Partnership and Community Policing Grants	16.560	N/A	485,706	-
<b>United States Department of Education:</b>				
Direct:				
Impact Aid	84.041	N/A	478,352	-
Magnet Schools Assistance	84.165	N/A	910,223	-
<b>Total Direct</b>			<u>1,388,575</u>	<u>-</u>
Indirect:				
Special Education Cluster:				
Florida Department of Education:				
Special Education - Grants to States	84.027	262, 263	18,556,784	140,001
Special Education - Preschool Grants	84.173	266, 267	504,878	-
<b>Total Special Education Cluster</b>			<u>19,061,662</u>	<u>140,001</u>
Florida Department of Education:				
Adult Education - Basic Grants to States	84.002	191 192, 193, 194, 195, 590	582,765	-
Title I Grants to Local Educational Agencies	84.010	212,220,221,226,228	19,056,197	1,983,812
Career and Technical Education - Basic Grants to States	84.048	151	711,481	-
Education for Homeless Children and Youth	84.196	127	70,642	-
Charter Schools	84.282	298	-	-
Twenty-First Century Community Learning Centers	84.287	244	1,481,939	-
English Language Acquisition Grants	84.365	102	353,887	-
Improving Teacher Quality State Grants	84.367	224	1,608,262	60,052
Student Support and Academic Enrichment	84.403	241	251,775	-
<b>Total Indirect</b>			<u>43,178,610</u>	<u>2,183,865</u>
<b>Total United States Department of Education</b>			<u>44,567,185</u>	<u>2,183,865</u>

(Continued)

**BREVARD COUNTY  
DISTRICT SCHOOL BOARD  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
For the Fiscal Year Ended June 30, 2018**

Federal Grantor/Pass-Through Grantor/Program Title	Catalog of Federal Domestic Assistance Number	Pass - Through Grantor Number	Amount of Federal Expenditures (1)	Amount Provided to Subrecipients
<b>United States Department of Health and Human Services:</b>				
Direct:				
Head Start	93.600 (3)	N/A	\$ 4,770,465	\$ -
<b>United States Department of Homeland Security</b>				
Indirect:				
Disaster Relief Funding - Hurricane Irma (4337)	97.036	34257	4,947	-
<b>United States Department of Defense:</b>				
Direct:				
Army Junior Reserve Officers Training Corps	None	N/A	499,940	-
Air Force Junior Reserve Officers Training Corps	None	N/A	230,937	-
Navy Junior Reserve Officers Training Corps	None	N/A	148,884	-
Marines Junior Reserve Officers Training Corps	None	N/A	54,910	-
<b>Total United States Department of Defense:</b>			934,671	-
<b>Total Expenditures of Federal Awards</b>			<u>\$ 75,677,990</u>	<u>\$ 2,183,865</u>

- Notes:
- (1) Basis of Presentation. The Schedule of Expenditures of Federal Awards represents amounts expended from Federal programs during the fiscal year as determined based on the modified accrual basis of accounting. The amounts reported on the Schedule have been reconciled to and are in material agreement with amounts recorded in the District's accounting records from which the basic financial statements have been reported.
  - (2) Noncash Assistance - National School Lunch Program. This includes \$1,966,427 of donated food received during the year. Donated foods are valued at fair value as determined at the time of donation. This also includes the After School Snack Program in the amount of \$267,131.
  - (3) Head Start - Expenditures are for grant number 04CH010481/01.
  - (4) De Minimis Cost Rate. The District did not elect to use the 10% de minimus cost rate as covered by 2 CFR Section 200.414.



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

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

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District School Board of Brevard County, Florida (the "District") as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements and have issued our report thereon dated October 30, 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. However, material weaknesses may exist that have not been identified.

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

### **Compliance and Other Matters**

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

Pursuant to provisions of Chapter 10.800, *Rules of the Auditor General*, we reported certain matters to management of the District in a separate management letter and Independent Accountant's Report dated October 30, 2018.

### **Purpose of this Report**

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

A handwritten signature in blue ink that reads "Moore Stephens Lovelace, P.A.".

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

Orlando, Florida  
October 30, 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**

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

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

We have audited the compliance of the District School Board of Brevard County, Florida (the “District”) with the types of compliance requirements described in the U.S. Office of Management and Budget (“OMB”) *Compliance Supplement*, that could have a direct and material effect on each of the District’s major federal programs for the year ended June 30, 2018. 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, 2018.

### **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 basic financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the District as of and for the year ended June 30, 2018, and the related notes to the financial statements, which collectively comprise the District's basic financial statements. We issued our report thereon dated October 30, 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. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis, as required by Uniform Guidance, and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from, and relates directly to, the underlying accounting and other records used to prepare the financial statements.

