



# THE DISTRICT SCHOOL BOARD OF LAKE COUNTY

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

TAVARES, FLORIDA

JUNE 30, 2018  
FISCAL YEAR ENDED





LAKE COUNTY SCHOOLS, TAVARES FLORIDA

# ***Comprehensive Annual Financial Report***

***of the***

***District School Board of Lake County, Florida  
Tavares, Florida***

***for***

***Fiscal Year Ended June 30, 2018***



**Issued By: The Finance Department**



LAKE COUNTY SCHOOLS, TAVARES FLORIDA

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA**  
**Comprehensive Annual Financial Report**  
**For the Fiscal Year Ended June 30, 2018**

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LAKE COUNTY SCHOOLS, TAVARES FLORIDA



# INTRODUCTORY SECTION



LAKE COUNTY SCHOOLS, TAVARES FLORIDA



LAKE COUNTY SCHOOLS, TAVARES FLORIDA



**Superintendent:**  
**Diane S. Kornegay, M.Ed.**

**School Board Members:**  
**District 1**  
**Bill Mathias**  
**District 2**  
**Kristi Burns, Ph.D.**  
**District 3**  
**Marc Dodd**  
**District 4**  
**Sandy Gamble**  
**District 5**  
**Stephanie Luke**

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(352) 253-6500 · Fax: (352) 253-6503 · [www.lake.k12.fl.us](http://www.lake.k12.fl.us)

December 20, 2018

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

The Comprehensive Annual Financial Report of the District School Board of Lake County, Florida (the "District") for the fiscal year ended June 30, 2018, is submitted herewith. We believe the information, as presented, is accurate in all material aspects; that it is presented in a manner designed to set forth fairly, in all material respects, the financial position and the changes in financial position of the District as measured and reported by the financial activity of its various funds; and that all disclosures necessary to enable the reader to gain an adequate understanding of the District's financial affairs have been included. The responsibility for the preparation of the accompanying financial statements and other information contained in this report, based on the above standards, rests with the District's management.

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

The District's financial statements have been independently audited by the independent certified accounting firm, Purvis Gray and Company, CPA's. The goal of the independent audit was to provide reasonable assurance that the financial statements of the District for the fiscal year ended June 30, 2018, are free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the District's financial statements for the fiscal year ended June 30, 2018, are fairly presented in conformity with GAAP. The independent

auditor's report on financial statements is presented as the first component of the financial section of this report.

The independent audit of the financial statements of the District was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The District is required to undergo an annual Single Audit in conformity with the provisions of the Uniform Guidance. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of Federal awards. Information related to this Single Audit, including the schedule of expenditures of Federal Awards, the independent auditor's reports on internal control over financial reporting and on compliance and other matters, the independent auditor's report on federal program compliance, and the schedule of findings and questioned costs, is included in section IV as additional elements of this report.

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

### **Profile of the School District**

The District and its governing body were created pursuant to Section 4, Article IX of the Constitution of the State of Florida. The District is an independent taxing and reporting entity managed, controlled, operated, administered and supervised by the District school officials in accordance with Chapter 1001.30, Florida Statutes. The District School Board consists of five elected officials responsible for the adoption of policies, which govern the operation of public schools in Lake County. The Superintendent of Schools is responsible for the administration and management of the schools within the applicable parameters of Florida Statutes, State Board of Education Rules and District policies. The Superintendent is also specifically delegated the responsibility of maintaining a uniform system of records and accounts in the District, as prescribed by the State Board of Education. The geographic boundaries of the District are those of Lake County.

This report contains the audited financial statements for all operations over which the School Board is financially accountable. Various potential component units were evaluated to determine whether they should be considered as a part of the District's reporting entity. Accordingly, included are all funds of the District, the Financing Corporation for the School Board of Lake County, Florida, Inc., the Educational Foundation of Lake County, Inc., (the "Foundation") and nine charter schools, which comprise the reporting entity. The Financing Corporation for the School Board of Lake County, Florida, Inc., was formed by the School Board to be the lessor in connection with financing the acquisition and/or construction of certain educational facilities. The Foundation is a separate not-for-profit corporation organized and operated as a direct-support organization. The Foundation's purpose is exclusively educational and charitable for the constituents of Lake County. The charter

schools are public schools operating under performance contracts with the District. The Foundation and charter schools are included in the Comprehensive Annual Financial Report as discretely presented component units.

The District provides a full range of educational programs in Lake County. These include early childhood, kindergarten through 12<sup>th</sup> grade, basic and enriched programs, exceptional education, vocational and adult education. During the 2017-18 fiscal year, the District operated 40 schools, including 21 elementary schools, 10 middle schools, 8 high schools and 1 specialized school. In addition, there are 9 charter schools that are component units of the District. In total, the District reported serving approximately 42,643 unweighted full-time equivalent students. State projected enrollment for the 2018-19 fiscal year is 42,918. In the 2013-14 fiscal year, the State of Florida changed the reporting of FTE by limiting the base funding for any unweighted student enrolled to one FTE regardless of any enrollment in excess of one FTE. This change in reporting is reported as "Recalibrated FTE" and is the result of the Legislative appropriation process.

The annual budget serves as the foundation for the District's financial planning and control. The District establishes and maintains budgetary controls. The objective is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the District. Activities of all governmental fund types are included in the annual appropriated budget. The level of budgetary control (that is, the level at which expenditures cannot exceed the appropriated amount) is established at the fund-function-object level for all funds.

Budgetary information is integrated into the accounting system; and, to facilitate budgetary control, budget balances are encumbered when purchase orders are issued. Appropriations lapse at year-end and encumbrances outstanding are honored in the subsequent year's appropriations.

In order to provide budgetary control for salaries the District utilizes a centralized position control system. On an annual basis, the District adopts a District staffing plan that establishes teaching positions based generally on student populations served. Additionally, support and administrative positions are created based on established criteria. See further discussion of future changes to the budgeting process under "Long-term Financial Planning".

## **Economic Condition and Outlook**

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

While the District is heavily reliant upon state funding for the core of the educational programs within the District, and while the economic conditions of the nation and state interact with state funding adequacy and availability, the economic outlook for the District is consistent with the national situation. The State of Florida is heavily dependent upon sales tax collections and tourism. In addition, the community within the District is wholly supportive of the educational program, as evidenced by the contribution of money, time and effort. Any funding fluctuations will mean that new programs, innovative initiatives and educational enhancements may not be available within the desired time frames, but the positive

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

The District recognizes that the continued enhancement of the local economy is of mutual benefit to both the District and the County and that an excellent system of public education is a significant factor in attracting new business and industry to the County. The District remains Lake County's largest employer, employing 5,600 full and part-time employees, including 2,981 Instructional personnel during the 2017-18 fiscal year.

## **Financial Information**

### Long-term Financial Planning

Long-term financial planning needs are addressed in a Five-Year District Facilities Work Plan encompassing all construction, maintenance, and facility renovation. The Facilities Work Plan is updated every year. Funding is provided primarily from the local capital outlay millage levy.

### Financial Information

A detailed explanation of the financial position and operating results of the District is provided in the Comprehensive Annual Financial Report. Presented below is a brief description of financial information, management of financial resources and obligations, and control techniques applicable to financial resources, obligations, and information.

The accounting policies of the District conform to GAAP applicable to governmental units. The statements and schedules included in the financial section of this report demonstrate the District's continued commitment to sound financial management.

### Budgetary Controls

The District maintains budgetary controls to ensure compliance with legal provisions embodied in the annual appropriations budget approved by the Board. Activities of the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Projects Funds are included in the annual appropriations budget. Although a Five-Year District Facilities Work Plan is adopted for the capital projects funds, the funding for the projects is contingent upon the annual budget adoption. The budgetary process is discussed under the Budgetary Compliance and Accountability section of the Notes to Required Supplementary Information.

### Retirement Program

The District participates in the Florida Retirement System, which is administered by the State. Note 3 D to the financial statements describes the District's retirement program in greater detail.

## Audit

State statutes require an audit by the State of Florida Auditor General every three years. Annual audits by other independent certified public accountants are performed in the intervening years. The auditor's report is included at the beginning of the financial section in this Comprehensive Annual Financial Report.

## **Awards and Acknowledgements**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to District School Board of Lake County for its Comprehensive Annual Financial Report for the fiscal year ended June 30, 2017. This was the fifteenth consecutive year that the District received this prestigious award. In order to be awarded a Certificate of Achievement, the 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.

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

The preparation of this Comprehensive Annual Financial Report was made possible by the dedicated service of the entire staff of the District's Finance Department, whose hard work and excellence is apparent. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report. In closing, we would like to thank the School Board for their leadership and support in planning and conducting the financial operations of the District in an accountable and progressive manner. We also thank the citizens of Lake County, whose cooperation, support, and assistance have contributed greatly to the operation of this innovative school system.

Respectfully submitted,



Diane S. Kornegay  
Superintendent



Scott Ward  
Chief Financial Officer



LAKE COUNTY SCHOOLS, TAVARES FLORIDA



**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA  
ELECTED AND APPOINTED OFFICIALS  
As of November 15, 2018**

**Elected Officials – School Board Members**

Mr. Bill Mathias.....District 1  
Term 2018-2022

Dr. Kristi Burns.....District 2  
Term 2016-2020

Mr. Marc Dodd, .....District 3  
Term 2018-2022

Mr. Sandy Gamble, Vice-Chairman.....District 4  
Term 2016-2020

Ms. Stephanie Luke, Chairman.....District 5  
Term 2018-2022

**Appointed Officials**

Ms. Diane S. Kornegay.....Superintendent of Schools

Mr. Scott Ward.....Chief Financial Officer

Mr. John Carr.....Chief of Operations

Mr. Harold C. Farnsworth.....Chief of Staff

Dr. Emily Weiskopf.....Chief of Transformation

Dr. Creed Wheeler.....Chief of Information Technology

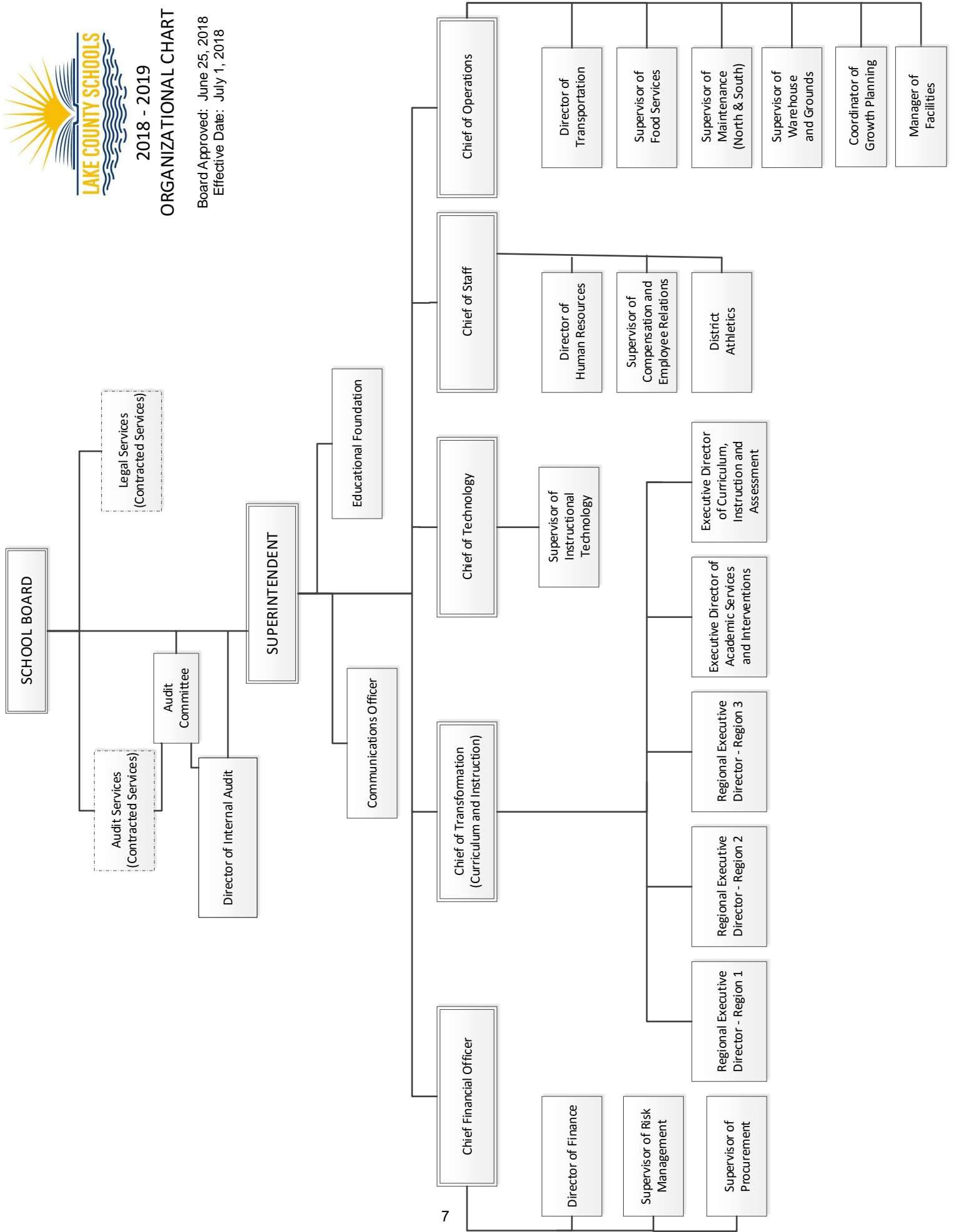


LAKE COUNTY SCHOOLS, TAVARES FLORIDA



2018 - 2019  
**ORGANIZATIONAL CHART**

Board Approved: June 25, 2018  
 Effective Date: July 1, 2018





LAKE COUNTY SCHOOLS, TAVARES FLORIDA



Government Finance Officers Association

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

Presented to

**District School Board of Lake County  
Florida**

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended

**June 30, 2017**

*Christopher P. Morill*

Executive Director/CEO



LAKE COUNTY SCHOOLS, TAVARES FLORIDA

# FINANCIAL SECTION



LAKE COUNTY SCHOOLS, TAVARES FLORIDA



LAKE COUNTY SCHOOLS, TAVARES FLORIDA



# INDEPENDENT AUDITOR'S REPORT



LAKE COUNTY SCHOOLS, TAVARES FLORIDA



LAKE COUNTY SCHOOLS, TAVARES FLORIDA

## INDEPENDENT AUDITORS' REPORT

District School Board of Lake County, Florida and  
Superintendent  
Tavares, Florida

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, fiduciary fund and the aggregate remaining fund information of the District School Board of Lake 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.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We did not audit the financial statements of the aggregate discretely presented component units (identified in Note 1) of the accompanying financial statements. The aggregate discretely presented component units' 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 District's aggregate discretely presented component units, is based solely on the report 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 from 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 entity'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 entity'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 and the report of the other auditors are sufficient and appropriate to provide a basis for our audit opinions.

### **Certified Public Accountants**

P.O. Box 141270 • 222 N.E. 1st Street • Gainesville, Florida 32614-1270 • (352) 378-2461 • FAX (352) 378-2505  
Laurel Ridge Professional Center • 2347 S.E. 17th Street • Ocala, Florida 34471 • (352) 732-3872 • FAX (352) 732-0542  
443 East College Avenue • Tallahassee, Florida 32301 • (850) 224-7144 • FAX (850) 224-1762  
5001 Lakewood Ranch Blvd. N., Suite 101 • Sarasota, Florida 34240 • (941) 907-0350 • FAX (941) 907-0309  
MEMBERS OF AMERICAN AND FLORIDA INSTITUTES OF CERTIFIED PUBLIC ACCOUNTANTS  
MEMBER OF AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS PRIVATE COMPANIES AND S.E.C. PRACTICE SECTIONS

District School Board of Lake County, Florida and  
Superintendent  
Tavares, Florida

**INDEPENDENT AUDITORS' REPORT**  
*(Continued)*

**Opinions**

In our opinion, based on our audit and the report of the other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, the agency 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 for the fiscal year then ended in accordance with accounting principles generally accepted in the United States of America.

**Adoption of New Accounting Standards**

As described in the notes to the financial statements in 2018, the District adopted new accounting guidance, Governmental Accounting Standard Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits other than Pension (OPEB)*. Our opinion is not modified with respect to these matters.

**Other Matters**

*Required Supplementary Information*

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, schedule of funding progress for other postemployment benefits and major fund budgetary comparison 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 and other auditors 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. The introductory section, major fund budgetary comparison schedules, combining and individual nonmajor fund financial statements, other budgetary comparison 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 basic financial statements. The schedule of expenditures of federal awards is presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and other budgetary comparison schedules and the schedule of expenditures of federal awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the

District School Board of Lake County, Florida and  
Superintendent  
Tavares, Florida

**INDEPENDENT AUDITORS' REPORT**  
*(Concluded)*

**Other Matters (Concluded)**

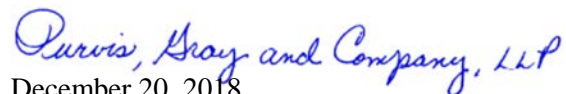
*Other Information (Concluded)*

basic financial statements. Such 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 basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America by us and other auditors. In our opinion, based on our audit, the procedures performed as described above, and the report of the other auditors, the combining and individual nonmajor fund financial statements and other budgetary comparison schedules and schedule of expenditures of federal awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

The introductory and statistical sections 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 December 20, 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 solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the District's internal control over financial reporting and compliance.

  
December 20, 2018  
Ocala, Florida



LAKE COUNTY SCHOOLS, TAVARES FLORIDA

# MANAGEMENT DISCUSSION AND ANALYSIS



LAKE COUNTY SCHOOLS, TAVARES FLORIDA



LAKE COUNTY SCHOOLS, TAVARES FLORIDA



## **LAKE COUNTY DISTRICT SCHOOL BOARD MANAGEMENT'S DISCUSSION AND ANALYSIS**

As management of the District School Board of Lake County, Florida, (the District), we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the District for the fiscal year ended June 30, 2018. We encourage readers to consider the information presented here in conjunction with our financial statements.

### **Financial Highlights**

Key financial highlights for the fiscal year 2017-18 are as follows:

- The assets and deferred outflows of the District exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by \$367,948,522.
- The District's total Net Position increased by \$18,025,203.
- As of the close of the current fiscal year, the District's governmental funds reported combined fund balances of \$92,735,008, an increase of \$15,124,703 in comparison with the prior fiscal year.
- The District's government-wide revenues totaled \$426,404,755, of which general revenues totaled \$401,263,126, or 94 percent of all revenues. In the prior fiscal year, general revenues totaled \$382,274,364, or 92.7 percent.
- At the end of the current fiscal year, assigned and unassigned fund balance for the General Fund was \$9,597,462 or 3.07 percent of total General Fund Revenues. The unassigned fund balance is available for spending at the District's discretion.
- The District's total long-term liabilities decreased by \$6,587,025 or approximately 1.5 percent during the current fiscal year. The key factor in this decrease was the net decrease of \$27,085,068 from the repayment and restructuring of outstanding debt offset by the increase in the net pension liability and other non-capital long-term debt of \$20,498,044. A complete discussion of all long term liabilities are included in the notes to the financial statements, note 3 I.

### **Overview of the Financial Statements**

The annual financial report consists of three parts: management's discussion and analysis, the basic financial statements, and required supplementary information. The basic financial statements include two kinds of statements that present different views of the District.

- The first two statements are government-wide financial statements that provide both short-term and long-term information about the District's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the District, reporting the District's operations in more detail than the government-wide statements.

- The governmental funds statements tell how basic services, such as regular and special education, were financed in the short-term, as well as what remains for future spending.
- The proprietary funds statements offer short-term and long-term financial information about the activities the District operates as internal service funds, such as self-insurance.
- The fiduciary funds statements provide information about the financial relationships in which the District acts solely as a trustee or agent for the benefit of others.

### Major Features of the Government-wide and Fund Financial Statements

	Government-wide Statements	Fund Financial Statements		
		Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	Entire District (except fiduciary funds).	The activities of the District that are not proprietary or fiduciary, such as delivery of instruction and building maintenance.	Activities the District operated similar to private businesses	Instances in which the District administers resources on behalf of someone else, such as student activity funds.
Required Financial Statements	Statement of Net Position Statement of Activities	Balance Sheet  Statement of Revenues, Expenditures and Changes in Fund Balance.	Statement of Net Position  Statement of Revenues, Expenses and Changes in Fund Net Position  Statement of Cash Flows	Statement of Fiduciary Assets and Liabilities
Accounting Basis and Measurement Focus	Accrual accounting and economic resources focus.	Modified accrual accounting and current financial focus.	Accrual accounting and economic resources focus.	Accrual accounting and economic resources focus.
Type of Asset/Liability Information	All assets and liabilities, both financial and capital, short-term and long-term.	Generally, assets expected to be used and liabilities that come due during the year or soon thereafter; no capital assets or long-term liabilities are included.	All assets and liabilities, both financial and capital, short-term and long-term.	All assets and liabilities, both financial and capital, short-term and long-term; funds that do not currently contain capital assets, although they can.
Type of Inflow / Outflow Information	All revenues and expenses during the year, regardless of when cash is received or paid.	Revenues for which cash is received during or soon after the end of the year; expenditures when goods or services have been received and the related liability is due and payable.	All revenues and expenses during the year, regardless of when cash is received or paid.	All additions and deductions during the year, regardless of when cash is received or paid.

The financial statements also include notes that explain information in the statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the financial statements with a comparison of the District's budget for the fiscal year.

## **Government-Wide Financial Statements Reporting the District as a Whole**

The government-wide financial statements provide both long-term and short-term information about the District's overall financial status. The subsequent statements are fund financial statements that focus on individual parts of the District and provide greater detail of the District's operations than the government-wide statements. Additionally, the basic financial statements include notes, which explain some of the information in the statements and provide more detailed data.

The government-wide financial statements are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The statement of Net Position presents information on all of the District's non-fiduciary assets and liabilities, with the difference between the two reported as Net position. Over time, increases or decreases in Net Position may serve as useful indicators of whether the financial position of the District is improving or deteriorating.

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

Both of the government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the District include such functions as instruction, pupil personnel services, administration, pupil transportation, maintenance, and other items. The business-type activities of the District include the Extended Learning Center Program.

The government-wide financial statements include not only the District itself (known as the primary government), but also 9 charter schools and the Educational Foundation of Lake County, Inc., for which the District is financially accountable. Financial information for these component units is reported separately from the financial information presented for the primary government itself. The financial data reported for the Charter Schools and the Foundation was derived from individual audited financial statements on file in the District's administrative offices. The Financing Corporation for the School Board of Lake County, Florida, Inc. (Financing Corporation), although also legally separate, was formed to facilitate financing for the acquisition of facilities and equipment. Due to substantive economic relationship between the District and Financing Corporation, the Financing Corporation has been included as an integral part of the primary government.

The government-wide financial statements can be found on pages 23 through 25 of this report.

## Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the District can be put into three categories: governmental funds, proprietary funds, and fiduciary funds.

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

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The District maintains 11 individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund, Special Revenue – Food Service, Special Revenue – Other Federal Programs, and one Capital Projects fund which are considered to be major funds. Data from the other 7 governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these non-major governmental funds is provided in the form of combining statements found on pages 91 through 94 of this report. The basic governmental fund financial statements can be found on pages 26 through 31 of this report.

**Proprietary Funds.** The District maintains two different types of proprietary funds. The enterprise fund is used to report the same functions as business-type activities in the government-wide financial statements. The District uses the enterprise fund to account for its Extended Learning Center (before-and after-school child care) Program. Internal service funds are an accounting device used to accumulate and allocate cost internally among the District's various functions. The District uses three internal service funds to account for its self-funded health insurance program, employee flexible spending program, and worker's compensation program. Because these services predominantly benefit the governmental rather than the business-type functions, they have been included within the governmental activities in the government-wide financial statements. Individual fund data for each of these internal service funds is provided in the form of combining statements found on pages 103 through 105 of this report.

Proprietary funds provide the same type of information as the government-wide financial statement, only in more detail. The proprietary fund financial statements provide separate information for the Extended Learning Center Program. The Extended Learning Centers provide before- and after-school care to elementary and middle school students enrolled in Lake County Schools. Expenses incurred for the operation of these programs are paid totally

by fees collected for services. The basic proprietary fund financial statements can be found on pages 32 through 34 of this report.

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

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

The notes provide additional information that is essential to fully understand the data provided in the government-wide and fund financial statements. The notes to the basic financial statements can be found following the basic financial statements on pages 37 through 79 of this report.

### **Required Supplementary Information**

The District adopts an annual budget for its General Fund. A budgetary comparison schedule and required note disclosure have been provided for the General Fund, Special Revenue – Food Service and the Special Revenue – Other Federal Programs Fund on pages 87 through 84 to demonstrate compliance with this budget.

In addition, this report also presents required supplementary information concerning the District's net pension liability and its progress in funding its obligation to provide other postemployment benefits to its employees on pages 85 through 87.

### **Notes to the Required Supplementary Information**

The notes provide additional information that is essential to fully understand the data provided in the required supplementary information. The notes to required supplementary information can be found following the basic financial statements on pages 88 and 89 of this report.

### **Government-Wide Financial Analysis**

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. In the case of the District, assets and deferred outflows exceed liabilities and deferred inflows by \$367,948,522 at June 30, 2018.

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

The following is a summary of the District's Net Position as of June 30, 2018 compared to the Net Position as of June 30, 2017.

	Governmental Activities		Business-Type Activities		Total	
	June 30, 2018	June 30, 2017	June 30, 2018	June 30, 2017	June 30, 2018	June 30, 2017
Current and Other Assets	\$ 126,167,071	\$ 114,475,891	\$ 886,350	\$ 1,192,752	\$ 127,053,421	\$ 115,668,643
Capital Assets	623,420,658	637,992,749	-	-	623,420,658	637,992,749
<b>Total Assets</b>	<b>749,587,729</b>	<b>752,468,640</b>	<b>886,350</b>	<b>1,192,752</b>	<b>750,474,079</b>	<b>753,661,392</b>
Deferred Outflows of Resources	87,946,714	76,030,493	-	-	87,946,714	76,030,493
Current Liabilities	32,269,181	36,370,343	51,548	33,664	32,320,729	36,404,007
Noncurrent Liabilities	425,729,239	432,316,265	-	-	425,729,239	432,316,265
<b>Total Liabilities</b>	<b>457,998,420</b>	<b>468,686,608</b>	<b>51,548</b>	<b>33,664</b>	<b>458,049,968</b>	<b>468,720,272</b>
Deferred Inflows of Resources	12,422,303	3,761,209	-	-	12,422,303	3,761,209
Net Position:						
Net Investment in Capital Assets	429,590,165	417,620,048	-	-	429,590,165	417,620,048
Restricted	81,657,407	66,866,980	-	-	81,657,407	66,866,980
Unrestricted (Deficit)	(144,133,851)	(128,435,712)	834,802	1,159,086	(143,299,050)	(127,276,626)
<b>Total Net Position</b>	<b>\$ 367,113,721</b>	<b>\$ 356,051,316</b>	<b>\$ 834,802</b>	<b>\$ 1,159,086</b>	<b>\$ 367,948,522</b>	<b>\$ 357,210,402</b>

A portion of the District's net position, \$81,657,470, represents resources that are subject to external restrictions on how they may be used. An increase of \$13,683,490 in restricted net position reported in connection with the District's governmental activities was the result of an increase in capital projects fund balance during the fiscal year.

The remaining deficit net position, \$143,299,049, reflects the shortfall that the District would have faced in the event that it would have had to liquidate all of its non-capital liabilities at June 30, 2018. The most significant liabilities (claims) against the unrestricted assets include the pension liability of \$191,551,206, compensated absence liability of \$16,540,795, and the other post-employment benefits (OPEB) liability of \$18,053,793. Of the compensated absence liability, approximately \$14,900,795, will be due more than one year from the date of the financial statements and does not require the use of current funds.

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:

	Governmental Activities		Business-Type Activities		Total	
	June 30, 2018	June 30, 2017	June 30, 2018	June 30, 2017	June 30, 2018	June 30, 2017
Program Revenues:						
Charges for Services	\$ 3,865,486	\$ 4,588,992	\$ 2,682,786	\$ 2,917,122	\$ 6,548,272	\$ 7,506,114
Operating Grants and Contributions	16,282,286	16,433,709	-	-	16,282,286	16,433,709
Capital Grants and Contributions	2,311,071	6,151,406	-	-	2,311,071	6,151,406
General Revenues:						
Property Taxes	134,592,395	128,147,614	-	-	134,592,395	128,147,614
Other Taxes	16,375,688	14,805,174	-	-	16,375,688	14,805,174
Grants and Contributions (FEFP, etc.)	228,599,251	217,705,072	-	-	228,599,251	217,705,072
Unrestricted Investment Earnings	848,089	110,202	-	-	848,089	110,202
Miscellaneous	20,847,703	21,506,302	-	-	20,847,703	21,506,302
<b>Total Revenues</b>	<b>423,721,969</b>	<b>409,448,471</b>	<b>2,682,786</b>	<b>2,917,122</b>	<b>426,404,755</b>	<b>412,365,593</b>
Functions/Program Expenses:						
Instruction	223,190,451	217,360,657	-	-	223,190,451	217,360,657
Student Support Services	18,296,969	17,881,768	-	-	18,296,969	17,881,768
Instructional Media Services	3,653,349	3,489,529	-	-	3,653,349	3,489,529
Instruction and Curriculum Development Services	10,941,850	12,517,422	-	-	10,941,850	12,517,422
Instructional Staff Training Services	7,641,530	11,110,765	-	-	7,641,530	11,110,765
Instruction-Related Technology	1,012,461	1,180,471	-	-	1,012,461	1,180,471
Board	812,467	793,602	-	-	812,467	793,602
General Administration	1,988,230	2,236,810	-	-	1,988,230	2,236,810
School Administration	19,480,387	18,949,836	-	-	19,480,387	18,949,836
Facilities Acquisition and Construction	4,271,575	5,619,855	-	-	4,271,575	5,619,855
Fiscal Services	1,657,752	1,950,836	-	-	1,657,752	1,950,836
Food Services	20,648,634	20,730,992	-	-	20,648,634	20,730,992
Central Services	6,204,239	6,581,591	-	-	6,204,239	6,581,591
Student Transportation Services	17,230,722	17,146,181	-	-	17,230,722	17,146,181
Operation of Plant	26,455,790	26,785,214	-	-	26,455,790	26,785,214
Maintenance of Plant	8,148,270	7,740,414	-	-	8,148,270	7,740,414
Administrative Technology Services	4,533,326	4,578,329	-	-	4,533,326	4,578,329
Community Services	534,263	276,074	-	-	534,263	276,074
Unallocated Interest on Long-Term Debt	8,023,318	8,421,168	-	-	8,023,318	8,421,168
Depreciation-Unallocated Expense	21,018,306	21,262,004	-	-	21,018,306	21,262,004
Extended Learning Center Program	-	-	2,635,663	2,533,968	2,635,663	2,533,968
<b>Total Expenses</b>	<b>405,743,889</b>	<b>406,613,518</b>	<b>2,635,663</b>	<b>2,533,968</b>	<b>408,379,552</b>	<b>409,147,486</b>
<b>Excess (Deficiency) before Transfers</b>	<b>17,978,080</b>	<b>2,834,953</b>	<b>47,123</b>	<b>383,154</b>	<b>18,025,203</b>	<b>3,218,107</b>
<b>Transfers</b>	<b>371,408</b>	<b>487,271</b>	<b>(371,408)</b>	<b>(487,271)</b>	<b>-</b>	<b>-</b>
<b>Change in Net Position</b>	<b>18,349,488</b>	<b>3,322,224</b>	<b>(324,285)</b>	<b>(104,117)</b>	<b>18,025,203</b>	<b>3,218,107</b>
Net Position - Beginning	356,051,317	352,729,093	1,159,086	1,263,203	357,210,403	353,992,296
Adjustment to restate Beginning Net Position	(7,287,084)	-	-	-	(7,287,084)	-
<b>Net Position - Ending</b>	<b>\$ 367,113,721</b>	<b>\$ 356,051,317</b>	<b>\$ 834,801</b>	<b>\$ 1,159,086</b>	<b>\$ 367,948,522</b>	<b>\$ 357,210,403</b>

The District's Net Position increased by \$10,738,119 during the current fiscal year.

**Governmental Activities.** Governmental activities increased the District's Net Position by \$15,124,703. For the most part, expenses were down slightly while State and local revenues reflect a modest increase.

**Business-Type Activities.** Business-type activities decreased the District's Net Position by \$324,285.

## Financial Analysis of the Government's Funds

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

### Major Governmental Funds

The focus of the District governmental funds is to provide information on near-term inflows, outflows and balances of spendable resources. Such information is useful in assessing the District's financing requirements. In particular, unassigned fund balance may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$92,735,008, an increase of \$15,124,703 in comparison with the prior fiscal year. This is mainly due to an increase in total capital funds fund balance.

As more fully discussed in the Notes to Basic Financial Statements, the Governmental Accounting Standards Board (GASB) has issued Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions* (GASB 54) 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 non-spendable and spendable. In addition to the non-spendable fund balance, GASB 54 has provided a hierarchy of spendable fund balances, based on spending constraints, as follows:

- Restricted
- Committed
- Assigned
- Unassigned

The General Fund is the chief operating fund of the District. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$9,597,462 while total fund balance was \$13,631,095. The total fund balance increased by \$2,530,803, due mainly to cost cutting measures implemented District-wide.

As a measure of the General Fund's liquidity, it may useful to compare both unassigned fund balance and total fund balance to total revenues. Unassigned fund balance represents approximately 3.07 percent of total General Fund revenues, while total fund balance represents approximately 4.3 percent of that same amount. The remainder of fund balance is spendable subject to the level of restriction. The assigned fund balance includes encumbrances of \$193,615 which are not available for new spending because it has already been assigned to liquidate contracts and purchase orders outstanding. Funds related to specific State required carryover programs of \$2,553,494 are reported as restricted; inventory and prepaid instructional material items totaling \$1,480,139 are reported as non-spendable.



Special Revenue Fund – Food Service is used to account for the financial resources of the School Food Service Programs. Included in this fund are the revenues from the Federal Student Nutrition Cluster and funds collected locally through on-site sales in the cafeterias of the schools. The fund balance is monitored and restricted to an account substantially equal to 3 months operating expenditures.

Special Revenue Fund – Other Federal Programs is used to account for the revenues and expenditures of Federal Grant programs. Because revenues in this fund are recognized to the extent expenditures are incurred, this fund generally does not accumulate a fund balance.

The Capital Projects - Other Capital Projects Fund is used to account for the financial resources generated by various capital funding sources. Included in this fund were Certificate of Participation Proceeds, Impact Fees, and other capital outlay-funded projects. The fund balance for this fund at the fiscal year end, which is restricted for capital projects, was \$46,950,866, an increase of \$5,622,221 from the prior fiscal year.

### Proprietary Funds

The District’s proprietary funds provide the same type of information as business-type activities found in the government-wide financial statements.

### General Fund Budgetary Highlights

During the fiscal year, the District’s revenue and expenditure projections remained similar to original budgeted amounts.

The actual change in fund balance of the General Fund was greater than the original budgeted change by approximately \$3.3 million. This was due to a slight increase in State and local funding and a slight decrease in spending.

### Capital Assets and Debt Administration

**Capital Assets.** The District’s net investment in capital assets for the governmental activities as of June 30, 2018, amounted to \$623,420,658 (net of accumulated depreciation). This investment in capital assets includes land; improvements other than buildings; buildings and fixed equipment; furniture, fixtures and equipment; motor vehicles; audio visual materials and computer software; and construction in progress. The total decrease in the District’s investment in capital assets (net of accumulated depreciation) for the current fiscal year was approximately 2.5 percent.

	Governmental Activities	
	June 30, 2018	June 30, 2017
Land	\$ 22,956,312	\$ 22,956,312
Construction in Progress	122,713	1,573,907
Improvements Other Than Buildings, Net	1,224,237	1,237,042
Buildings and Fixed Equipment, Net	576,835,151	591,398,642
Furniture, Fixtures and Equipment, Net	6,640,181	7,049,534
Motor Vehicles, Net	12,368,429	11,398,547
Property under Capital Lease	2,990,258	3,492,240
Audio Visual Materials and Computer Software, Net	283,377	460,432
	<u>\$ 623,420,658</u>	<u>\$ 639,566,656</u>

Additional information on the District's capital assets can be found in note 2C of this report.

**Long-Term Debt.** At the end of the current fiscal year, the District had total long-term debt related to capital assets outstanding of \$199,583,447 as follows:

State School Bonds	\$ 5,301,000
Certificates of Participation	192,045,185
Obligations Under Capital Lease	2,237,262
Sales Tax Note Payable	-
<b>Total</b>	<b>\$ 199,583,447</b>

During the current fiscal year, the District paid \$25,040,069 for principal payments and premium amortization on existing long-term debt related to capital assets as follows:

Scheduled Payments:	
Sales Tax Note Payable	\$ 4,030,000
State School Bonds	834,000
Certificates of Participation Payable	18,015,000
Premium Amortization	1,445,476
Obligations Under Capital Lease	715,593
<b>Total</b>	<b>\$ 25,040,069</b>

Additional information on the District's long-term debt can be found in note 2H of the notes to the basic financial statements.

### **Other Matters of Significance**

#### **Factors Bearing on the District's Future**

At the time these financial statements were prepared, the District was aware of four existing circumstances that could significantly affect its financial future.

- Florida economic conditions continue to improve. Per student funding has almost returned to the level of fiscal year 2007-08; however, when the 2007-08 funding is adjusted for inflation, the current funding remains significantly less.
- Property values in 2017-18 fiscal year show an increase, the fifth consecutive year of gradual growth. State forecasts indicate property values will continue to show growth in the near future.

- The District participates in a voter-approved one-cent discretionary infrastructure sales surtax (Sales Tax) in which the District receives one-third of the penny levied. The Sales Tax which is currently approved through 2017 was renewed by voters in November 2015 for an additional 15 years.
- On August 28, 2018, Lake County voters approved an additional .75 mill ad valorem tax for the implementation of the Marjory Stoneman Douglas High School Public Safety Act and for the enhancement of school safety and security, expansion of mental health services, increased prevention programs, and improved emergency response. This additional School District ad valorem millage tax will begin being assessed in tax year 2019 and continue through tax year 2022. The millage is estimated to generate approximately \$16 million per year beginning with the District fiscal year ending June 30, 2020.

### **Requests for Information**

This report is designed to provide citizens, taxpayers, customers, investors, and creditors with a general overview of the District's finances and to demonstrate compliance and accountability for its resources. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Chief Financial Officer, Lake County Schools, 201 West Burleigh Boulevard, Tavares, Florida 32778.



LAKE COUNTY SCHOOLS, TAVARES FLORIDA

# BASIC FINANCIAL STATEMENTS



LAKE COUNTY SCHOOLS, TAVARES FLORIDA



LAKE COUNTY SCHOOLS, TAVARES FLORIDA

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA**  
**STATEMENT OF NET POSITION**  
**June 30, 2018**

	Primary Government			Component Units
	Governmental Activities	Business-Type Activities	Total	
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 24,257,067	\$ 881,973	\$ 25,139,040	\$ 28,772,167
Investments	82,175,303	-	82,175,303	1,141,576
Accounts Receivable	6,753,844	-	6,753,844	168,068
Prepaid Items	5,207	10,415	15,622	107,948
Due from Component Unit	5,796,300	-	5,796,300	-
Due from Other Agencies	4,297,766	4,376	4,302,142	936,488
Cash with Fiscal Agent	127,979	-	127,979	-
Inventories	2,581,869	-	2,581,869	-
Prepaid Issuance Costs	171,737	-	171,737	-
Other Current Assets	-	-	-	551,085
Capital Assets:				
Land and Construction in Progress	23,079,025	-	23,079,025	4,979,143
Depreciable Capital Assets	895,132,526	-	895,132,526	13,579,873
Accumulated Depreciation	(294,790,893)	-	(294,790,893)	(4,344,468)
Other Non-Current Assets	-	-	-	2,932,344
<b>TOTAL ASSETS</b>	<b>\$ 749,587,730</b>	<b>\$ 896,764</b>	<b>\$ 750,484,494</b>	<b>\$ 48,824,224</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>				
Pension Costs	\$ 81,370,558	\$ -	\$ 81,370,558	\$ 8,010,162
Net Carrying Amount of Debt Refunding	5,581,216	-	5,581,216	-
Other Postemployment Benefits	994,940	-	994,940	-
<b>TOTAL DEFERRED OUTFLOWS OF RESOURCES</b>	<b>\$ 87,946,714</b>	<b>\$ -</b>	<b>\$ 87,946,714</b>	<b>\$ 8,010,162</b>
<b>LIABILITIES</b>				
Salaries and Benefits Payable	\$ 15,148,485	\$ 14,874	\$ 15,163,359	\$ 297,923
Payroll Deductions and Withholdings	9,301,267	37,194	9,338,461	-
Accounts Payable	4,146,069	9,895	4,155,964	1,242,888
Due to Primary Government	-	-	-	5,796,300
Due to Other Agencies	15,397	-	15,397	-
Deposits Payable	181,036	-	181,036	-
Unearned Revenues	151,946	-	151,946	3,000
Estimated Insurance Claims Payable	3,324,981	-	3,324,981	-
Long-Term Liabilities:				
Portion Due Within One Year	17,826,816	-	17,826,816	2,212,698
Portion Due After One Year:	407,902,423	-	407,902,423	20,845,609
<b>TOTAL LIABILITIES</b>	<b>\$ 457,998,419</b>	<b>\$ 61,963</b>	<b>\$ 458,060,382</b>	<b>\$ 30,398,418</b>
<b>DEFERRED INFLOWS OF RESOURCES</b>				
Pension Costs	\$ 11,408,738	\$ -	\$ 11,408,738	\$ 1,239,961
Other Post Employment Benefits	1,013,565	-	1,013,565	-
<b>TOTAL DEFERRED INFLOWS OF RESOURCES</b>	<b>\$ 12,422,303</b>	<b>\$ -</b>	<b>\$ 12,422,303</b>	<b>\$ 1,239,961</b>
<b>NET POSITION</b>				
Net Investment in Capital Assets	\$ 429,590,165	\$ -	\$ 429,590,165	\$ 13,339,517
Restricted for:				
State Required Carryover Programs	2,553,494	-	2,553,494	-
Debt Service	127,979	-	127,979	-
Capital Projects	66,957,416	-	66,957,416	-
Special Revenue - Food Service	12,018,518	-	12,018,518	-
Scholarships, Endowments, and Other Programs	-	-	-	4,919,806
Unrestricted	(144,133,851)	834,802	(143,299,050)	6,936,684
<b>TOTAL NET POSITION</b>	<b>\$ 367,113,721</b>	<b>\$ 834,802</b>	<b>\$ 367,948,522</b>	<b>\$ 25,196,007</b>

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

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA**  
**STATEMENT OF ACTIVITIES**  
**For the Fiscal Year Ended June 30, 2018**

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government</b>				
<b>Governmental Activities:</b>				
Instruction	\$ 223,190,451	\$ -	\$ -	\$ -
Student Support Services	18,296,969	-	-	-
Instructional Media Services	3,653,349	-	-	-
Instruction and Curriculum Development Services	10,941,850	-	-	-
Instructional Staff Training Services	7,641,530	-	-	-
Instruction-Related Technology	1,012,461	-	-	-
Board	812,467	-	-	-
General Administration	1,988,230	-	-	-
School Administration	19,480,387	-	-	-
Facilities Acquisition and Construction	4,271,575	-	-	1,207,133
Fiscal Services	1,657,752	-	-	-
Food Services	20,648,634	3,338,526	16,282,286	-
Central Services	6,204,239	-	-	-
Student Transportation Services	17,230,722	526,960	-	-
Operation of Plant	26,455,790	-	-	-
Maintenance of Plant	8,148,270	-	-	-
Administrative Technology Services	4,533,326	-	-	-
Community Services	534,263	-	-	-
Unallocated Interest on Long-Term Debt	8,023,318	-	-	1,103,938
Unallocated Depreciation Expense	21,018,306	-	-	-
<b>Total Governmental Activities</b>	<b>405,743,890</b>	<b>3,865,486</b>	<b>16,282,286</b>	<b>2,311,071</b>
<b>Business-Type Activities:</b>				
Extended Learning Center Program	2,682,786	2,635,662	-	-
<b>Total Business-Type Activities</b>		<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Primary Government</b>	<b>\$ 405,743,890</b>	<b>\$ 3,865,486</b>	<b>\$ 16,282,286</b>	<b>\$ 2,311,071</b>
<b>Component Units:</b>				
Charter Schools	\$ 50,018,620	\$ 4,303,217	\$ 5,438,666	\$ -
Educational Foundation	1,620,097	-	1,712,966	-
<b>Total Component Units</b>	<b>\$ 51,638,717</b>	<b>\$ 4,303,217</b>	<b>\$ 7,151,632</b>	<b>\$ -</b>

General Revenues:

Taxes:

- Property Taxes, Levied for Operational Purposes
- Property Taxes, Levied for Capital Projects
- Local Sales Taxes
- Grants and Contributions Not Restricted to Specific Programs
- Unrestricted Investment Earnings
- Miscellaneous

Transfers:

**Total General Revenues and Transfers**

**Change in Net Position**

**Net Position - Beginning**  
**Adjustments to Net Position**

**Net Position - Ending**

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



(Continued)

Net (Expense) Revenue and Changes in Net Assets			
Primary Government			Component Units
Governmental Activities	Business-Type Activities	Total	
\$ (223,190,451)	\$ -	\$ (223,190,451)	\$ -
(18,296,969)	-	(18,296,969)	-
(3,653,349)	-	(3,653,349)	-
(10,941,850)	-	(10,941,850)	-
(7,641,530)	-	(7,641,530)	-
(1,012,461)	-	(1,012,461)	-
(812,467)	-	(812,467)	-
(1,988,230)	-	(1,988,230)	-
(19,480,387)	-	(19,480,387)	-
(3,064,442)	-	(3,064,442)	-
(1,657,752)	-	(1,657,752)	-
(1,027,822)	-	(1,027,822)	-
(6,204,239)	-	(6,204,239)	-
(16,703,763)	-	(16,703,763)	-
(26,455,790)	-	(26,455,790)	-
(8,148,270)	-	(8,148,270)	-
(4,533,326)	-	(4,533,326)	-
(534,263)	-	(534,263)	-
(6,919,381)	-	(6,919,381)	-
(21,018,306)	-	(21,018,306)	-
(383,285,047)	-	(383,285,047)	-
-	47,124	47,124	-
-	47,124	47,124	-
(383,285,047)	47,124	\$ (383,237,923)	\$ -
-	-	-	\$ (40,276,737)
-	-	-	92,869
-	-	-	\$ (40,183,868)
104,013,065	-	104,013,065	-
-	-	-	-
30,579,330	-	30,579,330	-
16,375,688	-	16,375,688	-
228,599,251	-	228,599,251	43,062,340
848,089	-	848,089	-
20,847,703	-	20,847,703	875,967
371,408	(371,408)	-	-
401,634,534	(371,408)	401,263,126	43,938,307
18,349,487	(324,284)	18,025,203	3,754,439
356,051,317	1,159,086	357,210,403	21,954,518
(7,287,084)	-	(7,287,084)	(512,950)
\$ 367,113,720	\$ 834,802	\$ 367,948,522	\$ 25,196,007

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA**  
**BALANCE SHEET - GOVERNMENTAL FUNDS**  
**June 30, 2018**

	General Fund	Special Revenue - Food Service Fund
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 2,392,535	\$ 1,507,557
Restricted Cash with Fiscal/Service Agents	-	-
Investments	26,217,400	10,000,000
Accounts Receivable	6,726,245	-
Due from Component Units	-	-
Due from Other Funds	1,772,585	-
Due from Other Agencies	665,278	167,928
Inventories	1,474,932	1,106,937
Prepaid Items	5,207	-
	<b>\$ 39,254,181</b>	<b>\$ 12,782,421</b>
<b>TOTAL ASSETS</b>		
<b>LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES</b>		
Liabilities:		
Salaries and Benefits Payable	\$ 14,774,884	\$ 156,649
Payroll Deductions and Withholdings	8,547,762	202,703
Accounts Payable	2,280,581	109,308
Due to Other Funds	-	114,239
Due to Other Agencies	15,397	-
Accrued Interest Payable	-	-
Deposits Payable	32	181,004
Unearned Revenue	4,430	-
	<b>25,623,086</b>	<b>763,904</b>
<b>Total Liabilities</b>		
Fund Balances:		
Nonspendable	1,480,139	1,106,937
Restricted	2,553,494	10,911,581
Assigned	193,615	-
Unassigned	9,403,847	-
	<b>13,631,095</b>	<b>12,018,518</b>
<b>Total Fund Balances</b>		
<b>TOTAL LIABILITIES, DEFERRED INFLOW OF RESOURCES, AND FUND BALANCES</b>		
	<b>\$ 39,254,181</b>	<b>\$ 12,782,421</b>

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

(Continued)

<u>Special Revenue - Other Federal Program Fund</u>	<u>Capital Projects - Other Capital Projects Fund</u>	<u>Other Governmental Funds</u>	<u>Total Governmental Funds</u>
\$ 68,361	\$ 1,772,576	\$ 13,669,894	\$ 19,410,923
-	-	127,979	127,979
-	40,759,128	5,008,600	81,985,127
27,597	-	-	6,753,842
-	-	-	-
-	-	-	1,772,585
2,604,574	4,427,163	2,184,965	10,049,907
-	-	-	2,581,869
-	-	-	5,207
<u>\$ 2,700,532</u>	<u>\$ 46,958,866</u>	<u>\$ 20,991,438</u>	<u>\$ 122,687,438</u>
\$ 216,952	\$ -	\$ -	\$ 15,148,485
543,328	-	-	9,293,794
899,534	2,236	239,380	3,531,040
1,035,053	6,322	616,970	1,772,585
-	-	-	15,397
-	-	-	-
-	-	-	181,036
5,664	-	-	10,094
<u>2,700,532</u>	<u>8,558</u>	<u>856,351</u>	<u>29,952,430</u>
-	-	-	2,587,075
-	46,950,308	20,135,088	80,550,470
-	-	-	193,615
-	-	-	9,403,847
<u>-</u>	<u>46,950,308</u>	<u>20,135,088</u>	<u>92,735,008</u>
<u>\$ 2,700,532</u>	<u>\$ 46,958,866</u>	<u>\$ 20,991,438</u>	<u>\$ 122,687,438</u>

**DISTRICT SCHOOL BOARD OF LAKE COUNTY**  
**RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET**  
**TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**Total Fund Balances - Governmental Funds** \$ 92,735,008

Amounts reported for *governmental activities* in the statement of net assets 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.

Non-Depreciable Assets	\$	23,079,025	
Depreciable Assets		600,341,633	623,420,658

Unamortized Deferred Loss of Bond Refundings are not expensed in the government-wide statements and are amortized over the life of the debt. 5,581,216

Debt Issuance Costs of Bond Refundings are not expensed in the government-wide statements and are amortized over the life of the debt. 171,737

Internal Service Funds are used by management to charge the costs of its self-funded employee health insurance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.

Total Assets - Internal Service Funds	\$	5,094,780	
Less, Total Liabilities - Internal Service Funds		(4,103,634)	991,146

Premiums paid on long-term debt issuances are reported as revenues in the governmental funds but as unamortized premiums in the government-wide statements and amortized over the life of the debt. (14,975,185)

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	\$	(5,301,000)	
Certificates of Participation Payable		(177,070,000)	
Capital Lease Payable		(2,237,262)	
Compensated Absences Payable		(16,540,795)	
Other Postemployment Benefits Payable		(18,053,793)	
Net Pension Liability		(191,551,204)	(410,754,054)

Deferred Pension Costs are not expensed in the government-wide statements, but are reported as deferred inflows and outflows and amortized over the life of the debt.

	Deferred Outflows	Deferred Inflows	
Deferred Pension Costs			
FRS - Defined Benefit Program	\$ 67,003,167	\$ (5,538,498)	
FRS - Health Insurance Subsidy	14,367,391	(5,870,241)	
Other Post Employment Benefits	994,940	(1,013,565)	
	82,365,498	(12,422,304)	69,943,194

**Total Net Position - Governmental Activities** \$ 367,113,720

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



LAKE COUNTY SCHOOLS, TAVARES FLORIDA

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA**  
**STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES**  
**IN FUND BALANCES - GOVERNMENTAL FUNDS**  
**For the Fiscal Year Ended June 30, 2018**

	General Fund	Special Revenue - Food Service Fund	Special Revenue - Other Federal Programs Fund
<b>Revenues</b>			
Intergovernmental:			
Federal Direct	\$ 288,312	\$ 10,500	\$ -
Federal Through State	2,073,372	16,062,128	22,748,676
State	202,828,470	220,158	-
Local:			
Ad Valorem Taxes	104,013,065	-	-
Local Sales Tax	-	-	-
Impact Fees	-	-	-
Charges for Services - Food Service	-	3,338,525	-
Other Local Revenue	3,178,626	6,592	-
Total Local Revenues	<u>107,191,691</u>	<u>3,345,117</u>	<u>-</u>
<b>Total Revenues</b>	<u>312,381,845</u>	<u>19,637,903</u>	<u>22,748,676</u>
<b>Expenditures</b>			
Current - Education:			
Instruction	209,235,676	-	8,640,067
Student Support Services	14,681,579	-	3,049,911
Instructional Media Services	3,528,153	-	19,838
Instruction and Curriculum Development Services	4,543,497	-	6,063,919
Instructional Staff Training Services	3,797,573	-	3,633,539
Instruction-Related Technology	978,643	-	4,500
Board	799,290	-	-
General Administration	1,293,012	-	652,421
School Administration	18,861,948	-	-
Facilities Acquisition and Construction	576,059	-	-
Fiscal Services	1,602,683	-	4,504
Food Services	-	20,373,959	-
Central Services	5,981,341	-	49,965
Student Transportation Services	16,738,555	-	120,649
Operation of Plant	26,110,580	-	13,910
Maintenance of Plant	7,940,694	-	-
Administrative Technology Services	4,459,681	-	3,166
Community Services	515,293	-	2,375
Fixed Capital Outlay:			
Facilities Acquisition and Construction	-	-	-
Other Capital Outlay	760,794	-	489,912
Debt Service:			
Principal	-	-	-
Interest and Fiscal Charges	-	-	-
<b>Total Expenditures</b>	<u>322,405,051</u>	<u>20,373,959</u>	<u>22,748,676</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(10,023,206)</u>	<u>(736,056)</u>	<u>-</u>
<b>Other Financing Sources (Uses)</b>			
Transfers In	12,521,471	-	-
Loss Recoveries	32,538	-	-
Sale of Capital Assets	-	-	-
Issuance of Refunding Bonds	-	-	-
Premium on Refunding Bonds	-	-	-
Payments to Refunding Escrow Agent	-	-	-
Transfers Out	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>12,554,009</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	2,530,803	(736,056)	-
Fund Balances, Beginning	11,100,292	12,754,573	-
<b>Fund Balances, Ending</b>	<u>\$ 13,631,095</u>	<u>\$ 12,018,517</u>	<u>\$ -</u>

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

(Continued)

Capital Projects- Other Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
\$ -	\$ -	\$ 298,812
-	-	40,884,176
126,982	2,834,010	206,009,620
-	30,579,330	134,592,395
-	16,375,688	16,375,688
18,416,637	-	18,416,637
-	-	3,338,525
616,297	26,924	3,828,439
19,032,934	46,981,942	176,551,684
19,159,916	49,815,952	423,744,292
-	-	217,875,743
-	-	17,731,490
-	-	3,547,991
-	-	10,607,416
-	-	7,431,112
-	-	983,143
-	-	799,290
-	-	1,945,433
-	-	18,861,948
-	-	576,059
-	-	1,607,187
-	-	20,373,959
-	-	6,031,306
-	-	16,859,204
-	-	26,124,490
-	-	7,940,694
-	-	4,462,847
-	-	517,668
12,697	8,917,627	8,930,324
-	-	1,250,706
-	23,594,593	23,594,593
-	8,814,406	8,814,406
12,697	41,326,626	406,867,009
19,147,219	8,489,326	16,877,283
-	31,301,839	43,823,310
-	-	32,538
-	-	-
-	-	-
-	(2,156,526)	(2,156,526)
(13,525,556)	(29,926,346)	(43,451,902)
(13,525,556)	(781,033)	(1,752,580)
5,621,663	7,708,293	15,124,703
41,328,645	12,426,795	77,610,305
\$ 46,950,308	\$ 20,135,088	\$ 92,735,008

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA  
RECONCILIATION OF THE GOVERNMENTAL FUNDS STATEMENT OF  
REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

**Net Change in Fund Balances - Governmental Funds** \$ 15,124,703

Capital outlays are reported in the governmental funds as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of net capital outlays, and other capital corrections and adjustments, in excess of depreciation expense in the current period: (14,517,229)

Gain/Loss on the sale of assets are reported in the governmental funds. However, in the statement of activities, only the gain or loss on the sales is included. This is the amount of cost of the assets sold. (54,862)

Issuing long-term bonded debt is an other financing source in the governmental funds, but issuing new debt increases long-term liabilities in the statement of net assets. Refunding debt is an other financing use in the governmental funds, but decreases liabilities in the statement of net position. This is the amount of long-term debt that was issued and refunded during the current period:

State Board of Education Bonds and Refunding Bonds Issued	\$ -	
State Board of Education Bonds Defeased	<u>2,045,000</u>	2,045,000

Premiums and issuance costs on new debt issues are reported when issued as other financing sources and other fiscal charges in the governmental funds, but are amortized over the life of the debt in the statement of activities.

Deferred Charges:		
Current Year	\$ 193,789	
Less Prior Year	<u>171,737</u>	
Net reduction in expenses from Deferred Charges		(22,052)

Unamortized Premiums/ Deferred Loss:		
Current Year	\$ (14,975,185)	
Less Prior Year	<u>(16,420,661)</u>	
Net increase in expenses from Unamortized Premiums		1,445,476

Unamortized Deferred Loss		
Current Year	\$ 6,102,026	
Less Prior Year	<u>5,581,216</u>	
Net increase in expenses from Deferred Loss		(520,810)

Other postemployment benefit costs are recorded in the statement of activities under the full accrual method, but in the governmental funds when due. This is the net increase in the postemployment healthcare benefits liability for the current fiscal year. 556,583

Governmental funds report District pension contributions as expenditures. However, in the statement of activities, the cost of pension benefits earned net of employee contributions is reported as a pension expense.

Florida Retirement System Pension Contribution	\$ 11,105,362	
Health Insurance Subsidy Pension Contribution	3,224,024	
Florida Retirement System Pension Expense	(20,258,987)	
Health Insurance Subsidy Pension Expense	<u>(5,375,885)</u>	
		(11,305,486)

Repayment of long-term debt is an expenditure in the governmental funds, but the repayment reduces long-term debt repaid in the current period.

Notes Payable	\$ 4,030,000	
Bonds Payable	834,000	
Certificates of Participation	18,015,000	
Obligations under Capital Lease	<u>715,593</u>	
		23,594,593

Internal service funds are used by management to charge the cost of certain activities, such as insurance to individual funds. The changes in net position of internal service funds is reported with governmental activities. 817,032

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 earned less the amount paid in the current period. 1,186,539

**Change in Net Position - Governmental Activities** \$ 18,349,487

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



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

**STATEMENT OF NET POSITION**

**PROPRIETARY FUNDS**

**June 30, 2018**

	Business-Type Activities	Governmental Activities
	Extended Learning Center	Internal Service Funds
<b>ASSETS</b>		
Current Assets:		
Cash and Cash Equivalents	\$ 881,973	\$ 4,846,144
Investments	-	190,176
Accounts Receivable	-	-
Due from Other Agencies	4,376	58,461
Prepaid Items	10,415	-
Inventories	-	-
	896,765	5,094,781
<b>Total Current Assets</b>	<b>896,765</b>	<b>5,094,781</b>
<b>Total Assets</b>	<b>\$ 896,765</b>	<b>\$ 5,094,781</b>
<b>LIABILITIES</b>		
Current Liabilities:		
Accrued Salaries & Benefits	\$ 14,874	\$ -
Payroll Deductions & Withholding	37,194	5,991
Accounts Payable	9,895	616,511
Due to Other Funds	-	14,299
Deferred Revenues	-	141,852
Insurance Claims Payable	-	3,324,981
	61,963	4,103,634
<b>Total Liabilities</b>	<b>61,963</b>	<b>4,103,634</b>
<b>NET POSITION</b>		
Unrestricted	834,802	991,147
<b>Total Net Position</b>	<b>\$ 834,802</b>	<b>\$ 991,147</b>

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

**DISTRICT SCHOOL BOARD OF LAKE 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 <u>Extended Learning Center</u>	Governmental Activities <u>Internal Service Funds</u>
<b>OPERATING REVENUES</b>		
Charges for Services	\$ 2,682,786	\$ 48,677,991
<b>Total Operating Revenues</b>	<u>2,682,786</u>	<u>48,677,991</u>
<b>OPERATING EXPENSES</b>		
Salaries	1,902,581	125,417
Employee Benefits	564,225	35,389
Purchased Services	57,223	76,122
Energy Services	8,822	11,592
Materials & Supplies	67,099	539,973
Capital Outlay	18,233	4,054
Insurance Claims	-	44,735,834
Other Expenses	17,480	2,332,578
<b>Total Operating Expenses</b>	<u>2,635,662</u>	<u>47,860,959</u>
<b>Operating Income (Loss)</b>	<u>47,124</u>	<u>817,032</u>
<b>Income (Loss) before Transfers</b>	47,124	817,032
Transfers Out	<u>(371,408)</u>	
<b>Change in Net Position</b>	(324,284)	817,032
Total Net Position - Beginning	<u>1,159,086</u>	<u>174,115</u>
<b>Total Net Position - Ending</b>	<u>\$ 834,802</u>	<u>\$ 991,147</u>

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

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA**  
**STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Business-Type Activities Extended Learning Center Program	Governmental Activities Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash Received from Services	\$ 2,667,995	\$ 48,745,048
Cash Payments to Suppliers for Goods and Services	(150,303)	(2,973,232)
Cash Payments to Employees for Services	(2,441,088)	(158,669)
Cash Payments for Insurance Claims	-	(47,082,596)
	76,604	(1,469,449)
<b>Net Cash Provided (Used) by Operating Activities</b>		
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>		
Transfers In/Out	(371,408)	-
<b>CASH FLOWS FROM INVESTING FINANCING ACTIVITIES</b>		
Increase in Investments	-	(16,070)
	-	(16,070)
<b>Net Cash Provided (Used) by Investing Activities</b>		
	(294,804)	(1,485,519)
<b>Net Increase (Decrease) in Cash and Cash Equivalents</b>		
Cash and Cash Equivalents, Beginning	1,176,777	6,331,663
Cash and Cash Equivalents, Ending	\$ 881,973	\$ 4,846,144
 <b>Reconciliation of Operating Loss to Net Cash Used by Operating Activities:</b>		
Operating Income (Loss)	\$ 47,124	\$ 817,032
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:		
Changes in Assets and Liabilities:		
Increase in Prepaid Items	15,975	-
Increase in Due from Other Agencies	(14,791)	52,545
Increase in Due to Other Funds	1,792	14,301
Decrease in Accrued Salaries & Benefits	14,272	-
Increase in Payroll Deductions & Withholding	11,446	-
Decrease in Accounts Payable	787	140,032
Increase in Claims Payable	-	(2,507,870)
Decrease in Unearned Revenue	-	14,511
	29,481	(2,286,481)
<b>Total Adjustments</b>		
<b>Net Cash Provided/(Used) by Operating Activities</b>	\$ 76,605	\$ (1,469,449)

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

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA**  
**STATEMENT OF FIDUCIARY NET POSITION**  
**FIDUCIARY FUNDS**  
**June 30, 2018**

	Private-Purpose Trust Funds	Agency Funds
<b>ASSETS</b>		
Cash and Cash Equivalents	\$ 202,966	\$ 3,037,220
<b>TOTAL ASSETS</b>	<b>\$ 202,966</b>	<b>\$ 3,037,220</b>
<b>LIABILITIES</b>		
Accounts Payable	\$ -	\$ -
Internal Accounts Payable	-	3,037,220
<b>Total Liabilities</b>	<b>-</b>	<b>\$ 3,037,220</b>
<b>Net Position</b>		
Assets Held in Trust for Scholarships and Other Purposes	202,966	
<b>TOTAL NET POSITION</b>	<b>\$ 202,966</b>	

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

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA  
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION  
FIDUCIARY FUNDS**

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

	<u>Private-Purpose Trust Funds</u>
<b>ADDITIONS</b>	
<b>Investment Earnings:</b>	
Interest, Dividends, and Other	<u>\$ 2,515</u>
	<u>2,515</u>
<b>DEDUCTIONS</b>	
Other Expenses	<u>450</u>
<b>Change in Net Position</b>	2,065
Net Position, July 1, 2017	<u>200,901</u>
<b>Net Position, June 30, 2018</b>	<u><u>\$ 202,966</u></u>

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



LAKE COUNTY SCHOOLS, TAVARES FLORIDA

# NOTES TO THE BASIC FINANCIAL STATEMENTS



LAKE COUNTY SCHOOLS, TAVARES FLORIDA



LAKE COUNTY SCHOOLS, TAVARES FLORIDA



**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2018**

**1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

**A. Description of Government-Wide Financial Statements**

The government-wide financial statements (i.e., the statement of net position and the statement of activities) report information on all of the nonfiduciary activities of the primary government and its component units. All fiduciary activities are reported only in the fund financial statements. Governmental activities, which normally are supported by taxes, intergovernmental revenues, and other nonexchange transactions, are reported separately from business-type activities, which rely to a significant extent on fees charged to external customers for support. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The statement of activities presents a comparison between direct expenses and program revenues for each function or program of the Lake County School District's (District) governmental activities and for each segment of the business-type activities. Direct expenses are those that are specifically associated with a service, program, or department and thereby clearly identifiable to a particular function.

**B. Reporting Entity**

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

**Component Units**

Criteria for determining if other entities are potential component units that should be reported within the District's basic financial statements are identified and described in the Governmental Accounting Standard 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 is financially accountable and other organizations for which the nature and significance of their relationship with the Board are such that exclusion would cause the District's basic financial statements to be misleading or incomplete. The District used guidance provided in the FDOE memorandum, dated October 8, 2012, in the application of these criteria for

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

identification of any entities for which the District is financially accountable and has a financial benefit or burden relationship present and other organizations for which the nature and significance of their relationship with the District are such that exclusion would cause the District's basic financial statements to be misleading or incomplete. The Florida Department of Education has directed that all charter schools be reported as component units of the District.

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

**Blended Component Unit.** The Financing Corporation for the School Board of Lake County, Florida, Inc. (Financing Corporation) was formed to facilitate financing for the acquisition of facilities and equipment. The governing board of the Financing Corporation is the Lake County District School Board. Due to the substantive economic relationship between the District and the Financing Corporation, the financial activities of the Financing Corporation are included in the accompanying basic financial statements as part of the debt service and capital projects funds. Separate financial statements for the Financing Corporation are not published.

**Discretely Presented Component Units.** The component units' columns in the basic financial statements include the financial data of the District's other component units that are required to be reported separately. These component units consist of the Educational Foundation of Lake County, Inc., as well as the following nine charter schools: Alee Academy, Inc.; Altoona Charter School, Inc.; Imagine Schools of South Lake (dba South Lake Charter School); Lake Technical College, Inc.; Mascotte Elementary Charter School, Inc.; Minneola Elementary Charter School, Inc.; Pinecrest Lakes Academy (Pinecrest Adademy, Inc.); Round Lake Elementary Charter School, Inc.; and Spring Creek Charter School, Inc. These are reported in a separate column in the basic financial statements to emphasize that they are legally separate from the District.