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

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

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

*Moore Stephens Lovelace, P.A.*

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

Orlando, Florida  
October 30, 2018

**DISTRICT SCHOOL BOARD OF BREVARD COUNTY, FLORIDA**

**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**

**For the Year Ended June 30, 2018**

**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             No
- Significant deficiency(ies) identified?             Yes             None reported

Noncompliance material to financial statements noted?             Yes             No

**Federal Awards**

Internal control over major programs:

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

Type of report issued on compliance for major federal program:

**Unmodified Opinion**

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

**Identification of Major Programs:**

**CFDA Numbers**

**Name of Federal Program or Cluster**

10.553, 10.555, 10.559, 10.582  
93.600

Child Nutrition Cluster  
Head Start

Dollar threshold used to distinguish between Type A and Type B programs:

\$2,270,340

Auditee qualified as low-risk auditee?                     Yes             No



**DISTRICT SCHOOL BOARD OF BREVARD COUNTY, FLORIDA**

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

**For the Year Ended June 30, 2018**

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

No matters are reported.

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

No matters are reported.

**DISTRICT SCHOOL BOARD OF BREVARD COUNTY, FLORIDA**

**SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS**

**For the Year Ended June 30, 2018**

**FEDERAL AUDIT FINDINGS**

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



## INDEPENDENT AUDITOR'S MANAGEMENT LETTER

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

### Report on the Financial Statements

We have audited the financial statements of the District School Board of Brevard County, Florida (the "District") as of and for the year ended June 30, 2018, and have issued our report thereon dated October 30, 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 the 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 October 30, 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. There were no recommendations made in the preceding annual financial report.

### Financial Condition and Management

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

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

### **Financial Condition and Management (Cont.)**

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

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

### **Transparency**

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

### **Additional Matters**

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

### **Purpose of this Letter**

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



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

Certified Public Accountants

Orlando, Florida  
October 30, 2018



## INDEPENDENT ACCOUNTANT'S REPORT

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

We have examined the District School Board of Brevard County, Florida's (the "District") compliance with the requirements of Section 218.415, Florida Statutes, during the fiscal year ended June 30, 2018. Management is responsible for the District's compliance with those requirements. Our responsibility is to express an opinion on the District's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. Those standards require that we plan and perform the examination to obtain reasonable assurance about whether the District complied with those requirements. An examination involves performing procedures to obtain evidence about the District's compliance with those requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of noncompliance, whether due to fraud or error. We believe that the evidence we obtained is sufficient and appropriate to provide a reasonable basis for our opinion. Our examination does not provide a legal determination on the District's compliance with specified requirements.

In our opinion, the District complied, in all material respects, with the aforementioned requirements for the fiscal year ended June 30, 2018.

*Moore Stephens Lovelace, P.A.*

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

Orlando, Florida  
October 30, 2018



**AFFIDAVIT**

BEFORE ME, the undersigned authority, personally appeared Pennie L. Zuercher, who being duly sworn, deposes and says on oath that:

1. I am the Chief Financial Officer of School Board of Brevard County which is a district school board of the State of Florida;
2. Brevard County adopted Ordinance Numbers 2004-34, 2005-16, 2005-29, 2010-09 and 2016-19 implementing new and updating existing impact fees; and
3. The School Board of Brevard County has complied and, as of the date of this Affidavit, remains in compliance with Section 163.31801, Florida Statutes.

Further Affiant sayeth naught.

Pennie L. Zuercher, Chief Financial Officer  
Financial Services  
School Board of Brevard County

STATE OF FLORIDA  
COUNTY OF BREVARD

SWORN to and subscribed before me this 17<sup>th</sup> day of December, 2018 by Pennie L. Zuercher, who is personally known to me.



Kara L. Brooks  
NOTARY PUBLIC  
STATE OF FLORIDA  
Comm# GG088456  
Expires 6/8/2021

Notary Public, State of Florida  
My Commission expires: 6/8/21  
Commission No.: GG088456

Pennie L. Zuercher, Chief Financial Officer  
Division of Financial Services  
Phone: (321) 633-1000, ext. 600 • FAX: (321) 633-3562







## NON-DISCRIMINATION NOTICE

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

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

Student Equity Coordinator

Ms. Stephanie Archer  
Asst. Supt. Equity, Innovation, and  
Choice  
2700 Judge Fran Jamieson Way  
Melbourne, FL 32940  
(321) 633-1000, Ext. 500  
CSC@Brevardschools.org

Exceptional Education/504

Coordinator  
Dr. Patricia Fontan  
Director, Exceptional Student  
Education  
2700 Judge Fran Jamieson Way  
Melbourne, FL 32940  
(321) 633-1000, Ext. 500  
CSC@Brevardschools.org

Title IX

Mr. Bill Macheras  
Asst. Dir., Athletics and Activities  
2700 Judge Fran Jamieson Way  
Melbourne, FL 32940  
(321)633-1000, Ext. 500  
CSC@Brevardschools.org

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

Employee/Job Applicant Equity Coordinator

Mr. Rivers Lewis  
Director, Human Resources and Labor Relations  
2700 Judge Fran Jamieson Way  
Melbourne, FL 32940  
(321) 633-1000, Ext. 500  
CSC@Brevardschools.org

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