The Educational Foundation of Lake County, Inc. (Foundation), is a separate not-for-profit corporation organized and operated as a direct-support organization under Section 1001.453, Florida Statutes, to receive, hold, invest, and administer property and to make expenditures to and for the benefit of the District. The Foundation is considered to be a component unit of the District because the District must approve all members of the Foundation Board, and the District has the ability to impose its will on the Foundation. The financial data reported for the Foundation was derived from audited financial statements on file in the District's administrative offices.

The charter schools are separate not-for-profit corporations organized under Section 1002.33, Florida Statutes, to operate as public (as opposed to private) schools and are held responsible for prudent use of the public funds they receive. They operate under a charter approved by their sponsor, the District School Board of Lake County, and are

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

considered to be component units of the District since they are fiscally dependent on the District for their tax levy and the majority of their budget. In addition, they create a financial burden on the District because the charter schools' full-time equivalent (FTE) student enrollment is the basis for the District to provide funding to the charter schools. In addition, pursuant to the Florida Constitution, the charter schools are public schools and the District is responsible for the operation, control, and supervision of public schools within the District.

Audits of charter schools' financial statements are conducted by independent certified public accountants. Separate financial statements for the charter schools are filed in the District's administrative offices.

In addition to being charter schools, Lake Technical College, Inc.; Mascotte Elementary Charter School, Inc.; Minneola Elementary Charter School, Inc.; Round Lake Elementary Charter School, Inc.; and Spring Creek Charter School, Inc. operate as conversion charter schools. In accordance with the respective contract provisions, employees at each of these schools are employees of Lake County Schools. The conversion charter schools reimburse Lake County Schools for salaries and benefits. As such, the conversion charter schools' proportionate share of liabilities related to Florida Retirement System (FRS) and Postemployment Health Care Benefits are reported in the annual financial reports of the respective conversion charter schools. The District's proportionate share of each liability is discussed further under notes 3.D. and 3.E.

In accordance with School Board Policy 3.90, Charter Schools, Section 13h, "Conversion charter school employees will become employees of the charter school upon commencement of the charter school contract and will no longer be employees of the Lake County School District. Lake County School Board employees who elect to teach at a charter school may request charter school leave indefinitely but this leave must be requested annually." Following the contract renewals of the current conversion charter schools in 2022, the specific disclosure areas of employee benefits, discussed above, will no longer apply as the employees will no longer be employees of the Lake County School District.

**C. Basis of Presentation – Government-Wide Financial Statements**

While separate government-wide and fund financial statements are presented, they are interrelated. The governmental activities column incorporates data from governmental funds and internal service funds, while business-type activities incorporate data from the government's enterprise fund. Separate financial statements are provided for governmental funds, propriety funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
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The effects of interfund activity have been eliminated from the government-wide financial statements except for interfund services provided and used and net residual amounts between governmental and business-type activities.

**D. Basis of Presentation – Fund Financial Statements**

The fund financial statements provide information about the District's funds, including the fiduciary funds and blended component unit. Separate statements for each fund category – governmental, proprietary, and fiduciary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The District reports the following major governmental funds:

- General Fund - to account for all financial resources not required to be accounted for in another fund, and for certain revenues from the State that are legally restricted to be expended for specific current operating purposes.
- Special Revenue – Food Service Fund – to account for certain Federal grant program resources related to the National School Lunch Program and other State and Local revenue related to the Food Service operations of the District.
- Special Revenue – Other Federal Programs Fund – to account for certain Federal grant program resources of the District.
- Capital Projects – Other Capital Projects Fund – to account for the financial resources generated by various sources. Included in the Capital Projects – Other Capital Projects Fund are certificate of participation proceeds; impact fees; effort index; class size reduction; and other capital outlay appropriations. These funds are to be used for educational capital outlay needs, including debt payments, new construction and renovation and remodeling projects as specified in statute, ordinance, or contract.

The District reports the following proprietary funds:

- Enterprise Fund - Extended Learning Center Program – to account for the financial resources of the District's Extended Learning Center Program. This program provides before and after school care to students.
- Internal Service Funds – to account for the financial resources of the District's Self-Funded Health Insurance Program, Employee Flexible Spending Program, and Workers' Compensation Program.

The District reports the following fiduciary funds:

- Agency Fund – to account for resources of the school internal funds which are used to administer moneys collected at several schools in connection with school, student athletic, class, and club activities.
- Private-Purpose Trust Fund – a private scholarship fund established to account for resources that are legally restricted by the donor to the extent that only proceeds from

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

interest, and not principal, may be used for scholarship purposes. A complete description of this Donor-Restricted Endowment is included in note 2.M.

During the course of operations the District has activity between funds for various purposes. Any residual balances outstanding at fiscal year end are reported as due from/to other funds. While these balances are reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Balances between the funds included in governmental activities (i.e., the governmental and internal service funds) are eliminated so that only the net amount is included as internal balances in the governmental activities column. Similarly, balances between the funds included in business-type activities (i.e., the enterprise fund) are eliminated so that only the net amount is included as internal balances in the business-type activities column. Further, certain activity occurs during the year involving transfers of resources between funds. In fund financial statements, these amounts are reported at gross amounts as transfers in and out. While reported in fund financial statements, certain eliminations are made in the preparation of the government-wide financial statements. Transfers between the funds included in governmental activities are eliminated so that only the net amount is included as transfers in the governmental activities column. Similarly, balances between the funds included in business-type activities are eliminated so that only the net amount is included as transfers in the business-type activities column. The effects of interfund activity have been eliminated from the government-wide statements except for interfund services provided and used.

**E. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

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

The government-wide financial statements are prepared using the economic resource measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund 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, which include the general, special revenue, debt service and capital projects funds, are prepared using the current financial resource measurement focus and the modified accrual basis of accounting. Under the modified accrual method of accounting, expenditures are generally recognized when the related fund liability is incurred. The principal exceptions to this rule are: (a) prepaid items are

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
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generally not accrued; (b) interest on general long-term debt is recognized as expenditures when due; and (c) expenditures related to long-term liabilities are recognized when due. Issuance of long-term debt is reported as other financing sources. Allocations of cost, such as depreciation, are not recognized in governmental funds.

Revenues can be classified into two kinds of transactions: (a) exchange and exchange-like transactions, in which each party receives and gives up essentially equal value and (b) non-exchange transactions, in which a government gives (or receives) value without directly receiving (or giving) equal value in exchange. Revenue resulting from exchange transactions is recorded on the accrual basis when the exchange takes place.

Revenues resulting from non-exchange transactions are further classified into (a) derived tax revenues, (b) imposed non-exchange revenues, (c) government-mandated non-exchange transactions, and (d) voluntary non-exchange transactions. Derived tax revenues (e.g., sales taxes) are recorded when the exchange transaction occurs. Imposed non-exchange transactions (e.g., property taxes) are recorded when the use of the resource is required or first permitted by time requirements (for example, for property taxes, the period for which they are levied.) Government-mandated and voluntary non-exchange transactions, (e.g., Federal mandates, grants, and donations) are recorded when all eligibility requirements have been met.

When applying the susceptible to accrual concept under the modified accrual basis, resources also should be available in order to be accrued. 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. For this purpose, the District considers property and sales taxes to be available if they are collected within 60 days of the end of the current fiscal year. When grant terms provide that the expenditure of resources is the prime factor for determining eligibility for Federal, State, and other grant resources, revenue is recognized at the time the expenditure is made.

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

The Educational Foundation of Lake County, Inc., shown as a discretely presented component unit, follows the same accounting model as the District's governmental activities.

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

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

**F. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balances**

**(1) Cash and Cash Equivalents**

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term, highly liquid investments with original maturities of 3 months or less from the date of acquisition.

Cash deposits are held by banks qualified as public depositories under Florida law or through the Federally Insured Cash Account program, which complies with the provisions of Section 218.415(23), Florida Statutes, and is therefore exempt from Florida's public deposits program pursuant to Section 280.03(3)(f), Florida Statutes. All deposits are insured by Federal depository insurance, up to specified limits, or collateralized with securities held in Florida's multiple financial institution collateral pool as required by Chapter 280, Florida Statutes.

**(2) Investments**

Investments consist of amounts placed with the SBA for participation in the Florida PRIME investment pool created by Section 218.405, Florida Statutes, and those made locally. The investment pool operates under investment guidelines established by Section 215.47, Florida Statutes.

The District's investments in Florida PRIME are similar to money market funds in which shares are owned in the fund rather than the underlying investments. These investments are reported at fair value, which is amortized cost.

Investments made locally consist of money market mutual funds, Federal instrumentalities instruments and commercial paper and are reported at fair value. Types and amounts of investments held at fiscal year-end are described in note 3.A.

**(3) Receivables and Payables**

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are reported as "due to/from other funds." Any residual balances outstanding between the governmental activities and the business-type activities are reported in the government-wide financial statements as internal balances.

**(4) Inventories and Prepaid Items**

Inventories consist of expendable supplies held for consumption in the course of District operations. Warehouse (school supplies) and maintenance inventories are

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
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stated at cost on a weighted-average basis. Transportation and food service inventories are stated at cost on the first-in, first-out basis, except that United States Department of Agriculture donated foods are stated at their fair value as determined at the time of donation to the District's food service program by the Florida Department of Agriculture and Consumer Services, Bureau of Food Distribution. The costs of inventories are recorded as expenditures when used rather than when purchased.

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

**(5) Capital Assets**

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

Normal maintenance and repair costs that do not materially increase the value of assets or extend the useful lives of assets are not capitalized.

Interest costs incurred during construction of capital assets are not considered material and are not capitalized as part of the cost of construction.

Capital assets of the primary government, excluding land and construction in progress, are depreciated using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Improvements Other than Buildings	10 – 40 years
Buildings and Fixed Equipment	10 – 50 years
Furniture, Fixtures and Equipment	3 – 15 years
Motor Vehicles	5 – 10 years
Property Under Capital Lease	7 – 50 years
Audio Visual Materials and Software	3 – 10 years

Current-year information relative to changes in capital assets is described in note 3.C.

**(6) 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



**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
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net position. Debt premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the effective interest method. Bonds and certificates of participation payables are reported net of the applicable premium or discount. Debt issuance costs are reported separately as deferred charges and amortized over the term of the related debt.

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

Changes in long-term debt for the current year are reported in note 3.I.(4).

**(7) Pensions**

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

Current-year information relative to the State Retirement Programs is described in note 3.D.

**(8) Deferred Outflows / Inflows of Resources**

In addition to assets, the statement of net position has a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future periods and will not be recognized as an outflow of resources (expense/expenditure) until that time. The District has two items that qualify for reporting as deferred outflows of resources, both reported in the government-wide statement of net position. The first item is the net carrying amount of debt refunding. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA**  
**NOTES TO THE BASIC FINANCIAL STATEMENTS**  
**JUNE 30, 2018**

amount is deferred and amortized over the shorter of the life of the refunded debt or new refunding debt. The second item is the deferred outflows related to pensions. The deferred outflows related to pensions are an aggregate of items related to pensions as calculated in accordance with GASB Statement No. 68, *Accounting and Financial Reporting for Pensions*. The deferred outflows related to pensions will be recognized as either pension expense or a reduction in the net pension liability in future reporting years.

In addition to liabilities, the statement of net position has a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future periods and will not be recognized as an inflow of resources (revenue) until that time. The District only has one type of item, which arises from the FRS and HIS pensions, that qualifies for reporting in this category. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. Details on the composition of deferred outflows and inflows related to pensions are reported in note 2.D.

**(9) Compensated Absences**

The criteria for determining compensated absences (e.g., paid absences for employee vacation and sick leave benefit) liability are derived from Board policy, negotiated agreements and State law. 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 employer will compensate the employee for the benefits through paid time off or other means. Sick leave benefits are accrued as a liability using the termination method. The liability is based on sick leave accumulated at year end by those employees who are eligible to receive termination payments and those employees for whom it is probable that they will become eligible to receive termination benefits in the future.

In the government-wide financial statements, compensated absences (i.e., paid absences for employee vacation leave and sick leave) are accrued as liabilities to the extent that it is probable that the benefits will result in termination payments. A liability for these amounts is reported in the governmental fund financial statements only if it has matured, such as for occurrences of employee resignations and retirements. The liability for compensated absences includes salary-related benefits, where applicable.

Changes in compensated absences for the current year are reported in note 3.I.(4).

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA**  
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**(10) Net Position Flow Assumption**

The District occasionally funds outlays for a particular purpose from both restricted (e.g., restricted bond or grant proceeds) and unrestricted resources. To calculate the amounts to report as restricted – net position and unrestricted – net position in the government-wide and proprietary fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. Consequently, it is the District’s policy to consider restricted - net position to have been depleted before unrestricted – net position is applied.

**(11) Fund Balance Flow Assumptions**

The District may fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). To calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the District’s policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Further, when components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

**(12) Fund Balance Policies**

Fund balance of governmental funds is reported in various categories based on the nature of any limitations requiring the use of resources for specific purposes. The District itself can establish limitations on the use of resources through either a commitment (committed fund balance) or an assignment (assigned fund balance).

The committed fund balance classification may include amounts that can be used only for the specific purposes determined by a formal action of the District’s highest level of decision-making authority. The Board is the highest level of decision-making authority for the District that can, by adoption of a resolution prior to the end of the fiscal year, commit fund balance. Once adopted, the limitation imposed by the resolution remains in place until a similar action is taken (the adoption of another resolution) to remove or revise the limitation. The District reported no committed fund balance as of June 30, 2018.

Amounts in the assigned fund balance classification are intended to be used by the District for specific purposes but do not meet the criteria to be classified as committed. The Board may assign fund balance as it does when appropriating fund balance to cover a gap between estimated revenue and appropriations in the subsequent year’s

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appropriated budget. Unlike commitments, assignments generally only exist temporarily. In other words, an additional action does not normally have to be taken for the removal of an assignment. Conversely, as discussed above, an additional action is essential to either remove or revise a commitment.

**G. Revenues**

**(1) Program Revenues**

Amounts reported as 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. All taxes, including those dedicated for specific purposes, and other internally dedicated resources are reported as general revenues rather than program revenues. Revenues that are not classified as program revenues are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

**(2) State Revenue Sources**

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

The State provides financial assistance to administer certain educational programs. SBE rules require that revenue earmarked for certain programs be expended only for the program for which the money is provided and require that the money not expended as of the close of the fiscal year be carried forward into the following year to be expended for the same categorical 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

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA**  
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governmental fund financial statements for the balance of these categorical and earmarked program resources.

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

A schedule of revenue from State sources for the current year is presented in note 3.N.(1).

**(3) District Property Taxes**

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

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

The Board adopted the 2017 tax levy on September 25, 2017. Tax bills are mailed by the Lake County Tax Collector's Office 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 budgeted at 96 percent of the levy to account for the potential early payment discounts. Property tax revenues are recognized in the governmental fund financial statements when taxes are received by the District, except that revenue is accrued for taxes collected by the Lake County Tax Collector at fiscal year end but not yet remitted to the District. Because any delinquent taxes collected after June 30 would not be material, delinquent taxes receivable are not accrued and no delinquent tax revenue deferral is recorded.

Millages rates and taxes levied for the current year are presented in note 3.N.(2).

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**(4) Local Sales Tax**

On November 6, 2001, the voters of Lake County approved a one-cent discretionary infrastructure sales surtax on sales in Lake County for fifteen years, effective January 1, 2003. This tax is split between Lake County, Lake County School District and Lake County cities. The District uses this tax to pay for the construction of certain educational facilities and other related costs, in accordance with Section 212.055(6), Florida Statutes.

On November 6, 2015, the voters of Lake County approved the continuation of the one-cent discretionary infrastructure sales surtax on sales in Lake County for an additional fifteen years, effective January 1, 2018.

**(5) Educational Impact Fees**

Lake County imposes an educational impact fee based on an ordinance adopted by the County Commission in 1996. On December 11, 2007, Lake County amended Chapter 22 of the Lake County Code related to Impact Fees. Ordinance 2007-60 amended the County's Impact Fee Schedule. The educational impact fee is collected by the County for most new residential construction. The fees can only be used to acquire, construct, expand, and equip the educational sites and educational capital facilities necessitated by new development, and to pay for certain collection and legal defense costs.

- (1) On April 5, 2011, the Lake County Board of County Commissioners voted to retroactively suspend collection of the school impact fee from January 1, 2011, through April 1, 2012.
- (2) On March 13, 2013, the Lake County Board of County Commissioners voted to extend this suspension through December 31, 2014.
- (3) On October 8, 2013, the Lake County Board of County Commissioners voted to reinstate the Impact fee at 25 percent of the prior rate effective January 13, 2014.
- (4) On December 2, 2014, the Lake County Board of County Commissioners voted to reinstate the Impact fee at 75 percent of the prior rate effective April 6, 2015. However, these funds were to be held until the School Board provided an updated Impact Fee Study.
- (5) On September 29, 2015, the updated Impact Fee Study was presented to the Lake County Board of County Commissioners and the Commissioners voted to increase the impact fee to 100 percent of the rate recommended in the new study effective January 11, 2016.

**(6) 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.

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**(7) Proprietary Funds Operating and Non-Operating Revenues and Expenses**

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the proprietary funds' principal ongoing operations. The principal operating revenues of the District's internal service funds are charges for services related to employee health insurance premiums. Operating expenses include salaries and benefits, claims expense, and other costs of providing health insurance. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

**2. ACCOUNTING CHANGE**

• **Governmental Accounting Standards Board Statement No. 75.**

The Other Postemployment Benefits Plan (OPEB Plan) is a single-employer defined benefit plan. As a plan sponsor, the District implemented Governmental Accounting Standards Board (GASB) Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, which requires employers of single-employer defined benefit plans to report the employers' OPEB Plan liabilities. The requirements of this Statement are being applied retroactively by restating the actuarially determined liabilities of \$18,785,470 July 1, 2017, date of transition, deferred outflow of resources of \$1,272,274, deferred inflows of resources, \$1,115,805.

The beginning net position of the District, was decreased by \$7,287,084 due to the adoption of a new GASB Pronouncement, Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*. GASB Statement No. 75 requires the District to recognize a liability and operating statement activities related to changes in the OPEB Plan. As a result of this change, beginning net position has been restated as follows:

<u>Description</u>	<u>Amount</u>
Beginning Net Position Prior to Restatement	\$ 356,051,317
OPEB Plan Liability	\$ 7,443,553
Deferred Inflow of Resources	1,115,805
Deferred Outflow of Resources	(1,272,274)
Net Adjustment to Beginning Net Position	<u>(7,287,084)</u>
Beginning Net Position as Restated	<u>\$ 348,764,233</u>

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**3. DETAIL NOTES ON ALL ACTIVITIES AND FUNDS**

**A. Cash, Cash Equivalents and Investments**

All cash deposits are held in banks that qualify as public depositories under Florida law. All deposits are insured by federal depository insurance and/or collateralized with securities held in Florida's multiple financial institution collateral pool as required by Chapter 280, Florida Statutes.

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

<u>Security Type</u>	<u>Duration Year</u>	<u>Credit Rating (1)</u>	<u>Fair Value</u>	<u>Fair Value Measurement (2)</u>
<b><u>Primary Government:</u></b>				
Florida Education Investment Trust Fund (FEITF)	0.15	AAAm	\$ 55,177,619	1
United States Treasury Notes	0.2	AA+	17,265,668	1
Federal Home Loan Bank Notes (FHLB)	0.2	A-1+	3,240,943	2
Commerical Paper	0.15-0.2	A-1; A-1+	6,077,407	1
<b><u>State Board of Administration (SBA):</u></b>				
Florida Prime	0.08	AAAm	80,775	n/a
Money Market Funds	n/a	AAAm	142,715	n/a
Total Investments, Primary Government			<u>81,985,127</u>	
<b><u>Proprietary Funds</u></b>				
Money Market Funds	n/a		190,176	n/a
<b>Total Investments</b>			<u><u>\$ 82,175,303</u></u>	

Notes: (1) Credit ratings are provided by Standard and Poor's.



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- (2) The District categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs, which is based on a matrix pricing model; Level 3 inputs are significant unobservable inputs and were evaluated using a curve-based approach.

**Interest Rate Risk**

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. Section 218.415(7), Florida Statutes, limits investment maturities to provide sufficient liquidity to pay obligations as they come due. The District's investment policy limits the length of investments of bond reserves, construction funds, and other non-operating funds to a maximum of five years and the investment of current operating funds to no longer than 2 years.

The District has no Federal instrumentalities investments that have embedded options consisting of the option at the discretion of the issuer to call their obligation or pay a stated increase in the interest rate. The District also has no Federal instrumentalities mortgage pass-through securities.

**Credit Risk**

The District's investment policy authorizes the following investments:

- Intergovernmental Pools ("LGIP")
- United States Government securities
- United States Government agencies
- Federal instrumentalities
- Interest-bearing time deposit or savings accounts in qualified public depositories
- Repurchase agreements collateralized with a value of 102 percent, by negotiable direct obligations of the United States Government, government agencies, and Federal instrumentalities with maturities under 5 years
- Commercial paper and bankers' acceptances rated "Prime-1" by Moody's Investors Service and "A-1" by Standard & Poor's
- State and/or local government taxable and/or tax-exempt debt rated at least "Aa" by Moody's and "AA" by Standard & Poor's
- Registered investment companies (mutual funds) rated "AAAm" or better by Standard & Poor's or an equivalent rating by another rating agency

Under the Board's investment policy, proceeds from debt issues are allowed to be invested in accordance with the resolutions authorizing the debt issue and approved by the bond insurer.

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**Custodial Credit Risk**

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the District will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. Pursuant to Section 218.415 (18), Florida Statutes, the District's investment policy requires securities, with the exception of certificates of deposit, shall be held with a third-party custodian; and all securities purchased by, and all collateral obtained by, the Board should be properly designated as an asset of the Board. The securities must be held in an account separate and apart from the assets of the financial institution. A third-party custodian is defined as any bank depository chartered by the Federal Government, the State of Florida, or any other state or territory of the United States which has a branch or principal place of business in the State of Florida as defined in Section 658.12, Florida Statutes, 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 the State of Florida. Certificates of deposits will be placed in the provider's safekeeping department for the term of the deposit. As of June 30, 2018, the District's investment portfolio was held with a third-party custodian as required by the District's investment policy.

**Concentration of Credit Risk**

The District's investment policy has established asset allocation and issuer limits in the investment of available funds, i.e., cash and investments funds, which are designed to reduce the concentration of credit risk of the District's investment portfolio as follows:

- Intergovernmental Pools ("LGIP") – 50%
- United States Government securities – 100%
- United States Government agencies – 100%
  - 10% limit on individual issuers
- Federal instrumentalities – 80%
  - 40% limit on individual issuers
- Interest-bearing time deposit or savings accounts – 50%
- Repurchase agreements – 40%
  - 20% limit on individual issuers
- Commercial paper – 35%
  - 10% limit on individual issuers
- Registered investment companies (mutual funds) – 50%
  - 25% limit on individual issuers
- Banker's acceptances - 35%
  - 10% limit on individual issuers
- State and/or local government taxable or tax-exempt debt – 25%

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**Foreign Currency Risk**

The District's investment policy does not allow for investments in foreign currency; therefore, the District has no exposure to foreign currency risk.

**B. Receivables**

The majority of receivables are due from other agencies. These receivables and the remaining accounts receivable are considered to be fully collectible. As such, no allowance for uncollectible accounts receivable is accrued.

**C. Changes in Capital Assets**

Changes in capital assets are presented in the table as follows:

	<u>Balance July 1, 2017</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2018</u>
<b>GOVERNMENTAL ACTIVITIES</b>				
Capital Assets Not Being Depreciated:				
Land	\$ 22,956,312	\$ -	\$ -	\$ 22,956,312
Construction in Progress	-	122,713	-	122,713
Total Capital Assets Not Being Depreciated	<u>22,956,312</u>	<u>122,713</u>	<u>-</u>	<u>23,079,025</u>
Capital Assets Being Depreciated:				
Improvements Other Than Buildings	17,401,450	138,493	-	17,539,943
Buildings and Fixed Equipment	775,974,776	956,005	-	776,930,781
Furniture, Fixtures, and Equipment	45,437,213	2,343,443	1,454,043	46,326,613
Motor Vehicles	37,195,333	2,926,761	2,792,110	37,329,984
Property Under Capital Lease	5,937,322	-	-	5,937,322
Audio Visual Materials and Computer Software	<u>11,077,215</u>	<u>13,662</u>	<u>22,994</u>	<u>11,067,883</u>
Total Capital Assets Being Depreciated	<u>893,023,309</u>	<u>6,378,364</u>	<u>4,269,147</u>	<u>895,132,526</u>
Less Accumulated Depreciation for:				
Improvements Other Than Buildings	16,164,408	151,298	-	16,315,706
Buildings and Fixed Equipment	184,576,134	15,519,496	-	200,095,630
Furniture, Fixtures, and Equipment	38,387,678	2,760,156	1,461,403	39,686,431
Motor Vehicles	25,796,786	1,894,657	2,729,888	24,961,555
Property Under Capital Lease	2,445,081	501,982	-	2,947,063
Audio Visual Materials and Computer Software	<u>10,616,785</u>	<u>190,717</u>	<u>22,994</u>	<u>10,784,508</u>
Total Accumulated Depreciation	<u>277,986,872</u>	<u>21,018,306</u>	<u>4,214,285</u>	<u>294,790,893</u>
Total Capital Assets Being Depreciated, Net	<u>615,036,437</u>	<u>(14,639,942)</u>	<u>54,862</u>	<u>600,341,633</u>
Governmental Activities Capital Assets, Net	<u>\$ 637,992,749</u>	<u>\$ (14,517,229)</u>	<u>\$ 54,862</u>	<u>\$ 623,420,658</u>

**D. State Retirement Program and Net Pension Liability**

**(1) General Information about the FRS**

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

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pension plan to assist retired members of any State-administered retirement system in paying the costs of health insurance.

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

The District's FRS and HIS pension expense totaled \$26,647,027 for the fiscal year ended June 30, 2018.

**(2) FRS Pension Plan**

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

- (1)** Regular – Members of the FRS who do not qualify for membership in the 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 at 6 years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at eight years of creditable 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 any time after 33 years of creditable service. Employees enrolled in the Plan may include up to 4 years of credit for military service toward creditable 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 Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may

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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 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 expressed as a percentage of the average final compensation. For members initially enrolled before July 1, 2011, the average final compensation is the average of the 5 highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the 8 highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits. The following chart shows the percentage value for each year of service credit earned:

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

As provided in Section 121.101, Florida Statutes, if the member is initially enrolled in the FRS before July 1, 2011, and all service credit was accrued before July 1, 2011, the annual cost-of-living adjustment is 3 percent per year. If the member is initially enrolled before July 1, 2011, and has service credit on or after July 1, 2011, there is an individually calculated cost-of-living adjustment. The annual cost-of-living adjustment is a proportion of 3 percent determined by dividing the sum of the pre-July 2011 service credit by the total service credit at retirement multiplied by 3 percent. Plan members initially enrolled on or after July 1, 2011, will not have a cost-of-living adjustment after retirement

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

<b>Class</b>	<b>Percent of Gross Salary</b>	
	<b>Employee</b>	<b>Employer (1)</b>
FRS, Regular	3.00	7.92
FRS, Elected County Officers	3.00	45.50
FRS, Senior Management Service	3.00	22.71
DROP - Applicable to Members from All of the Above Classes	0.00	13.26
FRS, Reemployed Retiree	(2)	(2)

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

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

The District's contributions totaled \$11,105,362 for the fiscal year ended June 30, 2018.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.** At June 30, 2018, the District reported a liability of \$126,493,771 for its proportionate share of the Plan's net pension liability. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017. The District's proportionate share of the net pension 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's proportionate share was .474681957 percent, which was an increase of .00006354765 from its proportionate share measured as of June 30, 2016. For the fiscal year ended June 30, 2018, the District recognized the Plan pension expense of \$20,219,816. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to 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	\$ 11,588,181	\$ 663,558
Change of Assumptions	42,434,296	-
Net Difference Between Projected and Actual Earnings on FRS Pension Plan Investments	-	2,968,617
Changes in Proportion and Differences Between District FRS Contributions and Proportionate Share of Contributions	1,256,762	1,906,323
District FRS Contributions Subsequent to the Measurement Date	11,723,928	-
<b>Total</b>	<b>\$ 67,003,167</b>	<b>\$ 5,538,498</b>

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The deferred outflows of resources related to pensions resulting from District contributions to the Plan subsequent to the measurement date, totaling \$11,723,928, 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>Amount</u>
2019	\$ 6,492,440
2020	17,256,442
2021	12,065,722
2022	2,465,312
2023	8,338,202
Thereafter	3,122,623
<b>Total</b>	<u>\$ 49,740,741</u>

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

Inflation	2.60 percent
Salary Increases	3.25 percent, average, including inflation
Investment Rate of Return	7.10 percent, net of pension plan investment expense including inflation

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

The actuarial assumptions used in the July 1, 2017, valuation were based on the results of an actuarial experience study for the period July 1, 2008, through June 30, 2013.

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

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<u>Asset Class</u>	<u>Target Allocation (1)</u>	<u>Annual Arithmetic Return</u>	<u>Annual (Geometric) Return</u>	<u>Standard Deviation</u>
Cash	1%	3.0%	3.0%	1.8%
Fixed Income	18%	4.5%	4.4%	4.2%
Global Equity	53%	7.8%	6.6%	17.0%
Real Estate (Property)	10%	6.6%	5.9%	12.8%
Private Equity	6%	11.5%	7.8%	30.0%
Strategic Investments	12%	6.1%	5.6%	9.7%
<b>Total</b>	<b>100%</b>			
Assumed Inflation - Mean			2.6%	1.9%

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

**Discount Rate.** The discount rate used to measure the total pension liability was 7.1 percent. The Plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the discount rate for calculating the total pension liability is equal to the long-term expected rate of return. The discount rate used in the 2017 valuation was updated from 7.6 percent to 7.1 percent.

**Sensitivity of the District's Proportionate Share of the Net Position Liability to Changes in the Discount Rate.** The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 7.1 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 1 percentage point lower (6.1 percent) or 1 percentage point higher (8.1 percent) than the current rate:

	<u>1% Decrease (6.1%)</u>	<u>Current Discount Rate (7.1%)</u>	<u>1% Increase (8.1%)</u>
District's Proportionate Share of the Net Pension Liability	\$ 228,946,090	\$ 126,493,771	\$ 41,434,878

**FRS 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.

**(3) 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.



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**Benefits Provided.** For the fiscal year ended June 30, 2018, eligible retirees and beneficiaries received a monthly HIS payment of \$5 for each year of creditable service completed at the time of retirement, with a minimum HIS payment of \$30 and a maximum HIS payment of \$150 per month, pursuant to Section 112.363, Florida Statutes. To be eligible to receive a HIS Plan benefit, a retiree under a State-administered retirement system must provide proof of health insurance coverage, which may include Federal Medicare.

**Contributions.** The HIS Plan is funded by required contributions from FRS participating employers as set by the Florida Legislature. Employer contributions are a percentage of gross compensation for all active FRS members. For the fiscal year ended June 30, 2018, the contribution rate was 1.66 percent of payroll pursuant to Section 112.363, Florida Statutes. The District contributed 100 percent of its statutorily required contributions for the current and preceding 3 years. HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. HIS Plan benefits are not guaranteed and are subject to annual legislative appropriation. In the event the legislative appropriation or available funds fail to provide full subsidy benefits to all participants, benefits may be reduced or canceled.

The District's contributions to the HIS Plan totaled \$3,175,334 for the fiscal year ended June 30, 2018.

**Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions.** At June 30, 2018, the District reported a net pension liability of \$65,057,433 for its proportionate share of the HIS Plan's net pension liability. The current portion of the net pension liability is the District's proportionate share of benefit payments expected to be paid within 1 year, net of the District's proportionate share of the HIS Plan's fiduciary net position available to pay that amount. The net pension liability was measured as of June 30, 2017, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2016, and update procedures were used to determine liabilities as of July 1, 2017. The District's proportionate share of the net pension 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's proportionate share was .0677860054 percent, which was an increase of .00006629376 from its proportionate share measured as of June 30, 2016.

For the fiscal year ended June 30, 2018, the District recognized the HIS Plan pension expense of \$5,325,178. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

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<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences Between Expected and Actual Experience	\$ -	\$ 137,669
Change of Assumptions	9,170,987	5,717,315
Net Difference Between Projected and Actual Earnings on HIS Pension Plan Investments	36,182	-
Changes in Proportion and Differences Between District FRS Contributions and Proportionate Share of Contributions	1,984,888	15,257
District Contributions Subsequent to the Measurement Date	3,175,334	-
<b>Total</b>	<b>\$ 14,367,391</b>	<b>\$ 5,870,241</b>

The deferred outflows of resources related to pensions resulting from District contributions to the HIS Plan subsequent to the measurement date, totaling \$3,175,334, 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>Amount</u>
2019	\$ 694,633
2020	1,846,285
2021	1,290,925
2022	263,766
2023	892,113
Thereafter	334,093
<b>Total</b>	<b>\$ 5,321,816</b>

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

Inflation	2.60 percent
Salary Increases	3.25 percent, average, including inflation
Municipal Bond Rate	3.58 percent

Mortality rates were based on the Generational RP-2000 with Projected Scale BB. While an experience study had not been completed for the HIS Plan, the actuarial assumptions that determined the total pension liability for the HIS Plan were based on certain results of the most recent experience study for the FRS Plan.

**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

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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. The discount rate changed from 2.85 percent to 3.58 percent

**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 1 percentage point lower (2.58 percent) or 1 percentage point higher (4.58 percent) than the current rate:

	1% Decrease (2.58%)	Current Discount Rate (3.58%)	1% Increase (4.58%)
District's Proportionate Share of the Net Pension Liability	\$ 74,239,146	\$ 65,057,433	\$ 57,409,573

**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.

The aggregate amount of net pension liabilities, related deferred outflows of resources and deferred inflows of resources and pension expense for the District's defined benefit pension plans are summarized below:

	Pension Plan	HIS Plan	Total
Net Pension Liabilities	\$ 126,493,771	\$ 65,057,433	\$ 191,551,204
Deferred outflows of resources related to defined benefit plans	67,003,167	14,367,391	81,370,558
Deferred inflows of resources related to defined benefit plans	5,538,498	5,870,241	11,408,739
Pension expense	20,258,987	5,375,885	25,634,872

**(4) 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 SBA, and is reported in the SBA's annual financial statements and in the State of Florida Comprehensive Annual Financial Report.

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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 investment funds. Retirement benefits are based upon the value of the member's account upon retirement. Benefit terms, including contribution requirements, for the Investment Plan are established and may be amended by the Florida Legislature. The Investment Plan is funded with the same employer and employee contribution rates that are based on salary and membership class (Regular, Elected County Officers, etc.), as the FRS defined benefit plan. Contributions are directed to individual member accounts, and the individual members allocate contributions and account balances among various approved investment choices. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of Investment Plan members. Allocations to the Investment Plan member accounts during the 2017-18 fiscal year were as follows:

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

For all membership classes, employees are immediately vested in their own contributions and are vested after one year of service for employer contributions and investment earnings, 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 the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the 5-year period, the employee will regain control over their account. If the employee does not return within the 5-year period, the employee will forfeit the accumulated account balance. For the fiscal year ended June 30, 2018, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the District.

After termination and applying to receive benefits, the member may rollover vested funds to another qualified plan, structure a periodic payment under the Investment Plan, receive a lump-sum distribution, leave the funds invested for future distribution, or any combination of these options. Disability coverage is provided in which the member may either transfer the account balance to the FRS Pension Plan when

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approved for disability retirement to receive guaranteed lifetime monthly benefits under the FRS Pension Plan or remain in the Investment Plan and rely upon that account balance for retirement income.

The District's Investment Plan pension expense totaled \$2,724,936 for the fiscal year ended June 30, 2018.

**E. Other Post Employment Benefit Plan – OPEB Plan**

The District follows GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pensions*, for reporting the employers' OPEB Plan liability.

**Plan Description.** The Other Postemployment Benefits Plan (OPEB Plan) is a single-employer defined benefit plan administered by the District. Pursuant to the provisions of Section 112.0801, Florida Statutes, employees who retire from the District are eligible to participate in the District's health and hospitalization plan for medical and prescription drug coverage. The District subsidizes the premium rates paid by retirees by allowing them to participate in the OPEB Plan at reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. These rates provide an implicit subsidy for retirees because, on an actuarial basis, their current and future claims are expected to result in higher costs to the OPEB Plan on average than those of active employees. The District does not offer any explicit subsidies for retiree coverage. Retirees are assumed to enroll in the Federal Medicare program for their primary coverage as soon as they are eligible. The OPEB Plan does not issue a stand-alone report, and is not included in the report of a public employee retirement system or other entity. No assets are accumulated in a trust that meets all of the criteria in GASB Statement No. 75, paragraph 4.

*Summary of Membership Information.* The following table provides a summary of the number of participants in the plan as of the measurement date:

Retirees and Beneficiaries	224
Inactive, Nonretired Members	-
Active Plan Members	<u>4,829</u>
Total Plan Members	<u>5,053</u>

*Changes in the Total OPEB Plan Liability.* The following table shows the change in the District's OPEB Plan liability:

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<u>Description</u>	<u>Amount</u>
Service Cost	\$ 1,092,237
Interest on the Total OPEB Plan Liability	561,195
Changes of Assumptions	(1,114,417)
Benefit Payments	<u>(1,270,692)</u>
Net Change in Total OPEB Plan Liability	(731,677)
Net OPEB Plan Liability, Beginning of the Year	<u>18,785,470</u>
Net OPEB Plan Liability, End of the Year	<u><u>\$ 18,053,793</u></u>

*Funded Status and Funding Progress.* As of June 30, 2017, the most recent valuation date, the total OPEB Plan liability was \$18,785,470, and assets held in trust were \$0, resulting in a funded ratio of 0 percent. The covered payroll (annual payroll of active participating employees) was \$136,461,020, and the ratio of the total OPEB Plan liability to the covered payroll was 13.23 percent.

The OPEB Plan contribution requirements of the District and OPEB Plan members are established and may be amended through recommendations of the Insurance Committee and action from the Board. The District has not advance-funded or established a funding methodology for the annual OPEB expense or the net OPEB Plan liability, and the OPEB Plan is financed on a pay-as-you-go basis.

**Actuarial Valuation Date. For employee and retiree population purposes, June 30, 2017, was the actuarial valuation date. For development of per capita cost purposes and for valuation purposes, June 30, 2017, was used as the effective date of OPEB Plan provisions.**

*Actuarial Valuation Methods and Assumptions.* Actuarial valuations of an ongoing OPEB Plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment and termination, mortality, and healthcare cost trends. Amounts determined regarding the funded status of the OPEB Plan are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future.

The Individual Entry Age Normal Cost Method with an increasing normal cost pattern consistent with the salary increase assumptions used in the July 1, 2016, actuarial valuation of the Florida Retirement (FRS) was used in the OPEB Plan liability calculation.

Demographic assumptions employed in the actuarial valuation were the same as those employed in the July 1, 2016, actuarial valuation of the FRS Benefit Pension Plan. These demographic assumptions were developed by FRS from an Actuarial Experience Study, and therefore are appropriate for use in the OEPB Plan Actuarial Valuation. These include assumed rates of future termination, mortality, disability, and retirement. In addition, salary increase assumptions (for development of the pattern of the normal cost increases) were the same as those used in the July 1, 2016, actuarial valuation of the FRS Defined Benefit Pension Plan. Assumptions used in valuation of benefits for participants of the FRS Investment plan are the same as for similarly

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situated participants of the FRS Defined Benefit Pension Plan.

Mortality tables used in the July 1, 2016, actuarial valuation of the Florida Retirement System were used. They are based on the results of a statewide experience study covering the period 2008 through 2013.

The total OPEB Plan liability actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50 percent
Salary Increases	3.70 percent to 7.8 percent, including inflation as used in the July 1, 2016 actuarial valuation of the Florida Retirement System

Healthcare cost trend rates were based on the Getzen Model, with trend starting at 7.00% and gradually decreasing to an ultimate trend rate of 4.25% plus 0.55% increase for excise tax.

Aging factor expenses were based on the 2013 SOA Study "Health Care Costs – From Birth to Death". Administrative expenses are included in the per capita health costs.

*Discount Rate.* There are no invested plan assets held in trust to finance the OPEB Plan liability. The discount rate used equals the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA rating as of the measurement date. For the purpose of the OPEB Plan valuation, the municipal bond rate was 3.56% (based on the daily rate closest to but not later than the measurement date of the "Fidelity General Obligation AA Index"). The discount rate was 2.92% as of the beginning of the measurement period.

The District's annual OPEB expense totaled \$1,551,192 for the fiscal year ended June 30, 2018. At June 30, 2018, the District reported deferred outflows and inflows of resources related to the OPEB Plan liability from the following sources:

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Change of assumptions	\$ -	\$ 1,013,565
District contributions subsequent to the measurement date	994,940	-
Total	\$ 994,940	\$ 1,013,565

The deferred outflows of resources related to pensions totaling \$994,940 resulting from District contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the pension liability in the year ended June 30, 2019. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Fiscal Year Ending June 30	Amortization
2019	\$ 102,379
2020	102,379
2021	102,379
2022	102,379
2023	102,379
Thereafter	501,670

*Sensitivity of the District's Total OPEB Plan Liability to Changes in the Discount Rate.*

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The following presents the District's OPEB Plan liability calculated using the discount rate of 3.56 percent, as well as what the OPEB Plan liability would be if it were calculated using a discount rate that is 1-percentage-point lower (2.56 percent) or 1-percentage-point higher (4.56 percent) than the current rate:

	1% Decrease 2.56%	Current Discount Rate 3.56%	1% Increase 4.56%
OPEB Plan Liability	\$ 19,833,008	\$ 18,053,793	\$ 16,472,172

*Sensitivity of the District's Total OPEB Plan Liability to the Healthcare Cost Trend Rate Assumption.* Regarding the sensitivity of the total OPEB liability, calculated using the assumed trend rates as well as what the OPEB Plan's total liability would be if it were calculated using a trend rate that is one percent lower or one percent higher:

	1% Decrease (6.00% down to 3.24%)	Current Healthcare Cost Trend Rate Assumption	1% Increase (8.00% down to 5.24%)
OPEB Plan Liability	\$ 16,101,670	\$ 18,053,793	\$ 20,406,349

**D. Other Significant Commitments**

**Encumbrances:**

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

The following is a schedule of encumbrances at year-end:

<b>Major Funds</b>					
	<b>Special Revenue - Food Service</b>	<b>Special Revenue- Other Federal Programs</b>	<b>Capital Projects-Other Capital Projects</b>	<b>Other Governmental Funds</b>	<b>Total Governmental Funds</b>
	\$ 854,911	\$ 605,540	\$ 711,137	\$ -	\$ 4,418,179
\$ 2,246,591					

**E. Risk Management Programs**

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. Workers' compensation, automobile liability, general liability, school board legal liability, and law enforcement liability are being provided on a self-insured basis up to specified limits. The District has entered into agreements with two insurance companies to provide specific excess coverage of claim amounts above the stated amount on an individual claim basis, and aggregate excess coverage when total claim minus specific excess coverage exceeds the loss fund established annually by the District. The District has contracted



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with an insurance administrator to administer these self-insurance programs, including the processing, investigating, and payment of claims.

On July 1, 2004, the District entered a participation agreement with five school districts to purchase property insurance coverage through the Preferred Government Insurance Trust (PGIT). Under this agreement, the District shares \$160,000,000 of coverage on a per occurrence basis with a \$25,000 deductible for all other perils excluding wind damage from a named storm. The deductible for a named storm is 2 percent of the Total Insured Value, per location, subject to a minimum of \$35,000 deductible per occurrence.

Life insurance coverage is being provided through purchased commercial insurance. Settled claims resulting from these risks have not exceeded commercial coverage in any of the past three fiscal years.

The District provides health and hospitalization under a self-funded program administered through a commercial provider. By utilizing a self-funded model, the District assumes the claims risk directly and uses a purchased stop-loss policy to mitigate those risks. The stop-loss policy covers any individual claim over \$300,000, with an aggregate stop-loss of \$2,000,000. The District had 11 claims in excess of the stop-loss limit of \$300,000 in the prior 3 years. The stop-loss covers the claims directly and does not require the District to pay the claim and then be reimbursed.

Additionally, the District has entered into a contract with CareHere, LLC, to operate 4 health and wellness centers. Employees who have district health insurance may see a doctor free of charge and may receive stocked generic medicines free of charge.

Funding levels for the program and the run-out claims were actuarially determined. The District filed the required certification to the Office of Insurance Regulation which included a statement prepared by an actuary who is a member of the Society of Actuaries or the American Academy of Actuaries as to the actuarial soundness of the plan. The District reports the self-funded program in the Internal Service Funds. Amounts are charged to various funds to provide sufficient resources to cover claims incurred, to pay for the purchase of excess insurance, and to pay the insurance services agent's administrative fees. The following schedule represents the changes in claims liability for the past 2 fiscal years for the District's Self-Insured Health Insurance Fund:

<b>Fiscal Year</b>	<b>Beginning of Fiscal Year Liability</b>	<b>Year Claims and Changes in Estimates</b>	<b>Claims Payments</b>	<b>Balance at Fiscal Year End</b>
2016-17	\$ 2,818,323	\$42,146,646	\$ (39,132,118)	\$ 5,832,851
2017-18	5,832,851	44,412,339	(46,920,209)	\$ 3,324,981

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**F. Lease Obligation**

**(1) Capital Lease Commitment**

On October 14, 2011, the District entered into a Guaranteed Energy Savings Performance Contract under a Master Lease Agreement for the design, engineering and installation of various conservation measures, including facility alterations and equipment purchases designed to reduce energy or water consumption at various school locations. The project is funded through SunTrust Equipment Financing and Leasing in the amount of \$6,328,851. The Board's intent is to repay the loan and related interest through the guaranteed energy savings realized in 9 annual installments of \$776,966 through September 14, 2020. The outstanding principal and interest balance at June 30, 2018, totals \$3,107,864.

Amounts payable for the Capital Lease are as follows:

<u>Fiscal Year Ending June 30</u>	<u>Total</u>	<u>Principal</u>	<u>Interest</u>
2019	\$ 776,966	\$ 730,466	\$ 46,500
2020	776,966	745,649	31,317
2021	776,966	761,147	15,819
<b>Total Minimum Lease Payments</b>	<b><u>\$2,330,898</u></b>	<b><u>\$2,237,262</u></b>	<b><u>\$ 93,636</u></b>

**H. Long-Term Liabilities**

**(1) Certificates of Participation**

The District entered into a financing arrangement on July 1, 1998, which was characterized as a lease-purchase agreement, with the Financing Corporation for the School Board of Lake County, Florida, Inc. (Financing Corporation), a blended component unit as described in Note 1, whereby the District secured financing of various educational facilities in the total amount of \$337,005,000. The financing was accomplished through the issuance of Certificates of Participation, Series 1998 for \$71,355,000; Series 2002 for \$65,155,000; Series 2003 for \$29,515,000; Series 2004A for \$29,025,000; Series 2005A for \$64,240,000; and Series 2006A for \$77,715,000, to be repaid from the proceeds of rents paid by the District.

As a condition of the financing arrangement, the District has given ground leases on District property to the Financing Corporation, with a rental fee of \$10 per year. The initial terms of the Series 1998 lease is 30 years commencing on July 1, 1998. The Series 2002, 2003, 2004A, 2005A, and 2006A leases each have an initial term of 25 years commencing on July 1, 2002, February 1, 2003, September 1, 2004, July 28, 2005, and December 1, 2006, respectively. The properties covered by the ground leases are, together with the improvements constructed thereon from the financing proceeds, leased back to the District. If the District fails to renew the lease and to provide for the rent payments through to term, the District may be required to surrender the sites included under the Ground Lease Agreement for the benefit of the

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securers of the certificates for a period of time specified by the arrangement which may be up to 30 years from the date of the inception of the arrangement.

Certificates of participation payable at June 30, 2018, are as follows:

<b>Bond Type</b>	<b>Amount Issued</b>	<b>Amount Outstanding</b>	<b>Interest Rates (Percent)</b>	<b>Annual Maturity To</b>
2012A, Refunding	\$ 23,065,000	\$ 11,800,000	1.000-5.000	2028
2012B, Refunding	20,655,000	15,015,000	3.000-5.000	2028
2013A, Refunding	20,875,000	16,375,000	3.000-5.000	2029
2014A, Refunding	55,800,000	54,170,000	3.000-5.000	2030
2015B, Refunding	56,270,000	52,355,000	3.000-5.000	2031
2016A, Refunding	27,820,000	27,355,000	3.000-5.000	2031
<b>Subtotal</b>		<u>\$ 177,070,000</u>		
Unamortized Premium		<u>14,975,185</u>		
<b>Total</b>		<u>\$ 192,045,185</u>		

Note: Several of the original Certificates of Participation have been advance refunded to reduce total outstanding debt in future years. The following identifies the original series that was advance refunded by each refunding series.

**Refunding Series**

Series 2005C, Refunding  
Series 2012A, Refunding  
Series 2012B, Refunding  
Series 2013A, Refunding  
Series 2014A, Refunding  
Series 2015A, Refunding  
Series 2015B, Refunding  
Series 2016A, Refunding

**Original Series - Advance Refunded**

Portion of Series 2002  
Portion of Series 2002A  
Portion of Series 2003A  
Portion of Series 2004A  
Portion of Series 2005A  
Portion of Series 2005B  
Portion of Series 2006A  
Portion of Series 2006B

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The District Properties included in the ground leases under this arrangement include:

**Series 1998 Certificates**

Round Lake Elementary - Charter  
Astatula Elementary  
Lost Lake Elementary  
Villages Elementary  
Windy Hill Middle  
Beverly Shores – Classroom Wing  
Groveland Elementary – Classroom Wing  
Tavares Elementary – Classroom Wing  
Triangle Elementary – Classroom Wing  
Eustis Middle – Classroom Wing  
Tavares Middle – Classroom Wing

**Series 2002 Certificates**

Pine Ridge Elementary  
Leesburg High  
Mt. Dora High

**Series 2003 Certificates**

Beverly Shores Elementary  
Fruitland Park Elementary  
Mt. Dora Middle  
Leesburg Elementary  
Oak Park Bus Lot Replacement

**Series 2004A Certificates**

Carver Middle  
Mascotte Elementary - Charter  
Lake Hills

**Series 2005A Certificates**

Mascotte Elementary - Charter  
Minneola Elementary - Charter  
Lake Hills  
East Ridge High Addition

**Series 2006A Certificates**

Sawgrass Bay Elementary  
East Ridge Middle  
South Lake High Addition  
Gray Middle  
Eustis Heights Elementary

The following is a schedule by years of future minimum lease payments under the above-referenced lease agreements together with the present value of minimum lease payments as of June 30:

<b>Fiscal Year Ending June 30</b>	<b>Total</b>	<b>Principal</b>	<b>Interest</b>
2019	\$ 18,082,855	\$ 10,360,000	\$ 7,722,855
2020	18,091,435	10,725,000	7,366,435
2021	18,090,585	11,120,000	6,970,585
2022	18,092,165	11,520,000	6,572,165
2023	18,092,165	11,915,000	6,172,805
2023-2027	91,745,155	69,910,000	22,299,119
2028-2031	75,076,588	51,520,000	5,004,819
<b>Subtotal</b>	<b>257,270,948</b>	<b>177,070,000</b>	<b>62,108,783</b>
Unamortized Premium	14,975,185	14,975,185	
<b>Total Minimum Lease Payments</b>	<b>\$ 272,246,133</b>	<b>\$ 192,045,185</b>	<b>\$ 62,108,783</b>

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**I. Bonds Payable**

Bonds payable at June 30, 2018, are as follows:

<b>Bond Type</b>	<b>Original Issue Amount</b>	<b>Amount Outstanding</b>	<b>Interest Rates (Percent)</b>	<b>Annual Maturity To</b>
State School Bonds:				
Series 2009A	\$ 625,000	\$ 505,000	4 - 5%	2029
Series 2009A, Refunding	485,000	60,000	5%	2019
Series 2010A	335,000	275,000	3.5 - 5%	2030
Series 2010A, Refunding	1,615,000	675,000	4 - 5%	2022
Series 2011A, Refunding	765,000	400,000	3 - 5%	2023
Series 2014A, Refunding	1,342,000	1,000,000	3 - 5%	2025
Series 2014B, Refunding	850,000	51,000	2 - 5%	2020
Series 2017A, Refunding	2,374,000	2,335,000	3 - 5%	2028
<b>Total Bonds Payable</b>		<b><u>\$ 5,301,000</u></b>		

Annual debt service requirements to maturity for all bonded debt as of June 30, 2018, are as follows:

<b>Fiscal Year Ending June 30</b>	<b>Total</b>	<b>Principal</b>	<b>Interest</b>
State School Bonds:			
2019	\$ 918,543	\$ 675,000	\$ 243,543
2020	879,843	668,000	211,843
2021	869,573	690,000	179,573
2022	700,423	555,000	145,423
2023-2026	2,241,240	1,903,000	338,240
2027-2031	866,845	810,000	56,845
<b>Total State School Bonds</b>	<b><u>\$6,476,467</u></b>	<b><u>\$5,301,000</u></b>	<b><u>\$1,175,467</u></b>

**State School Bonds**

These bonds are issued by the SBE 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 also pledged as security for these SBE bonds. Principal and interest payments, investment of debt service fund resources, amortization of any premium or discounts, compliance with reserve requirements, and any refundings are administered by and the responsibility of the SBE and the SBA.

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

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

Description	Changes in Long-Term Liabilities			Balance 6/30/2018	Due In One Year
	Balance 6/30/2017	Additions	Deductions		
<b>GOVERNMENTAL ACTIVITIES</b>					
Debt Related to Capital Assets:					
Note Payable	\$ 4,030,000	\$ -	\$ 4,030,000	\$ -	\$ -
<b>Bonds Payable:</b>					
State School Bonds	8,180,000	-	2,879,000	5,301,000	675,000
Certificates of Participation Payable	195,085,000	-	18,015,000	177,070,000	10,360,000
Unamortized Premium	16,420,661	-	1,445,476	14,975,185	-
<b>Total Certificates of Participation Payable</b>	<b>211,505,661</b>	<b>-</b>	<b>19,460,476</b>	<b>192,045,185</b>	<b>10,360,000</b>
Obligations Under Capital Lease	2,952,855	-	715,593	2,237,262	730,467
<b>Subtotal Debt Related to Capital Assets</b>	<b>226,668,516</b>	<b>-</b>	<b>27,085,069</b>	<b>199,583,447</b>	<b>11,765,467</b>
<b>Other Long-Term Liabilities:</b>					
Other Postemployment Benefits Payable	18,785,470	-	731,677	18,053,793	833,918
Compensated Absences Payable	17,727,334	146,737	1,333,276	16,540,795	1,640,000
Net Pension Liability:					
FRS - Defined Benefit Plan	106,273,955	101,864,911	81,645,095	126,493,771	-
FRS - Health Insurance Subsidy	70,304,543	16,924,720	22,171,830	65,057,433	3,587,431
<b>Total Net Pension Liability</b>	<b>176,578,498</b>	<b>118,789,631</b>	<b>103,816,925</b>	<b>191,551,204</b>	<b>3,587,431</b>
<b>Total Governmental Activities</b>	<b>\$ 439,759,818</b>	<b>\$ 118,936,368</b>	<b>\$ 132,966,947</b>	<b>\$ 425,729,239</b>	<b>\$ 17,826,816</b>

For the governmental activities, compensated absences, pension liabilities and other post-employment liabilities are generally liquidated with resources of the General Fund. Other postemployment benefits payable represents an implicit subsidy under GASB Statement No. 45 and will be included in future health and life insurance premiums charged to all funds that have personnel costs. There are no long-term liabilities associated with the business-type activities.

**J. Net Position – Net Investment in Capital Assets**

In the government-wide Statement of Net Position, the difference between total assets and total liabilities is net position. Generally accepted accounting principles require that net position be subdivided into the following three components: Net investment in capital assets, restricted net position, and unrestricted net position. The composition of net investment in capital assets as of June 30, 2018, is shown in the table below:

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2018**

<u>Description</u>	<u>Amount</u>
Total Capital Assets, Net of Accumulated Depreciation	\$ 623,420,659
<b>Less Related Debt, Net of Unspent Proceeds:</b>	
Certificates of Participation Payable	\$ 177,070,000
Bonds Payable	5,301,000
Capital Leases	2,237,262
Unamortized Debt Premiums	14,975,185
Deferred Amount on Refunding	(5,581,216)
Prepaid Issuance Costs	(171,737)
Total Related Debt, Net of Unspent Proceeds	<u>(193,830,494)</u>
<b>Net Investment in Capital Assets</b>	<u><u>\$ 429,590,165</u></u>

**K. Fund Balance Reporting**

The following is a schedule of fund balances by category at June 30, 2018:

<b>Fund Balances</b>	<b>Major Funds</b>				<b>Total Governmental Funds</b>
	<b>General</b>	<b>Special Revenue-Food Service</b>	<b>Capital Projects-Other Capital Projects</b>	<b>Other Governmental Funds</b>	
<b>Nonspendable:</b>					
<b>Inventories</b>					
General Fund	\$ 1,480,139	\$ -	\$ -	\$ -	\$ 1,480,139
Food Service Fund	-	1,106,936	-	-	1,106,936
<b>Restricted:</b>					
State Required Carryover	2,553,494	-	-	-	2,553,494
Food Service Fund	-	10,911,582	-	-	10,911,582
Debt Service	-	-	-	127,979	127,979
Capital Projects	-	-	46,950,308	20,007,108	66,957,416
<b>Assigned:</b>					
School Operations	193,615	-	-	-	193,615
<b>Unassigned:</b>	9,403,847	-	-	-	9,403,847
<b>Total Fund Balances</b>	<u>\$ 13,631,095</u>	<u>\$ 12,018,518</u>	<u>\$ 46,950,308</u>	<u>\$ 20,135,087</u>	<u>\$ 92,735,008</u>

In addition to committed and assigned fund balance categories discussed in the Fund Balance Policies in note 1.F.(12), fund balances may be classified as follows:

- **Nonspendable Fund Balance.** Nonspendable fund balance is the net current financial resources that cannot be spent because they are either not in spendable form or are legally or contractually required to be maintained intact. Generally, not in spendable form means that an item is not expected to be converted to cash.
- **Restricted Fund Balance.** Restricted fund balance is the portion of fund balance on which constraints have been placed by creditors, grantors, contributors, laws or regulations of other governments, constitutional provisions, or enabling legislation. Restricted fund balance places the most binding level of constraint on the use of fund

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2018**

balance.

- **Unassigned Fund Balance**. The unassigned fund balance is the portion of fund balance that is the residual classification for the General Fund. This balance represents amounts that have not been assigned to other funds and that have not been restricted, committed, or assigned for specific purposes.

**L. Interfund Receivables and Payables**

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

<b>Major:</b>		
General	\$ 1,772,585	\$ -
<b>Special Revenue:</b>		
Food Service	-	114,239
Other Federal Programs	-	1,035,053
<b>Capital Projects:</b>		
Other Capital Projects	-	6,322
Nonmajor Governmental	-	616,971
<b>Total</b>	<u>\$ 1,772,585</u>	<u>\$ 1,772,585</u>

The interfund receivables and payables represent the payment of expenditures by one fund for another fund and will be repaid within 12 months. In general, the General Fund advances funds to the Special Revenue – Other Fund for funding sources that are received by the District as a reimbursement of expenditures. The investments are recorded in the General Fund and consist of property tax receipts and food service funds.

**M. Donor-Restricted Endowments**

During the 2003-04 fiscal year the District became the administrator of the Lester J. Bodley Trust Fund in the amount of \$200,000. The terms of the Trust require that the income of the Trust be divided equally between a graduating male and female student from Leesburg High School. These students, who in the sole judgment of the School Board, shall have made the most overall personal improvement during the four years of his or her high school career. The gifts from the Trust each year are to be given on a one-time basis. The Trust is reported as a Private-Purpose Trust Fund in the District's basic financial statements. Any earnings received on the Private-Purpose Trust Fund investments are earnings that are held in a fiduciary capacity and are not available for general appropriation.



**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2018**

**N. Revenues**

**(1) Schedule of State Revenues**

The following is a schedule of the District's State revenue for the 2017-18 fiscal year:

<u>Source</u>	<u>Amount</u>
Florida Education Finance Program	\$ 146,009,652
Categorical Educational Program - Class Size Reduction	45,946,866
Workforce Development Program	4,609,038
Best and Brightest Scholarship Program	2,334,709
Voluntary Prekindergarten Program	1,611,618
Florida School Recognition Program	1,428,318
CO&DS Withheld for Administrative Expenses	1,097,361
Gross Receipts Tax (Public Education Capital Outlay)	722,112
Motor Vehicle License Tax (Capital Outlay and Debt Service)	465,637
Charter Schools Capital Outlay	374,106
Mobile Home License Tax	367,411
School Breakfast/Lunch Supplement	220,158
Racing Commission Funds	148,833
Discretionary Lottery Funds	74,748
CO&DS Withheld for Administrative Expenses	23,802
Interest on Undistributed CO&DS	19,384
Miscellaneous	555,867
<b>Total</b>	<u><u>\$ 206,009,620</u></u>

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

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2018**

**(2) Property Taxes**

The following is a summary of millages and taxes levied on the 2017 Final Certified Taxable Value of Property in the County of \$21,104,174,129 for the 2017-2018 fiscal year:

	<b>Millages</b>	<b>Taxes Levied</b>
<b><u>General Fund</u></b>		
<b>Nonvoted School Tax:</b>		
Required Local Effort	4.355	\$ 91,908,678
Basic Discretionary Local Effort	0.748	15,785,922
<b><u>Capital Projects Funds</u></b>		
<b>Nonvoted Tax:</b>		
Local Capital Improvements	1.5	31,656,262
<b>Total</b>	<b>6.603</b>	<b>\$ 139,350,862</b>

**O. INTERFUND TRANSFERS**

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

<b><u>Funds</u></b>	<b>Interfund</b>	
	<b>Transfers In</b>	<b>Transfers Out</b>
<b>Major:</b>		
General	\$ 12,521,471	\$ -
<b>Capital Projects:</b>		
Other Capital Projects	-	13,525,556
Nonmajor Governmental	31,301,839	29,926,346
	43,823,310	43,451,902
<b>Proprietary:</b>		
Enterprise		371,408
<b>Total</b>	<b>\$ 43,823,310</b>	<b>\$ 43,823,310</b>

The principal purposes of interfund transfers are the provision of funds for repayment of debt service principal and interest and the funding of certain maintenance costs.

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA  
NOTES TO THE BASIC FINANCIAL STATEMENTS  
JUNE 30, 2018**

**4. DISCLOSURE OF SIGNIFICANT CONTINGENCIES**

**A. Litigation and Contingencies**

The District is subject to potential litigation in the normal course of business. It is the opinion of 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 exceed the above-mentioned limits, would not be material to the financial position of the District.

Amounts received or receivable from grantors are subject to audit and adjustment by grantor agencies, principally the Federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures, which may be disallowed by grantors, cannot be determined at this time. In the opinion of the management of the District, no material refunds will be required as a result of expenditures disallowed by grantors.



LAKE COUNTY SCHOOLS, TAVARES FLORIDA

# REQUIRED SUPPLEMENTARY INFORMATION



LAKE COUNTY SCHOOLS, TAVARES FLORIDA



LAKE COUNTY SCHOOLS, TAVARES FLORIDA

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>Revenues</b>				
Intergovernmental:				
Federal Direct	\$	\$	\$	\$
ROTC	310,000	288,312	288,312	0
Federal Through State and Local				
Medicaid	800,000	1,083,386	1,083,386	-
IDEA		73	73	-
National Forest Funds	80,000	74,869	74,869	-
Miscellaneous Federal Through State Funds	725,000	915,044	915,044	-
State				
Florida Educational Finance Program	145,705,328	146,009,652	146,009,652	-
Categorical Educational Programs	47,593,109	48,986,802	48,986,802	-
Workforce Development Program	4,609,038	4,609,038	4,609,038	-
Miscellaneous State Funds	1,660,519	3,222,977	3,222,977	-
Local:				
District School Tax	103,617,826	104,013,066	104,013,066	-
Investment Income	100,000	423,592	423,592	-
Impact Fees				-
Miscellaneous Local Funds	3,800,000	3,790,204	2,755,034	(1,035,170)
<b>Total Revenues</b>	<b>309,000,820</b>	<b>313,417,015</b>	<b>312,381,845</b>	<b>(1,035,170)</b>
<b>Expenditures</b>				
Current - Education:				
Instruction				
Salaries	114,126,090	114,423,638	114,423,638	-
Employee Benefits	33,758,350	36,713,260	36,713,260	-
Purchased Services	44,637,884	46,589,167	46,589,167	-
Energy Services	-	-	-	-
Materials and Supplies	9,572,134	3,880,361	3,880,361	-
Capital Outlay	1,065,828	780,601	780,601	-
Other Expenditures	3,613,059	6,848,649	6,848,649	-
Student Personnel Services				
Salaries	11,086,302	10,724,604	10,724,604	-
Employee Benefits	3,612,087	3,582,062	3,582,062	-
Purchased Services	221,570	203,991	203,991	-
Materials and Supplies	52,940	81,572	81,572	-
Capital Outlay	7,500	9,473	9,473	-
Other Expenditures	8,000	79,877	79,877	-
Instructional Media Services				
Salaries	2,289,061	2,358,002	2,358,002	-
Employee Benefits	706,816	735,605	735,605	-
Purchased Services	65,900	86,202	86,202	-
Materials and Supplies	3,650	24,512	24,512	-
Capital Outlay	304,056	289,148	289,148	-
Other Expenditures	4,100	34,684	34,684	-
Instruction and Curriculum Development Services				
Salaries	3,639,992	3,249,693	3,249,693	-
Employee Benefits	1,147,691	1,031,138	1,031,138	-
Purchased Services	1,009,519	112,576	112,576	-
Energy Services	450	90	90	-
Materials and Supplies	68,165	52,992	52,992	-
Capital Outlay	46,200	9,146	9,146	-
Other Expenditures	73,820	87,862	87,862	-
Instructional Staff Training Services				
Salaries	2,125,497	2,181,634	2,181,634	-
Employee Benefits	598,793	579,126	579,126	-
Purchased Services	1,331,261	732,585	732,585	-
Materials and Supplies	229,992	110,835	110,835	-
Capital Outlay	20,192	11,056	11,056	-
Other Expenditures	328,934	182,336	182,336	-

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
<b>Instruction Related Technology</b>				
Salaries	851,010	656,167	656,167	-
Employee Benefits	227,715	189,097	189,097	-
Purchased Services		95,542	95,542	-
Materials and Supplies		5,059	5,059	-
Capital Outlay		32,778	32,778	-
Other Expenditures				-
<b>School Board</b>				
Salaries	286,445	294,905	294,905	-
Employee Benefits	75,529	151,948	151,948	-
Purchased Services	400,470	337,511	337,511	-
Materials and Supplies	2,350	944	944	-
Other Expenditures	272,356	13,983	13,983	-
<b>General Administration</b>				
Salaries	826,318	957,848	957,848	-
Employee Benefits	242,633	281,316	281,316	-
Purchased Services	14,400	32,734	32,734	-
Energy Services				-
Materials and Supplies	24,575	3,472	3,472	-
Capital Outlay	350			-
Other Expenditures	3,300	17,642	17,642	-
<b>School Administration</b>				
Salaries	13,839,357	13,841,255	13,841,255	-
Employee Benefits	4,406,306	4,468,817	4,468,817	-
Purchased Services	47,834	218,243	218,243	-
Energy Services				-
Materials and Supplies	1,750	101,659	101,659	-
Capital Outlay	1,641	80,640	80,640	-
Other Expenditures	39,400	151,334	151,334	-
<b>Facilities Acquisition and Construction</b>				
Salaries	404,553	348,333	348,333	-
Employee Benefits	132,202	123,602	123,602	-
Purchased Services	5,600	97,224	97,224	-
Materials and Supplies	200	3,833	3,833	-
Capital Outlay	500	2,761	2,761	-
Other Expenditures	300	305	305	-
<b>Fiscal Services</b>				
Salaries	1,248,571	1,127,805	1,127,805	-
Employee Benefits	391,660	341,413	341,413	-
Purchased Services	179,550	49,687	49,687	-
Materials and Supplies	14,750	7,425	7,425	-
Capital Outlay	100	2,585	2,585	-
Other Expenditures	60,861	73,768	73,768	-
<b>Central Services</b>				
Salaries	4,087,314	3,868,267	3,868,267	-
Employee Benefits	1,196,643	1,170,534	1,170,534	-
Purchased Services	960,632	654,537	654,537	-
Energy Services	22,025	24,752	24,752	-
Materials and Supplies	127,064	107,903	107,903	-
Capital Outlay	35,870	26,870	26,870	-
Other Expenditures	92,865	128,479	128,479	-
<b>Student Transportation Services</b>				
Salaries	8,423,934	8,299,011	8,299,011	-
Employee Benefits	3,653,843	3,855,552	3,855,552	-
Purchased Services	1,521,527	1,497,178	1,497,178	-
Energy Services	2,190,000	1,791,060	1,791,060	-
Materials and Supplies	1,123,300	870,259	870,259	-
Capital Outlay	20,018	20,705	20,705	-
Other Expenditures	458,263	404,789	404,789	-
<b>Operation of Plant</b>				
Salaries	7,595,297	7,414,799	7,414,799	-
Employee Benefits	3,653,879	3,503,830	3,503,830	-
Purchased Services	6,169,256	6,745,520	6,745,520	-
Energy Services	7,315,432	7,492,024	7,492,024	-
Materials and Supplies	785,380	765,698	765,698	-
Capital Outlay	1,250	49,049	49,049	-
Other Expenditures		139,660	139,660	-



**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULE**  
**GENERAL FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	General Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget - Positive (Negative)
Maintenance of Plant				
Salaries	4,911,334	4,645,751	4,645,751	-
Employee Benefits	1,804,876	1,776,903	1,776,903	-
Purchased Services	1,037,327	1,039,359	1,039,359	-
Energy Services	255,500	137,029	137,029	-
Materials and Supplies	365,578	300,595	300,595	-
Capital Outlay	19,535	38,929	38,929	-
Other Expenditures	400	2,128	2,128	-
Administrative Technology Services				
Salaries	1,688,803	1,577,391	1,577,391	-
Employee Benefits	563,130	516,419	516,419	-
Purchased Services	3,134,848	2,015,897	2,015,897	-
Materials and Supplies	91,170	82,753	82,753	-
Capital Outlay	390,241	263,644	263,644	-
Other Expenditures	31,300	3,578	3,578	-
Community Services				
Salaries	40,855	371,402	371,402	-
Employee Benefits	19,762	86,664	86,664	-
Purchased Services	21,000	21,296	21,296	-
Materials and Supplies	2,000	16,652	16,652	-
Capital Outlay	-	-	-	-
Other Expenditures	37,357	19,279	19,279	-
Fixed Capital Outlay:				
Facilities Acquisition and Construction	-	-	-	-
Other Capital Outlay	214,448	760,794	760,794	-
<b>Total Expenditures</b>	<u>323,821,675</u>	<u>322,405,051</u>	<u>322,405,051</u>	<u>-</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(14,820,855)</u>	<u>(8,988,036)</u>	<u>(10,023,206)</u>	<u>(1,035,170)</u>
<b>Other Financing Sources (Uses)</b>				
Loss Recoveries	-	32,538	32,538	-
Transfers In	15,000,000	12,521,471	12,521,471	-
Transfers Out	-	-	-	-
<b>Total Other Financing Sources (Uses)</b>	<u>15,000,000</u>	<u>12,554,009</u>	<u>12,554,009</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	179,145	3,565,973	2,530,803	(1,035,170)
Fund Balances, Beginning	<u>11,100,292</u>	<u>11,100,292</u>	<u>11,100,292</u>	<u>-</u>
<b>Fund Balances, Ending</b>	<u>\$ 11,279,437</u>	<u>\$ 14,666,265</u>	<u>\$ 13,631,095</u>	<u>\$ (1,035,170)</u>

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA**  
**REQUIRED SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULE**  
**SPECIAL REVENUE FUNDS - FOOD SERVICE FUND**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Special Revenue Fund - Food Service			Variance with Final Budget - Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues</b>				
Intergovernmental:				
Misc Federal Direct		10,500	10,500	-
Federal Through State	14,740,948	16,062,128	16,062,128	-
State	227,530	220,158	220,158	-
Local:				
Food Service Revenue	4,113,754	3,345,117	3,345,117	-
Other Local Revenue				-
<b>Total Revenues</b>	<u>19,082,232</u>	<u>19,637,903</u>	<u>19,637,903</u>	<u>-</u>
<b>Expenditures</b>				
Food Service				
Salaries	6,096,869	6,147,482	6,147,482	-
Employee Benefits	2,791,986	2,826,506	2,826,506	-
Purchased Services	496,200	621,196	621,196	-
Energy Services	255,435	220,035	220,035	-
Materials & Supplies	8,664,142	8,807,795	8,807,795	-
Capital Outlay	232,500	1,210,864	1,210,864	-
Other	545,100	540,081	540,081	-
<b>Total Expenditures</b>	<u>19,082,232</u>	<u>20,373,959</u>	<u>20,373,959</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	-	(736,056)	(736,056)	-
Fund Balances, Beginning	<u>12,754,573</u>	<u>12,754,573</u>	<u>12,754,573</u>	<u>-</u>
<b>Fund Balances, Ending</b>	<u>\$ 12,754,573</u>	<u>\$ 12,018,517</u>	<u>\$ 12,018,517</u>	<u>\$ -</u>

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA  
REQUIRED SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULE  
SPECIAL REVENUE FUNDS - OTHER FEDERAL PROGRAMS FUND  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Special Revenue - Other Federal Programs			Variance with Final Budget - Positive (Negative)
	Original Budget	Final Budget	Actual	
<b>Revenues</b>				
Intergovernmental:				
Federal Direct	\$ -	\$ -	\$ -	\$ -
Federal Through State and Local	21,615,944	22,748,676	22,748,676	
<b>Total Revenues</b>	<b>21,615,944</b>	<b>22,748,676</b>	<b>22,748,676</b>	<b>-</b>
<b>Expenditures</b>				
Current - Education:				
Instruction				
Salaries	3,472,844	4,524,430	4,524,430	-
Employee Benefits	1,166,015	1,649,087	1,649,087	-
Purchased Services	812,919	596,846	596,846	-
Materials and Supplies	600,256	903,514	903,514	-
Capital Outlay	392,004	859,349	859,349	-
Other Expenditures	122,049	106,841	106,841	-
Student Personnel Services				
Salaries	2,004,707	1,931,345	1,931,345	-
Employee Benefits	750,289	824,165	824,165	-
Purchased Services	149,452	177,237	177,237	-
Materials and Supplies	101,685	115,055	115,055	-
Capital Outlay	2,273	1,472	1,472	-
Other Expenditures	-	637	637	-
Instructional Media Services				
Capital Outlay	-	19,838	19,838	-
Instruction and Curriculum Development Services				
Salaries	4,505,940	4,235,228	4,235,228	-
Employee Benefits	1,257,845	1,305,224	1,305,224	-
Purchased Services	516,419	493,127	493,127	-
Energy Services	-	100	100	-
Materials and Supplies	25,385	19,028	19,028	-
Capital Outlay	7,768	9,309	9,309	-
Other Expenditures	1,592	1,903	1,903	-
Instructional Staff Training Services				
Salaries	3,319,313	2,527,722	2,527,722	-
Employee Benefits	897,605	763,536	763,536	-
Purchased Services	296,945	202,453	202,453	-
Materials and Supplies	69,907	49,860	49,860	-
Capital Outlay	2,830	-	-	-
Other Expenditures	54,101	89,968	89,968	-
Instruction Related Technology				
Purchased Services	-	4,500	4,500	-
General Administration				
Other Expenditures	975,726	652,421	652,421	-
Fiscal Services				
Salaries	-	3,886	3,886	-
Employee Benefits	-	618	618	-
Central Services				
Salaries	5,000	2,112	2,112	-
Employee Benefits	413	186	186	-
Purchased Services	51,814	47,667	47,667	-
Student Transportation Services				
Salaries	-	15,917	15,917	-
Employee Benefits	-	2,162	2,162	-
Purchased Services	3,450	3,450	3,450	-
Energy Services	-	49,247	49,247	-
Other Expenditures	10,000	49,873	49,873	-
Operation of Plant				
Purchased Services	27,046	13,910	13,910	-
Administrative Technology Services				
Purchased Services	10,074	3166	3166	-
Community Services				
Purchased Services	700	1,536	1,536	-
Materials and Supplies	1,578	759	759	-
Other Expenditures	-	80	80	-
Fixed Capital Outlay:				
Facilities Acquisition and Construction	-	-	-	-
Other Capital Outlay	-	489,912	489,912	-
<b>Total Expenditures</b>	<b>21,615,944</b>	<b>22,748,676</b>	<b>22,748,676</b>	<b>-</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other Financing Sources (Uses)</b>				
<b>Net Change in Fund Balances</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Fund Balances, Beginning	-	-	-	-
<b>Fund Balances, Ending</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**DISTRICT SCHOOL BOARD OF LAKE COUNTY**  
**Required Supplementary Information**  
**Schedule of Change in Other Postemployment Benefit (OPEB) Plan Liability**  
**Last 10 Fiscal Years\***

	<b>2018</b>
Service Cost	\$ 1,092,237
Interest on the Total OPEB Plan Liability	561,195
Changes of Assumptions	(1,114,417)
Benefit Payments	(1,270,692)
Net Change in Total OPEB Plan Liability	(731,677)
Total OPEB Plan Liability, Beginning	18,785,470
Total OPEB Plan Liability, Ending	\$ 18,053,793
 Estimated Covered-Employee Payroll	 \$ 136,461,020
 Total OPEB liability as a percentage of Covered-Employee Payroll	  13.23%

\* The amounts presented for each fiscal year were determined as of June 30. The District implemented GASB Statement No. 75 for the fiscal year ended June 30, 2018. As a result, this schedule will present 10 years information as available.

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
FLORIDA RETIREMENT SYSTEM PENSION PLAN (1)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's proportion of the FRS net pension liability	0.491400936%	0.468327192%	0.491400936%	0.489999972%	0.482806418%
District's proportionate share of the FRS net pension liability	\$ 126,493,772	\$ 106,273,955	\$ 57,834,793	\$ 27,182,538	\$ 75,565,860
District's covered payroll	\$ 184,548,436	\$ 188,720,947	\$ 178,263,325	\$ 174,149,133	\$ 164,806,638
District's proportionate share of the FRS net pension liability as a percentage of its covered payroll	68.54%	56.31%	32.44%	15.61%	45.85%
FRS Plan fiduciary net position as a percentage of the total pension liability	83.89%	84.88%	92.00%	96.09%	88.54%

(1) The amounts presented for each fiscal year were determined as of June 30.

SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY  
HEALTH INSURANCE SUBSIDY PENSION PLAN (1)

	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>	<u>2013</u>
District's proportion of the HIS net pension liability	0.677860054%	0.671230678%	0.652940591%	0.645284941%	0.645717158%
District's proportionate share of the HIS net pension liability	\$ 60,676,508	\$ 70,304,543	\$ 60,676,508	\$ 54,857,234	\$ 51,113,559
District's Covered Payroll	\$ 184,548,436	\$ 188,720,947	\$ 178,263,325	\$ 174,149,133	\$ 164,806,638
District's proportionate share of the HIS net pension liability as a percentage of its covered payroll	32.88%	37.25%	34.04%	31.50%	31.01%
HIS Plan fiduciary net position as a percentage of the total pension liability	1.64%	0.97%	0.50%	0.99%	1.78%

(1) The amounts presented for each fiscal year were determined as of June 30.

Notes:

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

SCHEDULE OF THE DISTRICT CONTRIBUTIONS -  
FLORIDA RETIREMENT SYSTEM PENSION PLAN (1)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required FRS contribution	\$ 11,723,928	\$ 9,065,673	\$ 10,406,429	\$ 10,892,918	\$ 9,758,515
FRS contributions in relation to the contractually required contribution	<u>11,723,928</u>	<u>9,065,673</u>	<u>10,406,429</u>	<u>10,892,918</u>	<u>9,758,515</u>
FRS contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 184,548,436	\$ 196,876,936	\$ 188,720,947	\$ 178,263,325	\$ 174,149,133
FRS contributions as a percentage of covered payroll	6.35%	4.60%	5.51%	6.11%	5.60%

Note: (1) The amounts presented for each fiscal year were determined as of June 30.

SCHEDULE OF THE DISTRICT CONTRIBUTIONS  
FLORIDA HEALTH INSURANCE SUBSIDY PENSION PLAN (1)

	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>	<u>2014</u>
Contractually required HIS contribution	\$ 3,175,334	\$ 2,631,877	\$ 3,134,970	\$ 2,495,945	\$ 2,210,519
HIS contributions in relation to the contractually required contribution	<u>3,175,334</u>	<u>2,631,877</u>	<u>3,134,970</u>	<u>2,495,945</u>	<u>2,210,519</u>
HIS contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
District's covered payroll	\$ 184,548,436	\$ 188,720,947	\$ 188,720,947	\$ 178,263,325	\$ 174,149,133
HIS contributions as a percentage of covered payroll	1.72%	1.39%	1.66%	1.40%	1.27%

Note: (1) The amounts presented for each fiscal year were determined as of June 30.

# NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION



LAKE COUNTY SCHOOLS, TAVARES FLORIDA



LAKE COUNTY SCHOOLS, TAVARES FLORIDA



**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**JUNE 30, 2018**

**1. Budgetary Basis of Accounting**

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

- Budgets are prepared, public hearings are held, and original budgets are adopted annually for all governmental fund types in accordance with procedures and time intervals prescribed by law and SBE rules.
- Appropriations are controlled at the object level (e.g., salaries, purchased services, and capital outlay) within each activity (e.g., instruction, student transportation services, and school administration) and may be amended by resolution at any Board meeting prior to the due date for the annual financial report.
- Budgets are prepared using the same modified accrual basis as is used to account for governmental funds.
- Budgetary information is integrated into the accounting system and, to facilitate budget control, budget balances are encumbered when purchase orders are issued. Appropriations lapse at fiscal year-end and encumbrances outstanding are honored from the subsequent year's appropriations.

**2. Schedule of Changes in the District's Total Other Postemployment Benefits Liability and Related Ratios**

- No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75 to pay related benefits. The June 30, 2018, total OPEB liability significantly increased/decreased from the prior fiscal year as a result of changes to benefits and assumptions as discussed below:
- *Changes of Benefit Terms.* There were no benefit changes during the year.
- *Changes of Assumptions.* Changes in assumptions and other inputs include the change in the discount rate from 2.92% as of the beginning of the measurement period to 3.56% as of June 30, 2017. This change is reflected in the Schedule of Changes in Total OPEB Liability.

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA  
NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION  
JUNE 30, 2018**

**3. Schedule of Net Pension Liability and Schedule of Contributions –  
Florida Retirement System Pension Plan**

- *Changes of Assumptions.* The long-term expected rate of return was decreased from 7.6 percent to 7.1 percent, and the active member mortality assumption was updated.

**4. Schedule of Net Pension Liability and Schedule of Contributions –  
Health Insurance Subsidy Pension Plan**

- *Changes of Assumptions.* The municipal bond rate used to determine total pension liability was increased from 2.85 percent to 3.58 percent.

**OTHER SUPPLEMENTARY  
INFORMATION  
COMBINING STATEMENTS AND  
SCHEDULES**



**LAKE COUNTY SCHOOLS, TAVARES FLORIDA**



LAKE COUNTY SCHOOLS, TAVARES FLORIDA

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA  
COMBINING STATEMENTS AND SCHEDULES OF  
NON-MAJOR GOVERNMENTAL FUNDS**

**Debt Service Funds**

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

State Board of Education (SBE) Bonds Fund – To account for and report on payments of principal and interest on various bonds issued by the State.

Other Debt Service Funds – To account for and report on payment of principal, interest and related costs on sales surtax bonds, certificate of participation issues and other bonds.

**Capital Projects Funds**

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

Special Act Bond Fund - To account for the financial resources generated by State Special Act Bond Fund appropriations.

Public Education Capital Outlay Fund - To account for the financial resources generated by Public Education Capital Outlay appropriations. This fund is used for maintenance and other educational capital outlay needs, including new construction, renovation and remodeling projects.

District Bond Fund - To account for the financial resources generated by the one cent local infrastructure sales surtax to be used for educational capital outlay needs, including new construction, renovations and remodeling projects and payments on leases for relocatable school buildings.

Capital Outlay and Debt Service Fund - To account for and report on the funds used for construction and maintenance of schools.

Local Capital Improvement Tax Funds - To account for the resources generated by the local capital improvement tax to be used for educational capital outlay needs.

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA**  
**COMBINING BALANCE SHEET - NONMAJOR GOVERNMENTAL FUNDS**  
**For the Fiscal Year Ended June 30, 2018**

	Debt Service		
	State Board of Education Bonds (SBE) Fund	Other Debt Service Funds	
<b>ASSETS</b>			
Cash	\$ -	\$ 0	\$
Restricted Cash with Fiscal/Service Agent	127,979	-	
Investments	-	8,600	
Accounts Receivable	-	2	
Due from Other Agencies	-	-	
Due from Other Funds	-	-	
	-	-	-
<b>TOTAL ASSETS</b>	<b>\$ 127,979</b>	<b>\$ 8,602</b>	<b>\$</b>
 <b>LIABILITIES AND FUND BALANCES</b>			
Liabilities:			
Accrued Salaries & Benefits	\$ -	\$ -	\$
Payroll Deductions & Withholding	-	-	
Accounts Payable	-	3,771	
Construction Contracts Payable - Retainage	-	-	
Accrued Interest Payable	-	-	
Deposits Payable	-	-	
Due to Other Funds	-	4,831	
Due to Other Agencies	-	-	
Unearned Revenue	-	-	
	-	-	-
<b>Total Liabilities</b>	<b>-</b>	<b>8,602</b>	<b>-</b>
 <b>DEFERRED INFLOW OF RESOURCES</b>			
Unearned Revenue	-	-	-
	-	-	-
<b>Total Deferred Inflow of Resources</b>	<b>-</b>	<b>-</b>	<b>-</b>
 Fund Balances:			
Non-Spendable	-	-	
Restricted for:			
Food Service	-	-	
Debt Service	127,979	-	
Capital Projects	-	-	
	-	-	-
<b>Total Fund Balances</b>	<b>127,979</b>	<b>-</b>	<b>-</b>
<b>TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES</b>	<b>\$ 127,979</b>	<b>\$ 8,602</b>	<b>\$</b>

(Continued)

Capital Outlay Special Act Bonds Fund	Public Education Capital Outlay (PECO) Funds	Capital Projects			Local Capital Improvement Funds (LCIF)	Total Nonmajor Governmental Funds
		District Bond Fund	Capital Outlay & Debt Service (CO&DS) Fund			
634,024	\$ 102,695	\$ 5,270,010	\$ 2,102,899	\$ 5,560,267	\$ 13,669,895	
-	-	-	-	-	127,979	
-	-	5,000,000	-	-	5,008,600	
-	-	-	-	-	2	
-	471,591	1,705,928	-	7,443	2,184,962	
-	-	-	-	-	-	
<u>634,024</u>	<u>\$ 574,286</u>	<u>\$ 11,975,938</u>	<u>\$ 2,102,899</u>	<u>\$ 5,567,710</u>	<u>\$ 20,991,438</u>	
-	\$ -	\$ -	\$ -	\$ -	\$ -	
-	-	-	-	-	-	
1,926	10,954	-	-	222,728	239,379	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	143,614	-	-	468,527	616,972	
-	-	-	-	-	-	
-	-	-	-	-	-	
<u>1,926</u>	<u>154,568</u>	<u>-</u>	<u>-</u>	<u>691,255</u>	<u>856,351</u>	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	-	
-	-	-	-	-	127,979	
<u>632,098</u>	<u>419,718</u>	<u>11,975,938</u>	<u>2,102,899</u>	<u>4,876,455</u>	<u>20,007,108</u>	
<u>632,098</u>	<u>419,718</u>	<u>11,975,938</u>	<u>2,102,899</u>	<u>4,876,455</u>	<u>20,135,087</u>	
<u>634,024</u>	<u>\$ 574,286</u>	<u>\$ 11,975,938</u>	<u>\$ 2,102,899</u>	<u>\$ 5,567,710</u>	<u>\$ 20,991,438</u>	

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA**  
**COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGE**  
**IN FUND BALANCES - NONMAJOR GOVERNMENTAL FUNDS**  
**For the Fiscal Year Ended June 30, 2018**

	Debt Service	
	State Board of Education Bonds (SBE) Fund	Other Debt Service Funds
<b>Revenues</b>		
Intergovernmental:		
Federal Direct	\$ -	\$ -
Federal Through State	-	-
State	1,103,938	-
Local:		
Ad Valorem Taxes	-	-
Local Sales Tax	-	-
Food Service	-	-
Other Local Revenue	-	18,224
<b>Total Revenues</b>	<b>1,103,938</b>	<b>18,224</b>
<b>Expenditures</b>		
Current Education:		
Instruction	-	-
Student Personnel Services	-	-
Instructional Media Services	-	-
Instruction and Curriculum Development Services	-	-
Instructional Staff Training Services	-	-
Instruction-Related Technology	-	-
General Administration	-	-
School Administration	-	-
Facilities Acquisition and Construction	-	-
Fiscal Services	-	-
Food Services	-	-
Central Services	-	-
Student Transportation Services	-	-
Operation of Plant	-	-
Administrative Technology Services	-	-
Community Services	-	-
Fixed Capital Outlay:		
Facilities Acquisition and Construction	-	-
Other Capital Outlay	-	-
Debt Service:		
Principal	834,000	22,760,593
Interest and Fiscal Charges	249,303	8,563,801
<b>Total Expenditures</b>	<b>1,083,303</b>	<b>31,324,394</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>20,635</b>	<b>(31,306,170)</b>
<b>Other Financing Sources (Uses)</b>		
Transfers In	-	31,301,839
Issuance of Refunding Bonds	-	-
Premium on Refunding Bonds	-	-
Refunding Bonds Issued	-	-
Loans	-	-
Proceeds of Certificates of Participation	-	-
Premium on Certificates of Participation	-	-
Payments to Refunding Bond Agent	(2,156,526)	-
Transfers Out	-	-
<b>Total Other Financing Sources (Uses)</b>	<b>(2,156,526)</b>	<b>31,301,839</b>
<b>Net Change in Fund Balances</b>	<b>(2,135,891)</b>	<b>(4,331)</b>
Fund Balances, July 1, 2017	2,263,870	4,331
<b>Fund Balances, June 30, 2018</b>	<b>\$ 127,979</b>	<b>\$ -</b>



(Continued)

SES

Capital Outlay Special Act Bonds Fund	Capital Projects				Total Nonmajor Governmental Funds
	Public Education Capital Outlay (PECO) Funds	District Bond Fund	Capital Outlay & Debt Service (CO&DS) Fund	Local Capital Improvement Funds (LCIF)	
-	\$ -	\$ -	\$ -	\$ -	\$ -
148,833	1,096,218	-	485,021	-	2,834,010
-	-	-	-	30,579,330	30,579,330
-	-	16,375,688	-	-	16,375,688
-	-	-	-	-	-
22	1,451	310	61	6,857	26,925
<u>148,855</u>	<u>1,097,669</u>	<u>16,375,998</u>	<u>485,082</u>	<u>30,586,187</u>	<u>49,815,953</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
27,251	2,224,190	754,343	-	5,911,844	8,917,628
-	-	-	-	-	-
-	-	-	-	-	23,594,593
-	-	-	1,303	-	8,814,407
<u>27,251</u>	<u>2,224,190</u>	<u>754,343</u>	<u>1,303</u>	<u>5,911,844</u>	<u>41,326,628</u>
<u>121,604</u>	<u>(1,126,521)</u>	<u>15,621,655</u>	<u>483,779</u>	<u>24,674,343</u>	<u>8,489,325</u>
-	-	-	-	-	31,301,839
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	(2,156,526)
-	-	(9,046,680)	-	(20,879,666)	(29,926,346)
-	-	(9,046,680)	-	(20,879,666)	(781,033)
121,604	(1,126,521)	6,574,975	483,779	3,794,677	7,708,292
510,494	1,546,239	5,400,963	1,619,120	1,081,778	12,426,795
<u>632,098</u>	<u>\$ 419,718</u>	<u>\$ 11,975,938</u>	<u>\$ 2,102,899</u>	<u>\$ 4,876,455</u>	<u>\$ 20,135,087</u>

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA**  
**OTHER SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULE**  
**DEBT SERVICE FUNDS - STATE BOARD OF EDUCATION BONDS (SBE)**  
**For the Fiscal Year Ended June 30, 2018**

	Debt Service Funds - State Board of Education Bonds (SBE)			
	Original Budget	Final Budget	Actual	Variance with Final Budget - Under/ (Over)
<b>Revenues</b>				
Intergovernmental:				
State	\$ 1,152,159	\$ 1,103,938	\$ 1,103,938	\$ -
<b>Total Revenues</b>	<u>1,152,159</u>	<u>1,103,938</u>	<u>1,103,938</u>	<u>-</u>
<b>Expenditures</b>				
Debt Service:				
Principal	840,000	834,000	834,000	-
Interest and Fiscal Charges	312,159	249,303	249,303	-
<b>Total Expenditures</b>	<u>1,152,159</u>	<u>1,083,303</u>	<u>1,083,303</u>	<u>-</u>
<b>Excess of Revenues Over Expenditures</b>	<u>-</u>	<u>20,635</u>	<u>20,635</u>	<u>-</u>
<b>Other Financing Sources (Uses)</b>				
Premium on Sale of Bonds		-	-	-
Refunding Bonds Issued		-	-	-
Payments to Refunding Bond Agent		(2,156,526)	(2,156,526)	-
<b>Total Other Financing Sources (Uses)</b>		<u>(2,156,526)</u>	<u>(2,156,526)</u>	<u>-</u>
<b>Net Change in Fund Balances</b>		(2,135,891)	(2,135,891)	-
Fund Balances, July 1, 2017	<u>-</u>	<u>2,263,870</u>	<u>2,263,870</u>	<u>-</u>
<b>Fund Balances, June 30, 2018</b>	<u>\$ -</u>	<u>\$ 127,979</u>	<u>\$ 127,979</u>	<u>\$ -</u>

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA  
OTHER SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULE  
DEBT SERVICE FUNDS - OTHER DEBT SERVICE  
For the Fiscal Year Ended June 30, 2018**

	Debt Service Funds - Other Debt Service			Variance with Final Budget - Under/ (Over)
	Original Budget	Final Budget	Actual	
<b>Revenues</b>				
Local:				
Other Local Revenue	\$ 4,295	\$ 18,223	\$ 18,223	\$ -
<b>Total Revenues</b>	<u>4,295</u>	<u>18,223</u>	<u>18,223</u>	<u>-</u>
<b>Expenditures</b>				
Debt Service:				
Principal	22,715,593	22,760,593	22,760,593	-
Interest and Fiscal Charges	8,578,962	8,563,801	8,563,801	-
<b>Total Expenditures</b>	<u>31,294,555</u>	<u>31,324,394</u>	<u>31,324,394</u>	<u>-</u>
<b>Deficiency of Revenues Over Expenditures</b>	(31,290,260)	(31,306,171)	(31,306,171)	-
<b>Other Financing Sources</b>				
Loans Incurred				
Certificates of Participation Issued		-	-	-
Premium on Certificates of Participation			-	-
Payments to Refunded Bond Escrow Agent			-	-
Transfers	31,290,261	31,310,439	31,301,839	8,600
<b>Total Other Financing Sources</b>	<u>31,290,261</u>	<u>31,310,439</u>	<u>31,301,839</u>	<u>8,600</u>
<b>Net Change in Fund Balances</b>	1	4,268	(4,332)	8,600
Fund Balances, July 1, 2017	<u>84,589</u>	<u>4,331</u>	<u>4,331</u>	<u>-</u>
<b>Fund Balances, June 30, 2018</b>	<u>\$ 84,590</u>	<u>\$ 8,599</u>	<u>\$ (1)</u>	<u>\$ 8,600</u>

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA  
OTHER SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULE  
MAJOR CAPITAL PROJECTS FUND - OTHER CAPITAL PROJECTS  
For the Fiscal Year Ended June 30, 2018**

	Capital Projects Funds - Other Capital Projects			
	Original Budget	Final Budget	Actual	Variance with Final Budget - Under/ (Over)
<b>Revenues</b>				
Intergovernmental:				
Federal through State	\$ 126,318	\$ 126,982	\$ 126,982	\$ -
State				-
Local:				
Impact Fees	12,900,000	18,416,637	18,416,637	-
Other Local Revenue	103,916	511,412	616,297	(104,885)
<b>Total Revenues</b>	<u>13,130,234</u>	<u>19,055,031</u>	<u>19,159,916</u>	<u>(104,885)</u>
<b>Expenditures</b>				
Current - Education:				
Facility Services				-
Fixed Capital Outlay:				
Facilities Acquisition and Construction	2,874,681	2,874,681	12,696	2,861,985
Other Capital Outlay	-	-	-	-
<b>Total Expenditures</b>	<u>2,874,681</u>	<u>2,874,681</u>	<u>12,696</u>	<u>2,861,985</u>
<b>Excess/(Deficiency) of Revenues Over Expenditures</b>	<u>10,255,553</u>	<u>16,180,350</u>	<u>19,147,220</u>	<u>(2,966,870)</u>
<b>Other Financing Sources (Uses)</b>				
Sale of Capital Assets	-	-	-	-
Transfers Out	(9,859,468)	(13,529,948)	(13,525,556)	(4,392)
<b>Total Other Financing Sources (Uses)</b>	<u>(9,859,468)</u>	<u>(13,529,948)</u>	<u>(13,525,556)</u>	<u>(4,392)</u>
<b>Net Change in Fund Balances</b>	<u>396,085</u>	<u>2,650,402</u>	<u>5,621,664</u>	<u>(2,971,262)</u>
Fund Balances, July 1, 2017	<u>40,518,262</u>	<u>41,328,645</u>	<u>41,328,645</u>	<u>-</u>
<b>Fund Balances, June 30, 2018</b>	<u>\$ 40,914,347</u>	<u>\$ 43,979,047</u>	<u>\$ 46,950,309</u>	<u>\$ (2,971,262)</u>

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA**  
**OTHER SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULE**  
**CAPITAL OUTLAY FUNDS - SPECIAL ACTS BOND**  
**For the Fiscal Year Ended June 30, 2018**

	Capital Outlay Funds - Special Acts Bond			
	Original Budget	Final Budget	Actual	Variance with Final Budget - Under/ (Over)
<b>Revenues</b>				
Intergovernmental:				
State	\$ 148,833	\$ 148,833	\$ 148,833	\$ -
Local	21	22	22	-
<b>Total Revenues</b>	<u>148,854</u>	<u>148,855</u>	<u>148,855</u>	<u>-</u>
<b>Expenditures</b>				
Fixed Capital Outlay:				
Facilities Acquisition and Construction	-	37,553	27,252	10,301
Other Capital Outlay	-	-	-	-
<b>Total Expenditures</b>	<u>-</u>	<u>37,553</u>	<u>27,252</u>	<u>10,301</u>
<b>Excess of Revenues Over Expenditures</b>	<u>148,854</u>	<u>111,302</u>	<u>121,603</u>	<u>(10,301)</u>
<b>Other Financing Uses</b>				
Transfers Out	-	-	-	-
<b>Total Other Financing Uses</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	148,854	111,302	121,603	(10,301)
Fund Balances, July 1, 2017	<u>510,473</u>	<u>510,494</u>	<u>510,494</u>	<u>-</u>
<b>Fund Balances, June 30, 2018</b>	<u>\$ 659,327</u>	<u>\$ 621,796</u>	<u>\$ 632,097</u>	<u>\$ (10,301)</u>

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA  
OTHER SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULE  
CAPITAL PROJECTS FUNDS - PUBLIC EDUCATION CAPITAL OUTLAY (PECO)  
For the Fiscal Year Ended June 30, 2018**

	Capital Projects Funds - Public Education Capital Outlay (PECO)			
	Original Budget	Final Budget	Actual	Variance with Final Budget - Under/ (Over)
<b>Revenues</b>				
Intergovernmental:				
State	2,509,589	109,218	1,096,218	(987,000)
Local	\$ -	\$ 1,451	\$ 1,451	\$ -
<b>Total Revenues</b>	<u>2,509,589</u>	<u>110,669</u>	<u>1,097,669</u>	<u>(987,000)</u>
<b>Expenditures</b>				
Current - Education				
Facility Services				
Fixed Capital Outlay:				
Facilities Acquisition and Construction	2,509,589	2,643,358	2,224,189	419,169
Other Capital Outlay				
<b>Total Expenditures</b>	<u>2,509,589</u>	<u>2,643,358</u>	<u>2,224,189</u>	<u>419,169</u>
<b>Excess/(Deficiency) of Revenues Over Expenditures</b>	<u>-</u>	<u>(2,532,689)</u>	<u>(1,126,520)</u>	<u>(1,406,169)</u>
<b>Net Change in Fund Balances</b>	<u>-</u>	<u>(2,532,689)</u>	<u>(1,126,520)</u>	<u>(1,406,169)</u>
Fund Balances, July 1, 2017	-	-	1,546,239	(1,546,239)
<b>Fund Balances, June 30, 2018</b>	<u>\$ -</u>	<u>\$ (2,532,689)</u>	<u>\$ 419,719</u>	<u>\$ (2,952,408)</u>

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA**  
**OTHER SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULE**  
**CAPITAL PROJECTS FUNDS - DISTRICT BOND FUND**  
**For the Fiscal Year Ended June 30, 2018**

	Capital Projects Funds - District Bond Fund			
	Original Budget	Final Budget	Actual	Variance with Final Budget - Under/ (Over)
<b>Revenues</b>				
Local:				
Sales Tax Revenue	\$ 14,200,000	\$ 16,375,688	\$ 16,375,688	\$ -
Other Local Revenue	607	310	310	-
<b>Total Revenues</b>	<u>14,200,607</u>	<u>16,375,998</u>	<u>16,375,998</u>	<u>-</u>
<b>Expenditures</b>				
Current - Education				
Facility Services				
Fixed Capital Outlay:				
Facilities Acquisition and Construction	5,823,228	5,817,043	754,342	5,062,701
Other Capital Outlay				
<b>Total Expenditures</b>	<u>5,823,228</u>	<u>5,817,043</u>	<u>754,342</u>	<u>5,062,701</u>
<b>Excess of Revenues Over Expenditures</b>	<u>8,377,379</u>	<u>10,558,955</u>	<u>15,621,656</u>	<u>(5,062,701)</u>
<b>Other Financing Uses</b>				
Transfers Out	(13,778,341)	(9,046,680)	(9,046,680)	-
<b>Total Other Financing Uses</b>	<u>(13,778,341)</u>	<u>(9,046,680)</u>	<u>(9,046,680)</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	(5,400,962)	1,512,275	6,574,976	(5,062,701)
Fund Balances, July 1, 2017	9,599,325	5,400,963	5,400,963	-
<b>Fund Balances, June 30, 2018</b>	<u>\$ 4,198,363</u>	<u>\$ 6,913,238</u>	<u>\$ 11,975,939</u>	<u>\$ (5,062,701)</u>

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA**  
**OTHER SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULE**  
**CAPITAL PROJECTS FUNDS - CAPITAL OUTLAY AND DEBT SERVICE (CO&DS)**  
**For the Fiscal Year Ended June 30, 2018**

	Capital Projects Funds - Capital Outlay and Debt Service (CO&DS)			
	Original Budget	Final Budget	Actual	Variance with Final Budget - Under/ (Over)
<b>Revenues</b>				
Intergovernmental:				
State	\$ 265,114	\$ 485,021	\$ 485,021	\$ -
Local:				
Other Local Revenue	65	62	62	-
<b>Total Revenues</b>	<u>265,179</u>	<u>485,083</u>	<u>485,083</u>	<u>-</u>
<b>Expenditures</b>				
Current - Education				
Facility Services	-	-	-	-
Fixed Capital Outlay:				
Facilities Acquisition and Construction	-	-	-	-
Debt Service:				
Interest and Fiscal Charges	-	1,303	1,303	-
<b>Total Expenditures</b>	<u>-</u>	<u>1,303</u>	<u>1,303</u>	<u>-</u>
<b>Excess/(Deficiency) of Revenues Over Expenditures</b>	<u>265,179</u>	<u>483,780</u>	<u>483,780</u>	<u>-</u>
<b>Other Financing Uses</b>				
Transfers Out	(530,228)	-	-	-
<b>Total Other Financing Uses</b>	<u>(530,228)</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net Change in Fund Balances</b>	(265,049)	483,780	483,780	-
Fund Balances, July 1, 2017	1,215,088	1,619,120	1,619,120	-
<b>Fund Balances, June 30, 2018</b>	<u>\$ 950,039</u>	<u>\$ 2,102,900</u>	<u>\$ 2,102,900</u>	<u>\$ -</u>



**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA**  
**OTHER SUPPLEMENTARY INFORMATION - BUDGETARY COMPARISON SCHEDULE**  
**CAPITAL PROJECTS FUNDS - LOCAL CAPITAL IMPROVEMENT TAX FUND (LCIF)**  
**For the Fiscal Year Ended June 30, 2018**

	Capital Projects Funds - Local Capital Improvement Fund (LCIF)			
	Original Budget	Final Budget	Actual	Variance with Final Budget - Under/ (Over)
<b>Revenues</b>				
Local:				
Ad Valorem Taxes	\$ 30,403,535	30,579,330	\$ 30,579,330	\$ -
Other Local Revenue	500	6,857	6,857	-
<b>Total Revenues</b>	<u>30,404,035</u>	<u>30,586,187</u>	<u>30,586,187</u>	<u>-</u>
<b>Expenditures</b>				
Current - Education				
Facility Services				-
Fixed Capital Outlay:				
Facilities Acquisition and Construction	9,247,301	10,115,508	5,911,844	4,203,664
Other Capital Outlay				-
<b>Total Expenditures</b>	<u>9,247,301</u>	<u>10,115,508</u>	<u>5,911,844</u>	<u>4,203,664</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>21,156,734</u>	<u>20,470,679</u>	<u>24,674,343</u>	<u>(4,203,664)</u>
<b>Other Financing Uses</b>				
Transfers	(21,522,224)	(21,009,583)	(20,879,666)	(129,917)
<b>Total Other Financing Uses</b>	<u>(21,522,224)</u>	<u>(21,009,583)</u>	<u>(20,879,666)</u>	<u>(129,917)</u>
<b>Net Change in Fund Balances</b>	(365,490)	(538,904)	3,794,677	(4,333,581)
Fund Balances, July 1, 2017	762,356	1,081,778	1,081,778	-
<b>Fund Balances, June 30, 2018</b>	<u>\$ 396,866</u>	<u>\$ 542,874</u>	<u>\$ 4,876,455</u>	<u>\$ (4,333,581)</u>

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA  
COMBINING STATEMENT OF NET POSITION  
INTERNAL SERVICE FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Governmental Activities Internal Service Funds			Total Internal Service Funds
	Self-Funded Employee Health Insurance	Employee Flexible Spending Program	Worker's Compensation Program	
<b>ASSETS</b>				
Current Assets:				
Cash and Cash Equivalents	\$ 3,891,320	\$ 1,482	953,342	\$ 4,846,144
Investments		190,176		190,176
Accounts Receivable				-
Due from Other Funds				-
Due from Other Agencies	58,461			58,461
Inventories				-
<b>Total Current Assets</b>	<u>3,949,781</u>	<u>191,658</u>	<u>953,342</u>	<u>5,094,781</u>
<b>TOTAL ASSETS</b>	<u>\$ 3,949,781</u>	<u>\$ 191,658</u>	<u>953,342</u>	<u>\$ 5,094,781</u>
<b>LIABILITIES</b>				
Current Liabilities:				
Accounts Payable	\$ 453,878	\$ 1,482	161,151	\$ 616,511
Payroll Deductions and Withholdings	5,991	-		5,991
Due to Other Funds	14,299			14,299
Unearned Revenue	141,852			141,852
Insurance Claims Payable	3,324,981			3,324,981
<b>Total Current Liabilities</b>	<u>3,941,001</u>	<u>1,482</u>	<u>161,151</u>	<u>4,103,634</u>
<b>Total Liabilities</b>	<u>3,941,001</u>	<u>1,482</u>	<u>161,151</u>	<u>4,103,634</u>
<b>NET POSITION</b>				
Unrestricted	<u>8,780</u>	<u>190,176</u>	<u>792,191</u>	<u>991,147</u>
Total Net Position	<u>8,780</u>	<u>190,176</u>	<u>792,191</u>	<u>991,147</u>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<u>\$ 3,949,781</u>	<u>\$ 191,658</u>	<u>953,342</u>	<u>\$ 5,094,781</u>

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

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA  
 COMBINING STATEMENT OF REVENUES, EXPENSES, AND  
 CHANGES IN FUND NET ASSETS - INTERNAL SERVICE FUNDS  
 FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Governmental Activities Internal Service Funds			Total Internal Service Funds
	Self-Funded Employee Health Insurance	Employee Flexible Spending Program	Worker's Compensation Program	
<b>OPERATING REVENUES</b>				
Charges for Services	\$ 45,537,160	\$ 328,743	\$ 2,812,088	\$ 48,677,991
<b>Total Operating Revenues</b>	<u>45,537,160</u>	<u>328,743</u>	<u>2,812,088</u>	<u>48,677,991</u>
<b>OPERATING EXPENSES</b>				
Salaries	125,417	-	-	125,417
Employee Benefits	35,389	-	-	35,389
Purchased Services	76,122	-	-	76,122
Energy Services	11,592	-	-	11,592
Materials and Supplies	539,973	-	-	539,973
Capital Outlay	4,054	-	-	4,054
Insurance Claims	44,735,834	-	-	44,735,834
Other Expenses	-	312,585	2,019,993	2,332,578
<b>Total Operating Expenses</b>	<u>45,528,381</u>	<u>312,585</u>	<u>2,019,993</u>	<u>47,860,959</u>
<b>Operating Income (Loss)</b>	<u>8,779</u>	<u>16,158</u>	<u>792,095</u>	<u>817,032</u>
<b>NONOPERATING REVENUES</b>				
Interest Income	-	-	-	-
Other Miscellaneous Income	-	-	-	-
<b>Total Non-Operating Revenues</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Income/Loss before Operating Transfers	<u>8,779</u>	<u>16,158</u>	<u>792,095</u>	<u>817,032</u>
Transfers In/(Out)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Change in Net Assets</b>	<u>8,779</u>	<u>16,158</u>	<u>792,095</u>	<u>817,032</u>
Total Net Position, July 1, 2017	<u>-</u>	<u>174,018</u>	<u>96</u>	<u>174,114</u>
<b>Total Net Position, June 30, 2018</b>	<u>\$ 8,779</u>	<u>\$ 190,176</u>	<u>\$ 792,191</u>	<u>\$ 991,146</u>

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

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA  
COMBINING STATEMENT OF NET POSITION  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	Governmental Activities Internal Service Funds			
	Self-Funded Employee Health Insurance	Employee Flexible Spending Program	Worker's Compensation Program	Total Internal Service Funds
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Cash Received from Services	\$ 45,604,217	\$ 328,743	\$ 2,812,088	\$ 48,745,048
Cash Payments to Suppliers for Goods, Services, and Other Expenses	(617,442)	(311,103)	(2,044,687)	(2,973,232)
Cash Payments to Employees for Services	(158,669)	-	-	(158,669)
Cash Payments for Insurance Claims	(47,082,596)	-	-	(47,082,596)
<b>Net Cash Provided/(Used) by Operating Activities</b>	<u>(2,254,490)</u>	<u>17,640</u>	<u>767,401</u>	<u>(1,469,449)</u>
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>				
Transfers In/(Out)	-	-	-	-
<b>CASH FLOWS FROM INVESTING FINANCING ACTIVITIES</b>				
Purchase of Investments	-	(16,070)	-	(16,070)
Interest on Investments	-	-	-	-
<b>Net Cash Provided by Noncapital Financing Activities</b>	<u>-</u>	<u>(16,070)</u>	<u>-</u>	<u>(16,070)</u>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<u>(2,254,490)</u>	<u>1,570</u>	<u>767,401</u>	<u>(1,485,519)</u>
Cash and Cash Equivalents, Beginning (as Restated)	<u>6,145,810</u>	<u>-</u>	<u>185,853</u>	<u>6,331,663</u>
<b>Cash and Cash Equivalents, Ending</b>	<u>\$ 3,891,320</u>	<u>\$ 1,570</u>	<u>\$ 953,254</u>	<u>\$ 4,846,144</u>
<b>Reconciliation of Operating Loss to Net Cash Used by Operating Activities:</b>				
Operating Income (Loss)	\$ 8,779	\$ 16,158	\$ 792,095	\$ 817,032
Adjustments to Reconcile Operating Loss to Net Cash Used by Operating Activities:				
Changes in Assets and Liabilities:				
Increase in Accounts Receivable	52,545	-	-	52,545
Increase in Due from Other Agencies	-	-	-	-
Decrease in Inventory	-	-	-	-
Increase/(Decrease) in Accounts Payable	163,244	1,482	(24,694)	140,032
Decrease in Claims Payable	(2,507,870)	-	-	(2,507,870)
(Decrease) in Due to/from Other Funds	14,301	-	-	14,301
Increase in Unearned Revenue	14,511	-	-	14,511
<b>Total Adjustments</b>	<u>(2,263,269)</u>	<u>1,482</u>	<u>(24,694)</u>	<u>(2,286,481)</u>
<b>Net Cash Used by Operating Activities</b>	<u>\$ (2,254,490)</u>	<u>\$ 17,640</u>	<u>\$ 767,401</u>	<u>\$ (1,469,449)</u>

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

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA**  
**Statement of Changes in Fiduciary Assets and Liabilities**  
**Agency Fund**  
**For the Fiscal Year Ended June 30, 2018**

	<b>School Internal Accounts</b>			<b>Ending Balance</b>
	<b>Beginning Balance</b>	<b>Additions</b>	<b>Deductions</b>	
<b>Assets</b>				
Cash and cash equivalents	\$ 3,066,239	\$ 6,398,052	\$ 6,427,071	\$ 3,037,220
<b>Total Assets</b>	<u>\$ 3,066,239</u>	<u>\$ 6,398,052</u>	<u>\$ 6,427,071</u>	<u>\$ 3,037,220</u>
<b>Liabilities</b>				
Internal accounts payable	\$ 3,066,239	\$ 6,398,052	\$ 6,427,071	\$ 3,037,220
<b>Total Liabilities</b>	<u>\$ 3,066,239</u>	<u>\$ 6,398,052</u>	<u>\$ 6,427,071</u>	<u>\$ 3,037,220</u>

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA**  
**Summary of School Internal Accounts Activity**  
**For the Fiscal Year Ended June 30, 2018**

<u>SCHOOL</u>	<u>7/1/2017</u> <u>Balance</u>	<u>RECEIPTS</u>	<u>EXPENDITURES</u>	<u>6/30/2018</u> <u>Balance</u>
Astatula Elementary	\$ 30,767	\$ 89,989	\$ 95,161	\$ 25,595
Beverly Shores Elementary	9,996	39,364	40,598	8,762
Carver Middle	46,763	55,412	57,937	44,237
Clermont Elementary	8,060	29,630	31,069	6,620
Clermont Middle	74,777	107,537	125,583	56,731
Cypress Ridge Elementary	83,487	123,520	123,511	83,496
East Ridge High	428,213	736,968	725,874	439,307
East Ridge Middle	122,022	177,258	184,277	115,003
Eustis Elementary	15,108	70,691	73,174	12,625
Eustis Heights Elementary	10,710	67,378	59,973	18,115
Eustis High	208,900	362,117	381,266	189,750
Eustis Middle	42,532	83,613	96,510	29,635
Fruitland Park Elementary	33,895	65,714	62,361	37,248
Grassy Lake Elementary	32,825	157,959	141,089	49,695
Gray Middle	84,754	148,081	132,533	100,301
Groveland Elementary	19,446	90,365	83,479	26,332
Lake Hills Center	42,389	19,323	30,932	30,780
Lake Minneola High	204,695	460,406	455,861	209,240
Leesburg Elementary	36,759	79,668	86,307	30,121
Leesburg High	87,636	336,208	304,974	118,870
Lost Lake Elementary	16,540	139,014	137,416	18,138
Mount Dora High	385,088	451,141	445,574	390,655
Mount Dora Middle	43,233	139,996	142,888	40,342
Oak Park Middle	27,484	42,535	44,254	25,765
Pine Ridge Elementary	62,126	78,388	86,115	54,399
Rimes Elementary	12,803	19,703	10,324	22,182
Sawgrass Bay Elementary	33,364	140,084	132,579	40,869
Seminole Springs Elementary	7,471	39,057	37,463	9,065
Sorrento Elementary	31,796	91,764	101,866	21,694
South Lake High	201,391	454,236	449,027	206,600
Student Services	26,659	11,816	7,648	30,827
Tavares Elementary	27,742	98,630	104,227	22,144
Tavares High	119,004	341,412	338,375	122,040
Tavares Middle	65,032	125,562	124,161	66,434
Treadway Elementary	83,666	73,642	128,355	28,953
Triangle Elementary	20,735	33,885	37,845	16,775
Umatilla Elementary	30,406	61,208	67,703	23,911
Umatilla High	102,554	281,148	287,306	96,396
Umatilla Middle	21,571	121,317	119,796	23,092
Villages of Lady Lake Elem	40,932	68,113	77,507	31,539
Windy Hill Middle	82,909	284,197	254,171	112,935
<b>TOTALS</b>	<b><u>\$3,066,239</u></b>	<b><u>\$ 6,398,052</u></b>	<b><u>\$ 6,427,071</u></b>	<b><u>\$ 3,037,220</u></b>



LAKE COUNTY SCHOOLS, TAVARES FLORIDA

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA  
COMBINING STATEMENTS OF NET POSITION  
COMPONENT UNITS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<b>Alee Academy Inc.</b>	<b>Altoona Charter School, Inc.</b>	<b>Mascotte Elementary Charter School, Inc.</b>	<b>Minneola Elementary Charter School, Inc.</b>	<b>Pinecrest Lakes Academy</b>
<b>Assets</b>					
Cash	\$ 358,594	\$ 131,753	\$ 4,982,326	\$ 6,023,354	\$ 58,588
Investments	-	-	-	-	106,000
Accounts Receivable, Net	-	-	-	6,368	-
Due from Other Agencies	-	-	-	-	452,606
Prepaid Expenses	-	-	9,826	-	75,142
Other Current Assets	-	8,833	-	-	31,430
Land	305,395	-	-	1,324,208	-
Construction in Progress	-	-	-	864,022	-
Improvements Other Than Buildings	46,166	-	-	-	-
Buildings and Fixed Equipment	1,655,971	727,816	-	198,560	1,008,015
Furniture, Fixtures and Equipment	429,581	169,630	5,115	2,359	-
Motor Vehicles	156,129	221,739	319,764	244,780	-
Computer Software	-	-	104,300	-	-
Accumulated Depreciation	(1,444,185)	(370,221)	(301,758)	(235,992)	(161,370)
Other Non-Current Assets	-	-	-	-	-
<b>Total Assets</b>	<b>1,507,651</b>	<b>889,550</b>	<b>5,119,573</b>	<b>8,427,659</b>	<b>1,570,411</b>
<b>Deferred Outflows of Resources</b>					
Deferred Pension Costs	-	-	1,699,374	2,055,474	-
Deferred Loan Costs, net	-	-	-	-	-
<b>Total Deferred Outflows of Resources</b>	<b>-</b>	<b>-</b>	<b>1,699,374</b>	<b>2,055,474</b>	<b>-</b>
<b>Liabilities</b>					
Accrued Payroll and Other Expenses	-	-	-	-	87,391
Payroll deductions and withholdings	-	-	-	-	-
Accounts Payable	1,064	106,711	14,271	412,244	35,584
Unearned Revenue	-	-	-	-	-
Due to Primary Government	-	-	828,443	1,344,269	1,059,002
Accrued expenses	-	-	-	-	-
Noncurrent Liabilities:					
Portion Due Within One Year:					
Notes Payable	-	97,911	-	-	-
Other Long-Term Liabilities	-	-	-	-	-
Liability for compensated absences	-	-	330,191	426,214	-
Portion Due After One Year:					
Notes Payable	-	114,867	-	-	-
Net Pension Liability	-	-	3,942,515	4,779,266	-
Other Post Employment Benefit Liabilities	-	-	435,067	444,390	-
Liability for compensated absences	-	-	-	-	-
Other Long-term Liabilities	-	-	-	19,897	-
<b>Total Liabilities</b>	<b>1,064</b>	<b>319,489</b>	<b>5,550,487</b>	<b>7,426,280</b>	<b>1,181,977</b>
<b>Deferred Inflows of Resources</b>					
Deferred Pension Costs	-	-	263,822	315,154	-
Deferred Revenue	-	-	-	-	-
<b>Total Deferred Inflows of Resources</b>	<b>-</b>	<b>-</b>	<b>263,822</b>	<b>315,154</b>	<b>-</b>
<b>Net Position</b>					
Invested in Capital Assets, Net of Related Debt	1,149,057	598,030	127,421	2,397,937	375,291
Restricted for:					
Debt Service	-	-	-	-	-
Other Purposes	950	-	311,446	30,000	-
Unrestricted	356,580	(27,969)	565,771	313,762	13,143
<b>Total Net Position</b>	<b>\$ 1,506,587</b>	<b>\$ 570,061</b>	<b>\$ 1,004,638</b>	<b>\$ 2,741,699</b>	<b>\$ 388,434</b>



(Continued)

Round Lake Elementary Charter School, Inc.	Spring Creek Charter School, Inc.	Lake Technical College, Inc.	Imagine Schools at South Lake	Total Charter Schools	Educational Foundation of Lake County, Inc.	Total Component Units
\$ 6,043,409	\$ 2,324,152	\$ 7,710,400	\$ 282,429	27,915,005	\$ 857,162	\$ 28,772,167
780,173	-	-	-	886,173	255,403	1,141,576
11,630	4,250	83,379	25,680	131,307	36,761	168,068
-	-	-	483,882	936,488	-	936,488
-	-	-	22,980	107,948	-	107,948
-	-	3,810	-	44,073	507,012	551,085
-	-	22,000	-	1,651,603	-	1,651,603
2,463,518	-	-	-	3,327,540	-	3,327,540
153,124	-	-	-	199,290	-	199,290
148,393	-	4,854,761	656,647	9,250,163	-	9,250,163
106,925	147,198	470,137	209,834	1,540,779	-	1,540,779
102,443	594,161	256,483	276,524	2,172,023	-	2,172,023
-	-	82,500	230,818	417,618	-	417,618
(288,083)	(323,325)	(399,871)	(819,663)	(4,344,468)	-	(4,344,468)
-	-	-	-	-	2,932,344	2,932,344
<u>9,521,532</u>	<u>2,746,436</u>	<u>13,083,599</u>	<u>1,369,131</u>	<u>44,235,542</u>	<u>4,588,682</u>	<u>48,824,224</u>
1,767,043	1,179,837	1,308,434	-	8,010,162	-	8,010,162
-	-	-	-	-	-	-
<u>1,767,043</u>	<u>1,179,837</u>	<u>1,308,434</u>	<u>-</u>	<u>8,010,162</u>	<u>-</u>	<u>8,010,162</u>
-	-	-	210,532	297,923	-	297,923
-	-	-	-	-	-	-
179,233	22,100	287,159	48,398	1,106,764	136,124	1,242,888
-	-	-	3,000	3,000	-	3,000
1,123,553	656,499	784,534	-	5,796,300	-	5,796,300
-	-	-	-	-	-	-
-	124,580	-	-	222,491	-	222,491
18,204	19,160	-	-	37,364	-	37,364
335,141	238,269	623,028	-	1,952,843	-	1,952,843
-	20,660	-	-	135,527	-	135,527
4,099,333	2,732,846	3,039,082	-	18,593,042	-	18,593,042
453,713	335,623	307,655	-	1,976,448	-	1,976,448
-	-	-	-	-	-	-
54,612	66,083	-	-	140,592	-	140,592
<u>6,263,789</u>	<u>4,215,820</u>	<u>5,041,458</u>	<u>261,930</u>	<u>30,262,294</u>	<u>136,124</u>	<u>30,398,418</u>
274,390	184,784	201,811	-	1,239,961	-	1,239,961
-	-	-	-	-	-	-
<u>274,390</u>	<u>184,784</u>	<u>201,811</u>	<u>-</u>	<u>1,239,961</u>	<u>-</u>	<u>1,239,961</u>
2,613,504	187,551	5,286,010	554,160	13,288,961	50,556	13,339,517
-	-	-	-	-	-	-
30,000	30,000	880,788	72,616	1,355,800	3,564,006	4,919,806
2,106,892	(691,882)	2,981,966	480,425	6,098,688	837,996	6,936,684
<u>\$ 4,750,396</u>	<u>\$ (474,331)</u>	<u>\$ 9,148,764</u>	<u>\$ 1,107,201</u>	<u>\$ 20,743,449</u>	<u>\$ 4,452,558</u>	<u>\$ 25,196,007</u>

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA  
COMBINING STATEMENTS OF ACTIVITIES  
COMPONENT UNITS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2018**

	<b>Alee Academy Inc.</b>	<b>Altoona Charter School, Inc.</b>	<b>Mascotte Elementary Charter School, Inc.</b>	<b>Minneola Elementary Charter School, Inc.</b>	<b>Pinecrest Lakes Academy</b>
<b>Expenses:</b>					
Instruction	\$ 858,102	\$ 1,303,277	\$ 3,542,398	\$ 5,327,563	\$ 1,644,128
Pupil Personnel Services	-	29,519	-	346,921	-
Instructional Support Services	-	-	299,805	-	-
Instructional Media Services	-	-	65,873	63,496	-
Instruction and Curriculum Development Services	-	-	100,184	173,499	-
Instructional Staff Training Services	-	-	119,647	81,707	10,551
Instructional Related Technology	-	-	63,066	48,181	-
Board	10,450	10,900	27,929	45,659	19,653
General Administration	78,237	85,825	136,138	225,381	29,361
School Administration	406,423	215,724	359,740	618,834	376,786
Facility Services	-	-	-	-	-
Fiscal Services	14,714	15,860	-	-	62,775
Food Services	-	19,597	-	4,514	143,468
Central Services	-	-	-	-	84,336
Pupil Transportation Services	170,204	52,546	142,932	151,927	-
Operation of Plant	203,790	224,559	422,401	557,526	627,123
Maintenance of Plant	-	-	41,638	-	121,390
Community Services	-	44,928	148,627	229,144	-
Interest on Long-Term Debt	17,953	8,637	-	-	-
Loss on disposal of fixed assets	-	-	-	-	-
Total Expenses	<u>1,759,873</u>	<u>2,011,372</u>	<u>5,470,378</u>	<u>7,874,352</u>	<u>3,119,571</u>
<b>Program Revenues:</b>					
Charges for Services	-	19,984	151,970	325,563	118,944
Operating Grants and Contributions	-	-	630,219	178,539	515,378
Capital Grants and Contributions	-	-	-	-	129,949
Total Program Revenues	<u>-</u>	<u>19,984</u>	<u>782,189</u>	<u>504,102</u>	<u>764,271</u>
Net (Expenses) Revenues	<u>(1,759,873)</u>	<u>(1,991,388)</u>	<u>(4,688,189)</u>	<u>(7,370,250)</u>	<u>(2,355,300)</u>
<b>General Revenues:</b>					
Grants and Contributions Not Restricted to Specific Programs	1,753,942	1,960,741	5,166,657	7,566,175	2,685,766
Miscellaneous	23,146	38,914	41,940	68,144	57,968
Total General Revenues	<u>1,777,088</u>	<u>1,999,655</u>	<u>5,208,597</u>	<u>7,634,319</u>	<u>2,743,734</u>
<b>Change in Net Position</b>	17,215	8,267	520,408	264,069	388,434
Net Position - Beginning	1,489,372	561,794	602,971	2,592,787	-
Prior Period Adjustment	-	-	(118,741)	(115,157)	-
Net Position - Beginning, as restated	<u>1,489,372</u>	<u>561,794</u>	<u>484,230</u>	<u>2,477,630</u>	<u>-</u>
Net Position - Ending	<u>\$ 1,506,587</u>	<u>\$ 570,061</u>	<u>\$ 1,004,638</u>	<u>\$ 2,741,699</u>	<u>\$ 388,434</u>

Round Lake Elementary Charter School, Inc.	Spring Creek Charter School, Inc.	Lake Technical College, Inc.	Imagine Schools at South Lake	Total Charter Schools	Educational Foundation of Lake County, Inc.	Total Component Units
\$ 4,882,771	\$ 2,950,554	\$ 5,820,609	\$ 3,709,218	\$ 30,038,620	\$ -	\$ 30,038,620
298,187	-	-	40,557	715,184	-	715,184
-	282,373	774,059	-	1,356,237	-	1,356,237
76,312	64,781	-	1,130	271,592	-	271,592
146,534	69,346	73,809	-	563,372	-	563,372
130,640	98,656	3,667	4,964	449,832	-	449,832
5,064	-	240,765	-	357,076	-	357,076
33,975	30,330	92,814	18,625	290,335	-	290,335
141,663	103,022	68,884	-	868,511	-	868,511
547,252	382,149	851,732	1,685,504	5,444,144	-	5,444,144
-	-	-	-	-	-	-
-	-	340,432	-	433,781	-	433,781
425,050	394,673	-	324,070	1,311,372	-	1,311,372
-	-	43,470	6,523	134,329	-	134,329
97,343	318,799	-	207,518	1,141,269	-	1,141,269
460,354	324,396	837,234	2,046,301	5,703,684	-	5,703,684
-	-	46,132	58,569	267,729	-	267,729
101,863	-	-	112,130	636,692	1,620,097	2,256,789
-	8,271	-	-	34,861	-	34,861
-	-	-	-	-	-	-
<u>7,347,008</u>	<u>5,027,350</u>	<u>9,193,607</u>	<u>8,215,109</u>	<u>50,018,620</u>	<u>1,620,097</u>	<u>51,638,717</u>
243,758	-	3,038,384	404,614	4,303,217	-	4,303,217
589,375	897,984	2,039,411	587,760	5,438,666	1,583,017	7,021,683
-	-	-	-	129,949	-	129,949
<u>833,133</u>	<u>897,984</u>	<u>5,077,795</u>	<u>992,374</u>	<u>9,871,832</u>	<u>1,583,017</u>	<u>11,454,849</u>
<u>(6,513,875)</u>	<u>(4,129,366)</u>	<u>(4,115,812)</u>	<u>(7,222,735)</u>	<u>(40,146,788)</u>	<u>(37,080)</u>	<u>(40,183,868)</u>
6,790,865	4,177,718	6,152,935	6,807,541	43,062,340	-	43,062,340
37,732	40,293	140,445	302,132	750,714	125,253	875,967
<u>6,828,597</u>	<u>4,218,011</u>	<u>6,293,380</u>	<u>7,109,673</u>	<u>43,813,054</u>	<u>125,253</u>	<u>43,938,307</u>
314,722	88,645	2,177,568	(113,062)	3,666,266	88,173	3,754,439
4,557,627	(482,897)	7,048,216	1,220,263	17,590,133	4,364,385	21,954,518
(121,953)	(80,079)	(77,020)	-	(512,950)	-	(512,950)
<u>4,435,674</u>	<u>(562,976)</u>	<u>6,971,196</u>	<u>1,220,263</u>	<u>17,077,183</u>	<u>4,364,385</u>	<u>21,441,568</u>
<u>\$ 4,750,396</u>	<u>\$ (474,331)</u>	<u>\$ 9,148,764</u>	<u>\$ 1,107,201</u>	<u>\$ 20,743,449</u>	<u>\$ 4,452,558</u>	<u>\$ 25,196,007</u>



LAKE COUNTY SCHOOLS, TAVARES FLORIDA

# STATISTICAL SECTION



LAKE COUNTY SCHOOLS, TAVARES FLORIDA



LAKE COUNTY SCHOOLS, TAVARES FLORIDA

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA  
STATISTICAL SECTION**

This part of the District School Board of Lake County, Florida's Comprehensive Annual Financial Report presents the detail information as a context for understanding what the information in the financial statements, note disclosures and other supplementary information say about the School Board's overall financial health.

**Financial Trend Information**

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 Information**

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

**Debt Capacity Information**

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

**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 services the District provides and the activities it performs.

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA**  
**NET POSITION BY COMPONENT - GOVERNMENT-WIDE**  
**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>
<b>Governmental Activities:</b>				
Invested in Capital Assets, Net of Related Debt	\$ 272,951,278	\$ 329,704,774	\$ 353,813,915	\$ 362,431,576
Restricted	171,884,275	125,582,246	103,376,488	92,821,950
Unrestricted	<u>6,359,936</u>	<u>19,261,207</u>	<u>19,513,316</u>	<u>4,749,709</u>
Total Governmental Activities Net Position	<u>451,195,489</u>	<u>474,548,227</u>	<u>476,703,719</u>	<u>460,003,235</u>
<b>Business-Type Activities:</b>				
Unrestricted	<u>745,738</u>	<u>1,054,923</u>	<u>1,135,239</u>	<u>1,228,940</u>
Total Business-Type Activities Net Position	<u>745,738</u>	<u>1,054,923</u>	<u>1,135,239</u>	<u>1,228,940</u>
<b>Primary Government:</b>				
Invested in Capital Assets, Net of Related Debt	272,951,278	329,704,774	353,813,915	362,431,576
Restricted	171,884,275	125,582,246	103,376,488	92,821,950
Unrestricted	<u>7,105,674</u>	<u>20,316,130</u>	<u>20,648,555</u>	<u>5,978,649</u>
<b>Total Primary Government Net Position</b>	<u><u>\$ 451,941,227</u></u>	<u><u>\$ 475,603,150</u></u>	<u><u>\$ 477,838,958</u></u>	<u><u>\$ 461,232,175</u></u>

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Source: District Records



(Continued)

<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>
\$ 376,152,850	\$ 381,271,147	\$ 394,523,506	\$ 404,304,817	\$ 417,620,048	\$ 429,590,165
78,577,667	74,689,386	62,358,146	61,651,252	66,866,980	81,657,406
<u>(12,304,549)</u>	<u>(12,924,383)</u>	<u>(116,346,583)</u>	<u>(113,226,976)</u>	<u>(128,435,712)</u>	<u>(144,133,851)</u>
<u>442,425,968</u>	<u>443,036,150</u>	<u>340,535,069</u>	<u>352,729,093</u>	<u>356,051,316</u>	<u>367,113,720</u>
<u>1,384,244</u>	<u>1,384,244</u>	<u>1,129,239</u>	<u>1,263,203</u>	<u>1,159,086</u>	<u>834,802</u>
<u>1,384,244</u>	<u>1,384,244</u>	<u>1,129,239</u>	<u>1,263,203</u>	<u>1,159,086</u>	<u>834,802</u>
376,152,850	381,271,147	394,523,506	404,304,817	417,620,048	429,590,165
78,577,667	74,689,386	62,358,146	61,651,252	66,866,980	81,657,406
<u>(10,920,305)</u>	<u>(11,540,139)</u>	<u>(115,217,344)</u>	<u>(111,963,773)</u>	<u>(127,276,626)</u>	<u>(143,299,049)</u>
<u>\$ 443,810,212</u>	<u>\$ 444,420,394</u>	<u>\$ 341,664,308</u>	<u>\$ 353,992,296</u>	<u>\$ 357,210,402</u>	<u>\$ 367,948,522</u>

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA  
CHANGES IN NET POSITION - GOVERNMENT-WIDE  
LAST TEN FISCAL YEARS  
(Accrual Basis of Accounting)  
(Unaudited)**

Fiscal Year Ending	<u>June 30, 2009</u>	<u>June 30, 2010</u>	<u>June 30, 2011</u>
<b>Expenses:</b>			
<b>Governmental Activities:</b>			
Instruction	\$ 192,313,386	\$ 190,140,397	\$ 206,581,994
Student Support Services	16,391,773	14,691,305	15,268,590
Instructional Media Services	3,555,707	3,300,094	3,550,457
Instruction and Curriculum Development Services	8,555,240	7,660,339	8,378,033
Instructional Staff Training Services	8,264,672	6,788,821	7,193,618
Instruction Related Technology	3,014,937	3,153,920	2,892,326
Board	1,062,337	929,493	991,238
General Administration	1,376,414	1,512,690	1,506,187
School Administration	17,563,599	16,420,907	17,651,051
Facility Acquisition and Construction	3,439,352	4,708,561	8,216,240
Fiscal Services	1,871,890	1,909,073	1,970,019
Food Services	15,425,111	15,933,617	16,394,223
Central Services	4,458,428	4,387,764	5,187,313
Student Transportation Services	16,461,927	16,158,913	16,955,865
Operation of Plant	23,486,694	21,829,068	22,383,280
Maintenance of Plant	6,725,548	7,044,004	7,450,390
Administrative Technology Services	463,696	477,908	517,815
Community Services	137,383	119,276	99,824
Unallocated Interest on Long-Term Debt	16,437,148	16,516,893	15,520,442
Unallocated Depreciation Expense	25,620,360	19,018,205	18,437,812
Loss on Disposal of Capital Assets	-	-	-
Total Governmental Activities Expenses	<u>366,625,602</u>	<u>352,701,248</u>	<u>377,146,717</u>
<b>Business-Type Activities:</b>			
Extended Learning Center Program	<u>2,199,535</u>	<u>2,007,605</u>	<u>2,578,188</u>
Total Business-Type Activities Expenses	<u>2,199,535</u>	<u>2,007,605</u>	<u>2,578,188</u>
Total Primary Government Expenses	<u>\$ 368,825,137</u>	<u>\$ 354,708,853</u>	<u>\$ 379,724,905</u>

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Source: District Records

(Continued)

<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>
\$ 185,176,901	\$ 187,740,245	\$ 192,465,779	\$ 193,588,155	\$ 203,632,327	\$ 217,360,657	\$ 223,190,451
15,022,695	16,191,197	16,093,486	17,012,506	17,203,453	17,881,768	18,296,969
3,254,266	3,242,448	3,277,822	3,438,954	3,465,386	3,489,529	3,653,349
7,497,574	8,232,173	7,710,547	8,146,058	11,637,502	12,517,422	10941850
6,524,557	6,479,677	6,002,273	9,204,244	9,970,986	11,110,765	7,641,530
2,675,147	2,516,538	1,994,896	1,385,748	1,297,717	1,180,471	1,012,461
847,582	855,214	833,945	772,594	761,325	793,602	812,467
1,315,892	1,659,231	1,581,653	1,545,354	1,888,123	2,236,810	1,988,230
16,363,194	16,554,207	16,804,142	17,204,641	18,103,177	18,949,836	19,480,387
10,597,935	7,937,827	4,521,695	6,280,902	6,087,331	5,619,855	4,271,575
1,735,704	1,636,310	1,700,875	1,644,580	1,855,957	1,950,836	1,657,752
17,842,617	19,259,048	17,841,157	18,600,056	19,176,323	20,730,992	20,648,634
6,874,137	7,362,386	8,133,693	5,844,099	6,207,037	6,581,591	6,204,239
17,731,007	17,447,933	16,047,770	16,398,971	15,844,531	17,146,181	17,230,722
22,756,923	23,745,175	24,250,418	24,535,385	25,263,904	26,785,214	26,455,790
7,099,108	6,875,276	6,858,011	7,277,443	8,052,999	7,740,414	8,148,270
735,183	1,375,321	2,979,728	3,502,836	3,593,785	4,578,329	4,533,326
146,101	131,004	71,989	91,030	103,969	276,075	534,263
14,325,852	13,102,556	11,589,897	10,121,367	9,894,088	8,421,168	8,023,318
16,776,044	18,632,121	22,077,972	21,903,645	21,178,576	21,262,004	21,018,306
-	-	-	-	-	-	-
<u>355,298,419</u>	<u>360,975,887</u>	<u>362,837,748</u>	<u>368,498,568</u>	<u>385,218,496</u>	<u>406,613,519</u>	<u>405,743,889</u>
<u>2,577,342</u>	<u>2,120,355</u>	<u>2,326,854</u>	<u>2,654,798</u>	<u>2,860,342</u>	<u>2,533,968</u>	<u>2,635,663</u>
<u>2,577,342</u>	<u>2,120,355</u>	<u>2,326,854</u>	<u>2,654,798</u>	<u>2,860,342</u>	<u>2,533,968</u>	<u>2,635,663</u>
<u>\$ 357,875,761</u>	<u>\$ 363,096,242</u>	<u>\$ 365,164,602</u>	<u>\$ 371,153,366</u>	<u>\$ 388,078,838</u>	<u>\$ 409,147,487</u>	<u>\$ 408,379,552</u>

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified Accrual Basis of Accounting)**  
**(Unaudited)**

	Fiscal Year Ending			
	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012
<b>Revenues:</b>				
Federal Direct	\$ 1,600,920	\$ 1,683,721	\$ 1,846,819	\$ 1,238,115
Federal Through State	31,392,023	54,359,299	62,998,269	38,906,138
State	156,638,002	139,999,739	150,889,392	153,107,892
Local	196,371,880	181,505,245	162,303,293	144,222,865
<b>Total Revenues</b>	<b>386,002,825</b>	<b>377,548,004</b>	<b>378,037,773</b>	<b>337,475,010</b>
<b>Expenditures:</b>				
<b>Current:</b>				
Instruction	190,969,430	192,617,887	204,817,228	184,946,003
Student Support Services	16,391,773	14,685,187	15,100,168	14,602,076
Instructional Media Services	3,555,707	3,287,993	3,514,774	3,250,101
Instruction and Curriculum Development Services	8,555,240	7,601,687	8,294,372	7,491,659
Instructional Staff Training Services	8,264,672	6,788,821	7,130,655	6,526,196
Instruction-Related Technology Board	3,014,937	2,978,069	2,867,597	2,674,652
General Administration	1,062,337	929,493	986,465	849,135
School Administration	1,376,414	1,495,721	1,497,302	1,318,529
Facilities Acquisition and Construction	17,563,599	16,410,063	17,450,709	16,325,486
Fiscal Services	1,279,214	464,950	1,148,300	10,341,217
Food Services	1,871,890	1,909,074	1,949,121	1,733,627
Central Services	15,425,111	15,776,739	16,318,961	17,390,301
Student Transportation Services	4,458,428	4,380,292	4,684,332	5,110,231
Operation of Plant	16,461,927	16,144,473	16,843,190	17,223,383
Maintenance of Plant	23,486,694	21,749,672	22,286,216	22,143,038
Administrative Technology Services	6,725,548	6,962,674	7,385,349	6,910,104
Community Services	463,696	455,426	513,105	717,620
<b>Capital Outlay:</b>	137,383	119,276	98,970	172,720
Facilities Acquisition and Construction	20,362,858	76,690,256	36,441,234	11,058,837
Other Capital Outlay	1,555,888	1,166,003	1,422,552	7,757,316
<b>Debt Service:</b>				
Principal	15,326,448	15,688,749	15,860,041	15,449,622
Interest and Fiscal Charges	17,322,205	16,874,530	16,245,464	16,589,987
<b>Total Expenditures</b>	<b>375,631,399</b>	<b>425,177,035</b>	<b>402,856,105</b>	<b>370,581,840</b>
Excess of Revenues over (under) Expenditures	10,371,426	(47,629,031)	(24,818,332)	(33,106,830)
<b>Other Financing Sources (Uses)</b>				
Issuance of Bonds	-	1,110,000	335,000	-
Premium on Sale of Bonds	-	65,062	275,320	107,375
Certificates of Participation Issued	-	-	-	43,720,000
Premium on Certificates of Participation	-	-	-	2,878,849
Assets Acquired Under Capital Leases	-	-	-	6,328,851
Loans Incurred	-	-	-	16,370,000
Proceeds from the Sale of Capital Assets	-	-	739,553	-
Refunded Bonds Issued	-	-	1,615,000	765,000
Payments to Refunded Certificates of Participation Escrow Agent	-	-	-	(63,746,271)
Payments to Refunded Bond Escrow Agent	-	(528,994)	(1,871,672)	-
Loss Recoveries	-	-	-	-
Transfers In	37,931,055	38,434,255	38,125,556	33,030,840
Transfers Out	(38,067,252)	(39,884,299)	(40,355,942)	(30,615,476)
<b>Total Other Financing Sources (Uses)</b>	<b>(136,197)</b>	<b>(803,976)</b>	<b>(1,137,185)</b>	<b>8,839,168</b>
Net Change in Fund Balance	10,235,229	(48,433,007)	(25,955,517)	(24,267,662)
Fund Balance, Beginning	221,464,760	231,071,173	182,638,166	156,682,649
<b>Fund Balance, Ending</b>	<b>\$ 231,699,989</b>	<b>\$ 182,638,166</b>	<b>\$ 156,682,649</b>	<b>\$ 132,414,987</b>
<b>Ratio of Debt Service to Non-Capital Expenditures</b>				
Total Debt Service	\$ 32,648,653	\$ 32,563,279	\$ 32,105,505	\$ 32,039,609
Total Non-capital Expenditures	358,004,311	355,973,457	371,887,599	351,346,399
Ratio of Debt Service to Non-Capital Expenditures	9.12%	9.15%	8.63%	9.12%

Source: District Records

(Continued)

Fiscal Year Ending					
June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018
\$ 965,735	\$ 366,169	\$ 352,180	\$ 351,680	\$ 345,909	\$ 298,812
39,119,846	39,168,800	40,138,679	38,562,935	39,002,516	40,884,176
165,197,434	184,565,717	185,959,727	194,148,154	200,894,059	206,009,620
137,096,499	138,574,516	152,689,808	163,453,263	169,186,243	176,551,685
<u>342,379,514</u>	<u>362,675,202</u>	<u>379,140,394</u>	<u>396,516,032</u>	<u>409,428,727</u>	<u>423,744,293</u>
186,151,837	191,666,728	197,310,985	206,023,510	210,828,693	217,875,744
15,664,809	16,026,672	17,339,668	17,405,467	17,343,960	17,731,490
3,214,632	3,264,213	3,505,087	3,506,079	3,384,426	3,547,991
8,169,006	7,678,535	8,302,712	11,774,157	12,141,740	10,607,417
6,433,899	5,977,353	9,381,248	10,088,072	10,776,452	7,431,111
2,497,114	1,986,614	1,412,397	1,312,956	1,144,692	983,143
850,550	830,483	787,451	770,265	770,123	799,291
1,651,024	1,575,086	1,575,072	1,910,295	2,169,724	1,945,432
16,396,796	16,734,377	17,535,498	18,315,756	18,380,721	18,861,948
7,706,820	533,637	402,108	475,393	741,386	576,059
1,621,951	1,693,814	1,676,206	1,877,751	1,892,694	1,607,187
18,678,178	17,767,086	18,957,748	19,401,504	20,108,208	20,373,959
5,439,748	6,279,246	5,956,485	6,279,924	6,383,686	6,031,307
16,886,318	15,981,146	16,714,334	16,030,588	16,630,734	16,859,204
23,004,042	24,149,739	25,007,217	25,560,569	25,980,178	26,124,490
6,656,687	6,829,539	7,417,393	8,147,562	7,507,848	7,940,694
1,334,832	2,967,358	3,570,198	3,635,986	4,440,803	4,462,847
117,426	71,690	92,781	105,190	268,248	517,668
10,425,716	14,314,453	17,744,058	12,145,682	15,858,109	8,930,324
7,809,561	1,044,695	1,481,341	1,506,458	1,109,458	1,250,706
19,669,377	20,841,859	27,752,756	22,190,554	23,361,013	23,594,593
14,343,231	13,759,071	11,658,962	11,103,686	10,260,535	8,814,406
<u>374,723,554</u>	<u>371,973,394</u>	<u>395,581,705</u>	<u>399,567,404</u>	<u>411,483,431</u>	<u>406,867,010</u>
<u>(32,344,040)</u>	<u>(9,298,192)</u>	<u>(16,441,311)</u>	<u>(3,051,372)</u>	<u>(2,054,704)</u>	<u>16,877,283</u>
-	1,342,000	-	-	2,374,000	-
-	206,513	-	-	361,721	-
20,875,000	-	126,890,000	27,820,000	-	-
1,524,979	-	15,967,306	-	-	-
4,914,948	-	-	-	-	-
-	-	-	-	-	-
100,000	-	190,875	-	-	-
-	-	-	-	-	-
(22,124,563)	-	(144,429,632)	(27,523,684)	-	(2,156,526)
-	-	-	-	-	-
-	-	-	-	19,744	32,538
40,267,600	41,302,549	40,069,996	44,687,904	44,692,406	43,823,311
<u>(40,045,933)</u>	<u>(41,887,896)</u>	<u>(39,733,265)</u>	<u>(44,714,373)</u>	<u>(44,763,258)</u>	<u>(43,451,903)</u>
<u>5,512,031</u>	<u>963,166</u>	<u>(1,044,720)</u>	<u>269,847</u>	<u>2,684,613</u>	<u>(1,752,580)</u>
<u>(26,832,009)</u>	<u>(8,335,026)</u>	<u>(17,486,031)</u>	<u>(2,781,525)</u>	<u>629,909</u>	<u>15,124,703</u>
<u>132,414,987</u>	<u>105,582,978</u>	<u>97,247,952</u>	<u>79,761,921</u>	<u>76,980,396</u>	<u>77,610,305</u>
<u>\$ 105,582,978</u>	<u>\$ 97,247,952</u>	<u>\$ 79,761,921</u>	<u>\$ 76,980,396</u>	<u>\$ 77,610,305</u>	<u>\$ 92,735,008</u>
\$ 34,012,608	\$ 34,600,930	\$ 39,411,718	\$ 33,294,240	\$ 33,621,548	\$ 32,408,999
355,997,648	360,664,199	382,084,156	392,109,041	399,370,854	400,365,933
9.55%	9.59%	10.31%	8.49%	8.42%	8.09%

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA**  
**FUND BALANCES OF GOVERNMENTAL 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>General Fund</b>				
Nonspendable	\$ 1,201,164	\$ 1,333,842	\$ 1,468,338	\$ 2,848,721
Restricted for:				
State Required Carryover Programs	2,214,250	3,097,922	2,232,723	291,627
Other Purposes				
Assigned	3,158,632	4,046,662	1,413,481	4,478,099
Unassigned	<u>21,364,843</u>	<u>31,839,989</u>	<u>35,015,531</u>	<u>19,580,402</u>
Total General Fund	<u>\$ 27,938,889</u>	<u>\$ 40,318,415</u>	<u>\$ 40,130,073</u>	<u>\$ 27,198,849</u>
<b>All Other Governmental Funds</b>				
Nonspendable	\$ 297,849	\$ 387,223	\$ 821,285	\$ 778,300
Restricted for:				
Food Service	4,781,346	5,901,039	8,188,806	7,345,348
Debt Service	4,249,298	4,486,047	4,739,562	4,831,474
Capital Outlay	135,595,855	101,816,268	102,802,923	92,261,016
Assigned	<u>58,836,752</u>	<u>29,729,174</u>	<u>-</u>	<u>-</u>
Total All Other Governmental Funds	<u>\$ 203,761,100</u>	<u>\$ 142,319,751</u>	<u>\$ 116,552,576</u>	<u>\$ 105,216,138</u>

Fund balances restated to reflect implementation of GASB 54

Source: District Records

(Continued)

		Fiscal Year Ending				
June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018	
\$ 2,415,749	\$ 1,711,409	\$ 1,699,882	\$ 1,608,250	\$ 1,564,175	\$ 1,480,139	
465,785	883,042	110,460	189,772	356,967	2,553,494	
1,173,298	954,547	3,276,842	1,557,963	905,570	193,615	
10,481,022	12,022,308	11,952,102	12,162,931	8,273,580	9,403,847	
<u>\$ 14,535,854</u>	<u>\$ 15,571,306</u>	<u>\$ 17,039,286</u>	<u>\$ 15,518,916</u>	<u>\$ 11,100,292</u>	<u>\$ 13,631,095</u>	
\$ 625,232	\$ 467,011	\$ 652,050	\$ 699,350	\$ 1,054,953	\$ 1,106,937	
8,599,936	11,211,413	11,515,433	11,657,205	11,699,620	10,911,581	
7,932,131	11,465,994	2,199,219	1,131,450	2,268,201	127,979	
73,889,825	58,532,228	48,355,933	47,973,475	51,487,239	66,957,416	
-	-	-	-	-	-	
<u>\$ 91,047,124</u>	<u>\$ 81,676,646</u>	<u>\$ 62,722,635</u>	<u>\$ 61,461,480</u>	<u>\$ 66,510,013</u>	<u>\$ 79,103,913</u>	

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA**  
**CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS**  
**LAST TEN FISCAL YEARS**  
**(Modified Accrual Basis of Accounting)**  
**(Unaudited)**

	Fiscal Year Ending			
	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012
<b>Revenues:</b>				
Federal Direct	\$ 1,600,920	\$ 1,683,721	\$ 1,846,819	\$ 1,238,115
Federal Through State	31,392,023	54,359,299	62,998,269	38,906,138
State	156,638,002	139,999,739	150,889,392	153,107,892
Local	196,371,880	181,505,245	162,303,293	144,222,865
<b>Total Revenues</b>	<b>386,002,825</b>	<b>377,548,004</b>	<b>378,037,773</b>	<b>337,475,010</b>
<b>Expenditures:</b>				
<b>Current:</b>				
Instruction	190,969,430	192,617,887	204,817,228	184,946,003
Student Support Services	16,391,773	14,685,187	15,100,168	14,602,076
Instructional Media Services	3,555,707	3,287,993	3,514,774	3,250,101
Instruction and Curriculum Development Services	8,555,240	7,601,687	8,294,372	7,491,659
Instructional Staff Training Services	8,264,672	6,788,821	7,130,655	6,526,196
Instruction-Related Technology Board	3,014,937	2,978,069	2,867,597	2,674,652
General Administration	1,062,337	929,493	986,465	849,135
School Administration	1,376,414	1,495,721	1,497,302	1,318,529
Facilities Acquisition and Construction	17,563,599	16,410,063	17,450,709	16,325,486
Fiscal Services	1,279,214	464,950	1,148,300	10,341,217
Food Services	1,871,890	1,909,074	1,949,121	1,733,627
Central Services	15,425,111	15,776,739	16,318,961	17,390,301
Student Transportation Services	4,458,428	4,380,292	4,684,332	5,110,231
Operation of Plant	16,461,927	16,144,473	16,843,190	17,223,383
Maintenance of Plant	23,486,694	21,749,672	22,286,216	22,143,038
Administrative Technology Services	6,725,548	6,962,674	7,385,349	6,910,104
Community Services	463,696	455,426	513,105	717,620
<b>Capital Outlay:</b>				
Facilities Acquisition and Construction	137,383	119,276	98,970	172,720
Other Capital Outlay	20,362,858	76,690,256	36,441,234	11,058,837
<b>Debt Service:</b>				
Principal	1,555,888	1,166,003	1,422,552	7,757,316
Interest and Fiscal Charges	15,326,448	15,688,749	15,860,041	15,449,622
	17,322,205	16,874,530	16,245,464	16,589,987
<b>Total Expenditures</b>	<b>375,631,399</b>	<b>425,177,035</b>	<b>402,856,105</b>	<b>370,581,840</b>
Excess of Revenues over (under) Expenditures	10,371,426	(47,629,031)	(24,818,332)	(33,106,830)
<b>Other Financing Sources (Uses)</b>				
Issuance of Bonds	-	1,110,000	335,000	-
Premium on Sale of Bonds	-	65,062	275,320	107,375
Certificates of Participation Issued	-	-	-	43,720,000
Premium on Certificates of Participation	-	-	-	2,878,849
Assets Acquired Under Capital Leases	-	-	-	6,328,851
Loans Incurred	-	-	-	16,370,000
Proceeds from the Sale of Capital Assets	-	-	739,553	-
Refunded Bonds Issued	-	-	1,615,000	765,000
Payments to Refunded Certificates of Participation Escrow Agent	-	-	-	(63,746,271)
Payments to Refunded Bond Escrow Agent	-	(528,994)	(1,871,672)	-
Loss Recoveries	-	-	-	-
Transfers In	37,931,055	38,434,255	38,125,556	33,030,840
Transfers Out	(38,067,252)	(39,884,299)	(40,355,942)	(30,615,476)
<b>Total Other Financing Sources (Uses)</b>	<b>(136,197)</b>	<b>(803,976)</b>	<b>(1,137,185)</b>	<b>8,839,168</b>
<b>Net Change in Fund Balance</b>	<b>10,235,229</b>	<b>(48,433,007)</b>	<b>(25,955,517)</b>	<b>(24,267,662)</b>
Fund Balance, Beginning	Fund Balance, End	231,071,173	182,638,166	156,682,649
Fund Balance, Ending	<b>\$ 10,235,229</b>	<b>\$ 182,638,166</b>	<b>\$ 156,682,649</b>	<b>\$ 132,414,987</b>
<b>Ratio of Debt Service to Non-Capital Expenditures</b>				
Total Debt Service	\$ 32,648,653	\$ 32,563,279	\$ 32,105,505	\$ 32,039,609
Total Non-capital Expenditures	309,660,789	407,649,048	371,887,599	351,346,399
Ratio of Debt Service to Non-Capital Expenditures	10.54%	7.99%	8.63%	9.12%

Source: District Records



(Continued)

Fiscal Year Ending					
June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018
\$ 965,735	\$ 366,169	\$ 352,180	\$ 351,680	\$ 345,909	\$ 298,812
39,119,846	39,168,800	40,138,679	38,562,935	39,002,516	40,884,176
165,197,434	184,565,717	185,959,727	194,148,154	200,894,059	206,009,620
137,096,499	138,574,516	152,689,808	163,453,263	169,186,243	176,551,685
<u>342,379,514</u>	<u>362,675,202</u>	<u>379,140,394</u>	<u>396,516,032</u>	<u>409,428,727</u>	<u>423,744,293</u>
186,151,837	191,666,728	197,310,985	206,023,510	210,828,693	217,875,744
15,664,809	16,026,672	17,339,668	17,405,467	17,343,960	17,731,490
3,214,632	3,264,213	3,505,087	3,506,079	3,384,426	3,547,991
8,169,006	7,678,535	8,302,712	11,774,157	12,141,740	10,607,417
6,433,899	5,977,353	9,381,248	10,088,072	10,776,452	7,431,111
2,497,114	1,986,614	1,412,397	1,312,956	1,144,692	983,143
850,550	830,483	787,451	770,265	770,123	799,291
1,651,024	1,575,086	1,575,072	1,910,295	2,169,724	1,945,432
16,396,796	16,734,377	17,535,498	18,315,756	18,380,721	18,861,948
7,706,820	533,637	402,108	475,393	741,386	576,059
1,621,951	1,693,814	1,676,206	1,877,751	1,892,694	1,607,187
18,678,178	17,767,086	18,957,748	19,401,504	20,108,208	20,373,959
5,439,748	6,279,246	5,956,485	6,279,924	6,383,686	6,031,307
16,886,318	15,981,146	16,714,334	16,030,588	16,630,734	16,859,204
23,004,042	24,149,739	25,007,217	25,560,569	25,980,178	26,124,490
6,656,687	6,829,539	7,417,393	8,147,562	7,507,848	7,940,694
1,334,832	2,967,358	3,570,198	3,635,986	4,440,803	4,462,847
117,426	71,690	92,781	105,190	268,248	517,668
10,425,716	14,314,453	17,744,058	12,145,682	15,858,109	8,930,324
7,809,561	1,044,695	1,481,341	1,506,458	1,109,458	1,250,706
19,669,377	20,841,859	27,752,756	22,190,554	23,361,013	23,594,593
14,343,231	13,759,071	11,658,962	11,103,686	10,260,535	8,814,406
<u>374,723,554</u>	<u>371,973,394</u>	<u>395,581,705</u>	<u>399,567,404</u>	<u>411,483,431</u>	<u>406,867,010</u>
<u>(32,344,040)</u>	<u>(9,298,192)</u>	<u>(16,441,311)</u>	<u>(3,051,372)</u>	<u>(2,054,704)</u>	<u>16,877,283</u>
-	1,342,000	-	-	2,374,000	-
-	206,513	-	-	361,721	-
20,875,000	-	126,890,000	27,820,000	-	-
1,524,979	-	15,967,306	-	-	-
4,914,948	-	-	-	-	-
-	-	-	-	-	-
100,000	-	190,875	-	-	-
-	-	-	-	-	-
(22,124,563)	-	(144,429,632)	(27,523,684)	-	(2,156,526)
-	-	-	-	-	-
-	-	-	-	19,744	32,538
40,267,600	41,302,549	40,069,996	44,687,904	44,692,406	43,823,311
<u>(40,045,933)</u>	<u>(41,887,896)</u>	<u>(39,733,265)</u>	<u>(44,714,373)</u>	<u>(44,763,258)</u>	<u>(43,451,903)</u>
<u>5,512,031</u>	<u>963,166</u>	<u>(1,044,720)</u>	<u>269,847</u>	<u>2,684,613</u>	<u>(1,752,580)</u>
(26,832,009)	(8,335,026)	(17,486,031)	(2,781,525)	629,909	15,124,703
132,414,987	105,582,978	97,247,952	79,761,921	76,980,396	77,610,305
<u>\$ 105,582,978</u>	<u>\$ 97,247,952</u>	<u>\$ 79,761,921</u>	<u>\$ 76,980,396</u>	<u>\$ 77,610,305</u>	<u>\$ 92,735,008</u>
\$ 34,012,608	\$ 34,600,930	\$ 39,411,718	\$ 33,294,240	\$ 33,621,548	\$ 32,408,999
356,488,277	356,488,277	382,084,156	392,109,041	377,861,883	377,861,883
9.54%	9.71%	10.31%	8.49%	8.90%	8.58%

**DISTRICT SCHOOL BOARD OF LAKE 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)**

	Fiscal Year Ending					
	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012	June 30, 2013	June 30, 2014
<b>Federal Direct Sources:</b>						
Reserve Officers Training Corps (ROTC)	\$ 247,728	\$ 225,280	\$ 256,623	\$ 312,197	\$ 334,483	\$ 331,036
Total Federal Direct	247,728	225,280	256,623	312,197	334,483	331,036
<b>Federal Through State Sources:</b>						
Other Federal Through State Grants	1,057,374	883,609	1,181,562	1,177,315	1,417,398	1,628,451
Total Federal Through State Sources	1,057,374	883,609	1,181,562	1,177,315	1,417,398	1,628,451
<b>State Sources:</b>						
Florida Education Finance Program (FEFP)	79,725,273	83,292,028	93,386,847	98,195,148	109,987,281	128,637,748
Categorical Programs	56,347,428	46,675,880	44,240,490	45,668,195	47,798,931	46,333,956
District Discretionary Lottery Funds	969,683	1,838,835	2,222,210	1,564,347	-	394,158
Workforce Development	4,585,571	4,215,450	4,115,328	4,312,571	4,160,625	5,604,076
State Grants and Other State Sources	3,277,146	425,908	2,317,059	378,684	524,863	711,749
Total State Sources	144,905,101	136,448,101	146,281,934	150,118,945	162,471,700	181,681,687
<b>Local Sources:</b>						
Ad Valorem Taxes	125,835,016	123,149,734	110,510,099	99,151,712	92,423,734	90,501,854
Interest Income and Others	289,904	90,738	56,986	10,268	18,578	4,317
Local Grants and Other Local Sources	6,369,970	3,095,090	4,089,333	3,705,803	4,277,992	5,332,164
Total Local Sources	132,494,890	126,335,562	114,656,418	102,867,783	96,720,304	95,838,335
<b>Total Revenues</b>	<b>278,705,093</b>	<b>263,892,552</b>	<b>262,376,537</b>	<b>254,476,240</b>	<b>260,943,885</b>	<b>279,479,509</b>
<b>Expenditures: (by object)</b>						
Salaries	156,600,796	136,117,162	138,593,285	155,613,818	156,805,988	158,296,563
Employee Benefits	51,920,930	44,887,540	46,884,966	41,852,500	42,420,755	45,954,130
Purchased Services	51,137,233	49,754,057	49,992,071	47,632,006	50,286,733	54,379,914
Energy Services	10,069,557	10,221,513	11,181,618	11,426,828	10,731,664	10,895,093
Material and Supplies	6,504,833	9,024,893	8,982,324	5,652,193	7,350,538	6,975,954
Capital Outlay	3,177,934	2,553,886	6,112,402	2,855,266	2,219,957	2,195,957
Other Expenditures	6,495,849	5,282,216	5,619,694	4,756,580	4,834,613	3,928,249
<b>Total Expenditures</b>	<b>285,907,132</b>	<b>257,841,267</b>	<b>267,366,360</b>	<b>269,789,191</b>	<b>274,650,248</b>	<b>282,625,860</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>(7,202,039)</b>	<b>6,051,285</b>	<b>(4,989,823)</b>	<b>(15,312,951)</b>	<b>(13,706,363)</b>	<b>(3,146,351)</b>
<b>Other Financing Sources (Uses), Net</b>	<b>7,355,467</b>	<b>6,328,241</b>	<b>4,801,481</b>	<b>2,381,727</b>	<b>1,043,368</b>	<b>4,181,803</b>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	<b>153,428</b>	<b>12,379,526</b>	<b>(188,342)</b>	<b>(12,931,224)</b>	<b>(12,662,995)</b>	<b>1,035,452</b>
Beginning Fund Balances	27,785,461	27,938,889	40,318,415	40,130,073	27,198,849	14,535,854
<b>Ending Fund Balances</b>	<b>\$ 27,938,889</b>	<b>\$ 40,318,415</b>	<b>\$ 40,130,073</b>	<b>\$ 27,198,849</b>	<b>\$ 14,535,854</b>	<b>\$ 15,571,306</b>
<b>Breakdown of Fund Balances:</b>						
Nonspendable (Inventory/Prepaid)	\$ 1,201,164	\$ 1,333,842	\$ 1,468,338	\$ 2,848,721	\$ 2,415,749	\$ 1,711,409
Restricted for:						
State Required Carryforward Programs	2,214,250	3,097,922	2,232,723	291,627	465,785	883,042
Assigned for:						
School Operations	3,158,632	4,046,662	1,413,481	678,099	1,173,298	954,547
Health Insurance Safe Harbor	-	-	-	3,800,000	-	-
Unassigned Fund Balance	21,364,843	31,839,989	35,015,531	19,580,402	10,481,022	12,022,308
Total Fund Balances	<b>\$ 27,938,889</b>	<b>\$ 40,318,415</b>	<b>\$ 40,130,073</b>	<b>\$ 27,198,849</b>	<b>\$ 14,535,854</b>	<b>\$ 15,571,306</b>
Unassigned Fund Balance to Revenues	7.6658%	12.0655%	13.3455%	7.6944%	4.0166%	4.3017%

Source: District Records

(Continued)

	Fiscal Year Ending		
June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018
\$ 318,502	\$ 309,923	\$ 325,544	\$ 288,312
<u>318,502</u>	<u>309,923</u>	<u>325,544</u>	<u>288,312</u>
1,289,093	1,348,043	1,227,730	2,073,372
<u>1,289,093</u>	<u>1,348,043</u>	<u>1,227,730</u>	<u>2,073,372</u>
129,590,728	136,671,446	140,695,268	146,009,652
44,885,199	45,218,258	47,501,932	48,986,802
144,749	-	-	74,748
5,014,101	4,664,995	4,406,406	4,609,038
<u>3,076,588</u>	<u>4,468,062</u>	<u>1,915,854</u>	<u>3,148,229</u>
<u>182,711,365</u>	<u>191,022,761</u>	<u>194,519,460</u>	<u>202,828,469</u>
96,340,255	100,319,737	100,190,168	103,860,477
4,186	17,724	86,382	423,592
<u>7,136,368</u>	<u>4,972,481</u>	<u>6,256,177</u>	<u>2,907,623</u>
<u>103,480,809</u>	<u>105,309,942</u>	<u>106,532,727</u>	<u>107,191,692</u>
<u>287,799,769</u>	<u>297,990,669</u>	<u>302,605,461</u>	<u>312,381,845</u>
163,122,419	173,123,751	180,455,622	176,340,506
52,162,892	54,875,790	54,925,662	59,107,287
57,270,142	57,569,421	58,352,838	60,529,249
10,334,554	9,083,738	9,166,867	9,444,956
5,726,624	9,298,813	7,845,113	6,416,521
1,974,273	2,462,034	4,570,620	2,378,179
<u>4,905,628</u>	<u>6,254,316</u>	<u>4,989,849</u>	<u>8,188,353</u>
<u>295,496,532</u>	<u>312,667,863</u>	<u>320,306,571</u>	<u>322,405,051</u>
<u>(7,696,763)</u>	<u>(14,677,194)</u>	<u>(17,701,110)</u>	<u>(10,023,206)</u>
<u>9,164,743</u>	<u>13,156,824</u>	<u>13,282,486</u>	
1,467,980	(1,520,370)	(4,418,624)	(10,023,206)
<u>15,571,306</u>	<u>17,039,286</u>	<u>15,518,916</u>	<u>12,554,009</u>
<u>\$ 17,039,286</u>	<u>\$ 15,518,916</u>	<u>\$ 11,100,292</u>	<u>\$ 2,530,803</u>
\$ 1,699,882	\$ 1,608,250	\$ 1,564,175	\$ 1,480,139
110,460	189,772	356,967	2,553,494
3,276,842	1,557,963	905,570	193,615
-	-	-	-
<u>11,952,102</u>	<u>12,162,931</u>	<u>8,273,580</u>	<u>9,403,847</u>
<u>\$ 17,039,286</u>	<u>\$ 15,518,916</u>	<u>\$ 11,100,292</u>	<u>\$ 13,631,095</u>
<u>4.1529%</u>	<u>4.0816%</u>	<u>3.0334%</u>	<u>3.0723%</u>

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA  
SUMMARY OF REVENUES, EXPENDITURES (by Major Object),  
AND CHANGES IN FUND BALANCES - SPECIAL REVENUE FUNDS - FOOD SERVICE  
LAST TEN FISCAL YEARS  
(Modified Accrual Basis of Accounting)  
(Unaudited)**

	Fiscal Year Ending			
	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012
<b>Federal Through State Sources:</b>				
Food Service	\$ 8,637,001	\$ 10,518,859	\$ 11,759,970	\$ 12,610,485
USDA Donated Foods	767,436	1,059,445	1,630,363	932,036
Total Federal Through State Sources	9,404,437	11,578,304	13,390,333	13,542,521
<b>State Sources:</b>				
Food Services	203,926	206,286	226,951	248,004
Total State Sources	203,926	206,286	226,951	248,004
<b>Local Sources:</b>				
Food Service Sales	6,603,298	5,828,702	5,598,858	5,288,702
Interest Income and Others	20,573	10,129	9,370	6,175
Total Local Sources	6,623,871	5,838,831	5,608,228	5,294,877
<b>Total Revenues</b>	<b>16,232,234</b>	<b>17,623,421</b>	<b>19,225,512</b>	<b>19,085,402</b>
<b>Expenditures: (by object)</b>				
Salaries	4,951,974	4,639,636	4,784,467	5,060,084
Employee Benefits	2,669,394	2,384,228	2,292,500	1,957,026
Purchased Services	328,130	393,240	431,729	482,080
Energy Services	219,754	223,992	233,654	224,373
Material and Supplies	6,738,748	7,594,307	8,120,678	9,063,162
Capital Outlay	50,610	143,791	291,742	2,823,131
Other Expenditures	475,591	463,208	384,069	361,989
<b>Total Expenditures</b>	<b>15,434,201</b>	<b>15,842,402</b>	<b>16,538,839</b>	<b>19,971,845</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>798,033</b>	<b>1,781,019</b>	<b>2,686,673</b>	<b>(886,443)</b>
<b>Other Financing Sources (Uses), Net</b>	<b>103,755</b>	<b>69,266</b>	<b>-</b>	<b>-</b>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	<b>901,788</b>	<b>1,850,285</b>	<b>2,686,673</b>	<b>(886,443)</b>
Beginning Fund Balances	4,200,161	4,473,133	6,323,418	9,010,091
<b>Ending Fund Balances</b>	<b>\$ 5,101,949</b>	<b>\$ 6,323,418</b>	<b>\$ 9,010,091</b>	<b>\$ 8,123,648</b>

Source: District Records

(Continued)

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>
\$ 13,244,399	\$ 13,773,970	\$ 14,043,660	\$ 14,399,248	\$ 14,684,178	\$ 14,910,268
<u>1,377,603</u>	<u>1,405,491</u>	<u>1,520,241</u>	<u>1,625,001</u>	<u>1,521,978</u>	<u>1,162,360</u>
<u>14,622,002</u>	<u>15,179,461</u>	<u>15,563,901</u>	<u>16,024,249</u>	<u>16,206,156</u>	<u>16,072,628</u>
<u>254,569</u>	<u>256,534</u>	<u>249,079</u>	<u>239,040</u>	<u>227,553</u>	<u>220,158</u>
<u>254,569</u>	<u>256,534</u>	<u>249,079</u>	<u>239,040</u>	<u>227,553</u>	<u>220,158</u>
<u>5,231,628</u>	<u>5,042,669</u>	<u>4,391,876</u>	<u>4,133,713</u>	<u>4,050,150</u>	<u>3,338,971</u>
<u>4,182</u>	<u>13,983</u>	<u>40,263</u>	<u>19,289</u>	<u>22,367</u>	<u>6,147</u>
<u>5,235,810</u>	<u>5,056,652</u>	<u>4,432,139</u>	<u>4,153,002</u>	<u>4,072,517</u>	<u>3,345,118</u>
<u>20,112,381</u>	<u>20,492,647</u>	<u>20,245,119</u>	<u>20,416,291</u>	<u>20,506,226</u>	<u>19,637,904</u>
<u>5,210,154</u>	<u>5,285,936</u>	<u>5,666,183</u>	<u>5,926,045</u>	<u>6,154,194</u>	<u>6,147,482</u>
<u>2,091,311</u>	<u>2,197,658</u>	<u>2,648,705</u>	<u>2,610,133</u>	<u>2,568,782</u>	<u>2,826,506</u>
<u>459,192</u>	<u>374,521</u>	<u>407,273</u>	<u>320,112</u>	<u>554,976</u>	<u>621,196</u>
<u>237,001</u>	<u>222,425</u>	<u>260,644</u>	<u>223,532</u>	<u>227,003</u>	<u>220,035</u>
<u>9,780,366</u>	<u>9,151,787</u>	<u>9,170,865</u>	<u>9,067,060</u>	<u>8,866,685</u>	<u>8,807,795</u>
<u>722,012</u>	<u>345,978</u>	<u>1,123,171</u>	<u>1,461,320</u>	<u>1,173,340</u>	<u>1,210,864</u>
<u>585,033</u>	<u>461,086</u>	<u>479,219</u>	<u>619,017</u>	<u>563,228</u>	<u>540,081</u>
<u>19,085,069</u>	<u>18,039,391</u>	<u>19,756,060</u>	<u>20,227,219</u>	<u>20,108,208</u>	<u>20,373,959</u>
<u>1,027,312</u>	<u>2,453,256</u>	<u>489,059</u>	<u>189,072</u>	<u>398,018</u>	<u>(736,055)</u>
<u>74,208</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<u>1,101,520</u>	<u>2,453,256</u>	<u>489,059</u>	<u>189,072</u>	<u>398,018</u>	<u>(736,055)</u>
<u>8,123,648</u>	<u>9,225,168</u>	<u>11,678,424</u>	<u>12,167,483</u>	<u>12,356,555</u>	<u>12,754,573</u>
<u>\$ 9,225,168</u>	<u>\$ 11,678,424</u>	<u>\$ 12,167,483</u>	<u>\$ 12,356,555</u>	<u>\$ 12,754,573</u>	<u>\$ 12,018,518</u>

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA  
SUMMARY OF REVENUES, EXPENDITURES (by Major Object),  
AND CHANGES IN FUND BALANCES - SPECIAL REVENUE FUNDS - OTHER SPECIAL REVENUE  
LAST TEN FISCAL YEARS  
(Modified Accrual Basis of Accounting)  
(Unaudited)**

	Fiscal Year Ending			
	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012
<b>Federal Direct Sources:</b>				
Miscellaneous Federal Direct	\$ 1,353,192	\$ 1,458,441	\$ 1,590,196	\$ 925,918
Total Federal Direct	1,353,192	1,458,441	1,590,196	925,918
<b>Federal Through State Sources:</b>				
Other Federal Through State Grants	20,930,212	20,562,751	18,324,026	20,073,888
Total Federal Through State Sources	20,930,212	20,562,751	18,324,026	20,073,888
<b>State Sources:</b>				
State Grants and Other State Sources	444,795	262,561	341,696	326,545
Total State Sources	444,795	262,561	341,696	326,545
<b>Local Sources:</b>				
Local Grants and Other Local Sources	7,446	18,879	3,276	2,003
Total Local Sources	7,446	18,879	3,276	2,003
<b>Total Revenues</b>	<b>22,735,645</b>	<b>22,302,632</b>	<b>20,259,194</b>	<b>21,328,354</b>
<b>Expenditures: (by object)</b>				
Salaries	9,560,872	10,544,229	10,502,801	10,756,199
Employee Benefits	3,027,043	3,226,152	3,359,599	2,801,869
Purchased Services	3,120,884	3,207,458	3,094,289	3,515,291
Energy Services	2,113	2,125	1,861	1,965
Material and Supplies	2,941,532	2,158,843	1,158,697	1,569,024
Capital Outlay	2,916,512	1,914,235	991,553	1,438,640
Other Expenditures	1,159,566	1,249,590	1,150,394	1,245,366
<b>Total Expenditures</b>	<b>22,728,522</b>	<b>22,302,632</b>	<b>20,259,194</b>	<b>21,328,354</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>7,123</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Other Financing Sources (Uses), Net</b>	<b>(7,123)</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Beginning Fund Balances	-	-	-	-
<b>Ending Fund Balances</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Source: District Records

(Continued)

Fiscal Year Ending					
June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018
\$ 631,252	\$ 35,133	\$ 33,677	\$ 41,757	\$ 20,365	\$ -
631,252	35,133	33,677	41,757	20,365	-
21,360,043	21,240,746	23,295,419	21,190,643	21,568,630	22,748,676
21,360,043	21,240,746	23,295,419	21,190,643	21,568,630	22,748,676
201,241	-	-	-	-	-
201,241	-	-	-	-	-
7,519	-	-	-	-	-
7,519	-	-	-	-	-
22,200,055	21,275,879	23,329,096	21,232,400	21,588,995	22,748,676
10,961,399	12,659,150	14,549,958	13,083,421	13,321,201	13,240,640
2,920,352	3,732,982	4,313,383	3,816,711	4,074,666	4,544,979
2,375,209	1,613,477	1,383,928	1,908,240	1,601,349	1,543,891
1,434	1,132	802	726	73,226	49,347
1,842,458	1,170,447	962,917	671,389	800,038	1,088,216
2,560,737	1,114,181	1,013,316	516,855	538,581	1,379,881
1,461,019	984,510	1,104,792	1,235,058	1,179,934	901,722
22,122,608	21,275,879	23,329,096	21,232,400	21,588,995	22,748,676
77,447	-	-	-	-	-
(77,447)	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**DISTRICT SCHOOL BOARD OF LAKE 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)**

	Fiscal Year Ending			
	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012
<b>State Sources:</b>				
CO&DS withheld for SBE/COBI Bonds	\$ 1,266,202	\$ 1,265,171	\$ 1,293,760	\$ 1,319,958
SBE/COBI Bond Interest	-	-	187	(150)
Other State Sources	148,833	148,833	148,833	148,833
<b>Total State Sources</b>	<u>1,415,035</u>	<u>1,414,004</u>	<u>1,442,780</u>	<u>1,468,641</u>
<b>Local Sources:</b>				
Interest Income and Other	17,404	4,474	2,466	1,831
<b>Total Local Sources</b>	<u>17,404</u>	<u>4,474</u>	<u>2,466</u>	<u>1,831</u>
<b>Total Revenues</b>	<u>1,432,439</u>	<u>1,418,478</u>	<u>1,445,246</u>	<u>1,470,472</u>
<b>Expenditures: (by object)</b>				
Debt Service:				
Principal	13,740,000	14,650,000	15,640,000	15,449,622
Interest and Fiscal Charges	17,145,230	16,792,320	16,228,690	16,589,483
<b>Total Expenditures</b>	<u>30,885,230</u>	<u>31,442,320</u>	<u>31,868,690</u>	<u>32,039,105</u>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<u>(29,452,791)</u>	<u>(30,023,842)</u>	<u>(30,423,444)</u>	<u>(30,568,633)</u>
<b>Other Financing Sources (Uses), Net</b>	<u>29,654,068</u>	<u>30,260,591</u>	<u>30,676,959</u>	<u>30,660,545</u>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	201,277	236,749	253,515	91,912
<b>Beginning Fund Balances</b>	<u>4,048,021</u>	<u>4,249,298</u>	<u>4,486,047</u>	<u>4,739,562</u>
<b>Ending Fund Balances</b>	<u>\$ 4,249,298</u>	<u>\$ 4,486,047</u>	<u>\$ 4,739,562</u>	<u>\$ 4,831,474</u>

Source: District Records



(Continued)

Fiscal Year Ending					
June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018
\$ 1,308,464	\$ 1,303,260	\$ 1,253,936	\$ 1,209,468	\$ 1,145,111	\$ 1,097,361
5,717	57	1,093	230	312	6,576
148,833	-	-	-	-	-
1,463,014	1,303,317	1,255,029	1,209,698	1,145,423	1,103,937
1,562	-	447,686	1,408	4,360	18,224
1,562	-	447,686	1,408	4,360	18,224
1,464,576	1,303,317	1,702,715	1,211,106	1,149,783	1,122,161
19,669,377	20,841,859	27,684,299	22,190,554	23,361,013	23,594,594
14,342,439	13,758,241	11,726,583	11,102,579	10,259,281	8,813,103
	13,758,241				
34,011,816	34,600,100	39,410,882	33,293,133	33,620,294	32,407,697
(32,547,240)	(33,296,783)	(37,708,167)	(32,082,027)	(32,470,511)	(31,285,536)
35,647,897	36,830,646	28,441,392	31,014,258	33,607,262	29,145,314
3,100,657	3,533,863	(9,266,775)	(1,067,769)	1,136,751	(2,140,222)
4,831,474	7,932,131	11,465,994	2,199,219	1,131,450	2,268,201
\$ 7,932,131	\$ 11,465,994	\$ 2,199,219	\$ 1,131,450	\$ 2,268,201	\$ 127,979

**DISTRICT SCHOOL BOARD OF LAKE 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)**

	Fiscal Year Ending			
	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012
<b>REVENUES</b>				
<b>State Sources:</b>				
CO&DS Distributed to District	\$ 239,766	\$ 198,615	\$ 169,289	\$ 143,091
Interest on Undistributed CO&DS	6,655	16,991	17,461	16,402
Public Education Capital Outlay	9,305,174	559,337	1,584,418	-
Charter School Capital Outlay	-	-	694,403	650,580
Classroom First Program	-	-	-	-
School Infrastructure Trust	-	-	-	-
Other State Sources	-	-	-	-
Class Size Reduction and Classrooms for Kids	-	-	-	-
State Grants and Other State Sources	124,205	893,843	130,460	154,638
<b>Total State Sources</b>	<b>9,675,800</b>	<b>1,668,786</b>	<b>2,596,031</b>	<b>964,711</b>
<b>Local Sources:</b>				
Ad Valorem Taxes	38,184,790	30,703,745	27,564,277	25,237,180
Sales Taxes	10,176,065	9,216,914	10,132,505	10,653,352
Interest Income and Others	1,797,712	434,812	718,476	131,542
Local Grants and Other Local Sources	7,063,049	8,361,906	3,617,647	34,297
<b>Total Local Sources</b>	<b>57,221,616</b>	<b>48,717,377</b>	<b>42,032,905</b>	<b>36,056,371</b>
<b>Total Revenues</b>	<b>66,897,416</b>	<b>50,386,163</b>	<b>44,628,936</b>	<b>37,021,082</b>
<b>Expenditures: (by object)</b>				
<b>Capital Outlay:</b>				
Library Books	312,722	4,010	275,695	249,934
Audio Visual Materials	5,845	-	-	-
Buildings and Fixed Equipment	9,112,055	68,986,229	19,246,969	8,002,995
Furniture, Fixtures, and Equipment	2,295,119	1,360,731	6,523,437	5,074,430
Motor Vehicles	2,034,915	115,084	2,819,986	828,844
Land	4,883	1,090,412	4,174,014	134,275
Improvements Other Than Buildings	1,027,965	930,215	796,127	496,943
Remodeling and Renovations	5,686,796	3,898,331	2,728,110	8,548,234
Computer Software	195,281	22,718	152,591	23,726
Debt Service	735	6,048	3,745	504
<b>Total Expenditures</b>	<b>20,676,316</b>	<b>76,413,778</b>	<b>36,720,674</b>	<b>23,359,885</b>
<b>Excess (Deficiency) of Revenues Over Expenditures</b>	<b>46,221,100</b>	<b>(26,027,615)</b>	<b>7,908,262</b>	<b>13,661,197</b>
<b>Other Financing Sources (Uses), Net</b>	<b>(37,242,364)</b>	<b>(37,457,115)</b>	<b>(36,615,625)</b>	<b>(24,203,104)</b>
<b>Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses</b>	<b>8,978,736</b>	<b>(63,484,730)</b>	<b>(28,707,363)</b>	<b>(10,541,907)</b>
<b>Beginning Fund Balances</b>	<b>185,431,117</b>	<b>194,995,016</b>	<b>131,510,286</b>	<b>102,802,923</b>
<b>Ending Fund Balances</b>	<b>\$ 194,409,853</b>	<b>\$ 131,510,286</b>	<b>\$ 102,802,923</b>	<b>\$ 92,261,016</b>

Source: District Records

(Continued)

Fiscal Year Ending					
June 30, 2013	June 30, 2014	June 30, 2015	June 30, 2016	June 30, 2017	June 30, 2018
\$ 150,265	\$ 158,039	\$ 219,873	\$ 319,610	\$ 379,772	\$ 465,637
13,969	7,109	9,923	3,138	25,373	19,384
-	-	798,403	715,522	2,327,595	722,112
541,107	853,147	621,750	324,442	1,993,732	374,106
-	-	-	-	-	-
-	-	-	-	-	-
-	148,833	148,833	148,833	148,833	148,833
-	-	-	-	-	-
289,642	157,051	91,150	165,110	126,318	126,982
994,983	1,324,179	1,889,932	1,676,655	5,001,623	1,857,054
23,724,957	23,942,116	25,073,170	26,368,090	27,957,446	30,537,522
11,266,759	12,158,522	14,021,477	14,028,543	14,805,174	16,375,688
100,690	116,994	136,492	179,889	117,316	323,226
38,898	1,370,081	5,093,059	13,363,922	15,696,703	18,760,217
35,131,304	37,587,713	44,324,198	53,940,444	58,576,639	65,996,653
36,126,287	38,911,892	46,214,130	55,617,099	63,578,262	67,853,707
-	-	-	-	-	-
-	-	-	-	-	-
7,145,919	7,528,880	6,781,638	155,973	1,789,424	1,405,683
5,407,125	1,215,913	3,425,039	572,609	3,341,315	1,042,525
454,447	47,853	701,239	1,922,546	7,179,660	2,864,539
1,495	8,404	156,078	3,536,166	-	-
1,035,537	675,550	1,033,483	1,007,529	483,179	343,635
6,405,470	3,849,431	5,362,163	4,861,172	2,786,806	3,273,942
2,870,698	985,161	284,071	89,687	277,725	-
792	830	836	1,108	1,254	1,303
23,321,483	14,312,022	17,744,547	12,146,790	15,859,363	8,931,627
12,804,804	24,599,870	28,469,583	43,470,309	47,718,899	58,922,080
(31,175,995)	(39,957,467)	(38,645,877)	(43,852,768)	(44,205,135)	(43,451,903)
(18,371,191)	(15,357,597)	(10,176,294)	(382,459)	3,513,764	15,470,177
92,261,016	73,889,825	58,532,228	48,355,934	47,973,475	51,487,239
\$ 73,889,825	\$ 58,532,228	\$ 48,355,934	\$ 47,973,475	\$ 51,487,239	\$ 66,957,416

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA  
GOVERNMENTAL ACTIVITIES TAX REVENUES BY SOURCE  
LAST TEN FISCAL YEARS  
(Accrual Basis of Accounting)  
(Unaudited)**

<b>Fiscal Year Ending</b>	<b>Property Tax</b>		<b>Sales Tax (a)</b>	<b>Total</b>
	<b>General Purposes</b>	<b>Capital Projects</b>		
June 30, 2018	\$ 104,013,065	\$ 30,579,330	\$ 16,375,688	\$ 150,968,083
June 30, 2017	100,190,168	27,957,446	14,805,174	142,952,788
June 30, 2016	100,319,737	26,413,676	14,028,543	140,761,956
June 30, 2015	96,340,255	25,151,565	14,021,477	135,513,297
June 30, 2014	90,899,334	24,047,070	12,158,522	127,104,926
June 30, 2013	92,423,734	23,825,647	11,266,759	127,516,140
June 30, 2012	99,151,712	25,237,180	10,653,352	135,042,244
June 30, 2011	110,510,099	27,564,277	10,132,505	148,206,881
June 30, 2010	123,149,734	30,703,745	9,216,914	163,070,393
June 30, 2009	127,802,923	38,870,941	10,176,065	176,849,929

Notes:

- (a) The School Board began to receive the Sales Tax Revenues beginning January 1, 2003. The District's portion of this tax is one-third of one percent based on a seven percent total sales tax within the county.

Source: District Records

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA**  
**ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY**  
**LAST TEN FISCAL YEARS**  
**(amounts expressed in thousands)**  
**(Unaudited)**

<b>Fiscal Year</b>	<b>Real Property</b>	<b>Personal Property</b>	<b>Centrally Assessed Property</b>	<b>Total Taxable Assessed Value</b>	<b>Estimated Actual Value</b>	<b>Total Direct Tax Rate</b>	<b>Ratio of Net Secondary Assessed to Estimated Actual Value</b>
2017-18	\$19,794,309	\$1,315,022	\$ 4,235	21,113,566	\$ 27,498,345	6.6030	76.78%
2016-17	18,107,787	1,273,013	3,434	19,384,234	25,204,096	6.8750	76.91%
2015-16	16,997,232	1,269,717	3,198	18,270,147	25,743,479	7.1970	70.97%
2014-15	16,090,241	1,169,248	2,410	17,261,899	24,332,673	7.2460	70.94%
2013-14	15,283,843	1,196,588	2,104	16,482,535	23,240,375	7.1700	70.92%
2012-13	15,159,447	1,207,153	1,751	16,368,351	22,899,204	7.3200	71.48%
2011-12	16,126,781	1,210,953	2,344	17,340,078	24,429,527	7.3940	70.98%
2010-11	17,571,454	1,272,633	3,782	18,847,869	26,501,517	7.5230	71.12%
2009-10	19,644,056	1,289,778	4,321	20,938,155	29,703,724	7.5320	70.49%
2008-09	21,504,386	1,304,608	3,807	22,812,801	30,429,240	7.5170	74.97%

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

Source: Lake County Property Appraiser

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

	Fiscal Year			
	2008-09	2009-10	2010-11	2011-12
District School Board:				
Local Required Effort	5.0820	5.2840	5.2750	5.1460
Discretionary Local	0.4980	0.7480	0.7480	0.7480
Supplemental Discretionary	0.1870	0.0000	0.0000	0.0000
Capital Improvement	1.7500	1.5000	1.5000	1.5000
<b>Total District School Board</b>	<b>7.5170</b>	<b>7.5320</b>	<b>7.5230</b>	<b>7.3940</b>
Other County-Wide:				
Board of County Commissioners - Direct	5.5818	5.5818	5.6616	5.6616
Lake County Water Authority	0.2130	0.2130	0.2405	0.2405
<b>Total County-Wide</b>	<b>13.3118</b>	<b>13.3268</b>	<b>13.4251</b>	<b>13.2961</b>
Special Districts:				
Lake County Ambulance District	0.4651	0.4651	0.3853	0.3853
South Lake County Hospital District	0.8666	0.8666	0.8666	0.8000
Southwest Florida Water Management	0.3866	0.3866	0.3770	0.3928
St. Johns River Water Management	0.4158	0.4158	0.4158	0.3313
North Lake County Hospital District	1.0000	1.0000	1.0000	1.0000
Municipalities:				
Astatula	4.5000	4.5000	4.8500	6.5000
Clermont	3.1420	3.1420	3.1420	3.1420
Eustis	4.7083	5.1266	5.6849	6.2432
Fruitland Park	4.3600	4.3600	4.3600	4.3284
Groveland	4.8205	5.1800	5.1800	5.6000
Howey-in-the-Hills	5.9900	6.8317	7.0000	8.0000
Lady Lake	3.0870	3.2808	3.2808	3.2808
Leesburg	4.3179	4.3179	4.3179	4.3179
Mascotte	5.9990	6.8009	7.9800	9.6147
Minneola	4.4990	4.4990	5.4826	6.5716
Montverde	2.8300	2.8300	2.8300	2.8300
Mount Dora	5.0190	5.0190	5.0190	5.3891
Tavares	6.2500	6.2500	6.9500	6.8900
Umatilla	6.5000	6.5000	6.8795	7.6419

Source: Lake County Property Appraiser.

(Continued)

Fiscal Year					
<u>2012-13</u>	<u>2013-14</u>	<u>2014-15</u>	<u>2015-16</u>	<u>2016-17</u>	<u>2017-18</u>
5.0720	4.9220	4.9980	4.9490	4.6270	4.3550
0.7480	0.7480	0.7480	0.7480	0.7480	0.7480
0.0000	0.0000	0.0000	0.0000	0.0000	0.0000
<u>1.5000</u>	<u>1.5000</u>	<u>1.5000</u>	<u>1.5000</u>	<u>1.5000</u>	<u>1.5000</u>
7.3200	7.1700	7.2460	7.1970	6.8750	6.6030
5.7415	4.7309	5.3856	5.3051	5.1180	5.1180
<u>0.2554</u>	<u>0.2554</u>	<u>0.2554</u>	<u>0.2554</u>	<u>0.2554</u>	<u>0.2554</u>
<u>13.3169</u>	<u>12.1563</u>	<u>12.8870</u>	<u>12.7575</u>	<u>12.2484</u>	<u>11.9764</u>
0.3853	0.3853	0.4629	0.4629	0.4629	0.4629
0.8000	0.7900	0.7633	0.7633	0.7332	0.6898
0.3928	0.3818	0.3658	0.3658	0.3317	0.3131
0.3313	0.3283	0.3164	0.3164	0.2885	0.2724
1.0000	1.0000	1.0000	1.0000	1.0000	1.0000
6.2500	6.2500	7.5000	7.5000	7.5000	7.5000
3.1420	3.7290	3.7290	4.2061	4.2061	4.2061
6.7148	7.5810	7.5810	7.5810	7.5810	7.5810
4.6442	4.7371	4.7371	4.7371	3.9863	3.9863
5.6000	5.4700	5.9900	5.9900	5.6000	5.2000
8.6965	9.6147	9.5177	9.5177	9.2750	9.2750
3.2808	3.2808	3.7500	3.5510	3.3962	3.3962
4.3179	4.3179	4.3179	4.2678	4.2678	4.2678
9.6147	9.6147	9.3000	8.8138	8.3289	7.9316
6.3000	6.3676	6.2500	6.2069	6.1483	6.2795
2.8300	2.8300	2.8300	2.8300	2.8300	2.8300
5.6667	5.6667	5.9970	5.9970	5.9970	6.3000
6.4462	6.4531	7.1569	7.0234	7.4680	7.3397
8.2480	8.2480	7.2980	7.2980	7.1089	7.1089

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA  
PRINCIPAL PROPERTY TAXPAYERS  
CURRENT YEAR AND NINE YEARS AGO  
(Unaudited)**

Taxpayer	Type of Business	Fiscal Year					
		2016-17			2007-08		
		Rank	Assessed Value	Percentage of Total Assessed Value	Rank	Assessed Value	Percentage of Total Assessed Value
Duke Energy (Florida Power Corporation)	Public Utility	1	\$ 232,707,445	1.10%	3	\$ 116,104,406	0.82%
Summer Bay Partnership	Real Estate Dev.	2	210,933,882	1.00%	1	167,821,140	1.18%
Sumter Electric Co-op, Inc.	Public Utility	3	151,117,399	0.72%	4	93,725,100	0.66%
Embarq (Formerly Sprint)-Florida, Inc.	Public Utility	4	74,642,710	0.35%	2	131,700,002	0.93%
Vista at Lost Lake TIC I LLC	Real Estate Dev.	5	59,385,950	0.28%			
Villages Operating Company	Real Estate Dev.	6	49,002,233	0.23%			
Villages of Lake-Sumter Inc.	Real Estate Dev.	7	49,241,628	0.23%	8	38,379,563	0.27%
DCS Real Estate Investments LLC	Real Estate Dev.	8	57,977,479	0.27%			
South Lake Hospital, Inc	Hospital	9	37,467,684	0.18%			
Wal-Mart Stores East LP	Retail Stores	10	34,159,949	0.16%			
Citrus Tower FL Phase I, LLC	Real Estate Dev.	10		0.00%			
Ginn-La Pine Island II, LLC	Real Estate Dev.				5	63,856,285	0.45%
Cutral Citrus Juices USA Inc.	Citrus Producer				6	48,744,089	0.34%
First Berkshire Business Trust	Real Estate Dev.				7	40,807,525	0.29%
Covanta Lake Inc.	Incinerator				9	34,803,295	0.25%
Centex Homes	Real Estate Dev.				10	31,699,152	0.22%
			<u>\$ 956,636,359</u>	<u>4.53%</u>		<u>\$ 767,640,557</u>	<u>5.41%</u>

Source: Lake County Property Appraiser - 2017 Most Current Data Available.



**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS  
(Unaudited)**

Fiscal Year	Total Tax Levy (A)	Collected to end of School Fiscal Year		Delinquent Collections	Collected in Fiscal Year	
		Current Tax Collections (B)	Percent of Levy		Total Tax Collections (C)	Percent of Levy
2017-18	\$ 139,350,862	\$ 134,397,998	96.45%	\$ 194,397	134,592,395	96.59%
2016-17	132,475,707	127,814,516	96.48%	333,098	128,147,614	96.73%
2015-16	131,490,252	126,513,752	96.22%	219,661	126,733,413	96.38%
2014-15	125,393,183	121,041,384	96.53%	372,041	121,413,425	96.83%
2013-14	119,681,950	114,443,970	95.62%	502,434	114,946,404	96.04%
2012-13	119,816,330	115,777,568	96.63%	471,813	116,249,381	97.02%
2011-12	128,212,535	123,937,198	96.67%	451,694	124,388,892	97.02%
2010-11	141,792,521	136,758,865	96.45%	1,315,511	138,074,376	97.38%
2009-10	162,940,726	152,160,566	93.38%	1,692,913	153,853,479	94.42%
2008-09	171,483,825	164,019,806	95.65%	2,654,058	166,673,864	97.20%

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

Source:

- (A) District School Board taxes levied per Lake County Tax Collectors Office form DR-403 CC.
- (B) Net of allowable discounts from District Records.
- (C) District Records.

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA**  
**RATIOS OF OUTSTANDING DEBT BY TYPE**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**

Fiscal Year	Governmental Activities (A)					Percentage of Personal Income (B)	Per Capita (B)
	Capital Leases	Sales Tax Revenue Bonds/ Notes	State Board of Education Bonds	Certificates Of Participation	Total Primary Government		
2017-18	\$ 2,237,262	\$ -	\$ 5,301,000	\$ 177,070,000	\$ 184,608,262	1.438%	583
2016-17	2,952,855	4,030,000	8,180,000	195,085,000	210,247,855	1.711%	646
2015-16	4,636,868	8,015,000	7,233,000	211,950,000	231,834,868	2.052%	732
2014-15	6,237,053	11,945,000	8,145,000	227,265,000	253,592,053	2.376%	803
2013-14	7,962,364	22,425,000	9,012,000	249,370,000	288,769,364	2.803%	937
2012-13	9,604,422	27,535,000	10,010,000	262,695,000	309,844,422	3.108%	1,021
2011-12	6,328,851	32,315,000	10,835,000	274,965,000	324,443,851	3.377%	811
2010-11	-	35,570,000	12,100,000	287,360,000	335,030,000	3.572%	1,125
2009-10	-	39,780,000	12,260,000	298,050,000	350,090,000	3.558%	1,185
2008-09	-	43,835,000	12,345,000	307,960,000	364,140,000	3.789%	1,240

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

Source:

(A) District Records

(B) Total Primary Government Debt divided by Personal Income and Population from Page 120-121

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

<b>Fiscal Year</b>	<b>Taxable Assessed Value (A)</b>	<b>Annual Lease Payment</b>	<b>Millage Levy to Provide 1.00x Coverage</b>
2017-18	\$ 21,113,566	\$ 26,464,057	1.25341 Mills
2016-17	19,384,234	25,971,993	1.33985 Mills
2015-16	18,270,147	25,613,740	1.40194 Mills
2014-15	17,305,159	25,115,311	1.45132 Mills
2013-14	16,482,535	24,959,013	1.51427 Mills
2012-13	16,368,351	25,067,256	1.53145 Mills
2011-12	17,340,078	25,205,665	1.45361 Mills
2010-11	18,847,869	24,760,115	1.31368 Mills
2009-10	20,938,155	24,324,896	1.16175 Mills
2008-09	22,812,801	23,919,621	1.04852 Mills

(A) Assessed value is in thousands. See page 113.

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

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Source: District Records

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA**  
**DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT**  
**June 30, 2018**  
**(Unaudited)**

<u>Jurisdiction</u>	<u>Net Debt Outstanding</u>	<u>Percentage Applicable to This Governmental Unit</u>	<u>Amount Applicable to This Governmental Unit</u>
Lake County Board of County Commissioners	\$ 100,865,658	0%	
School District of Lake County	<u>199,583,447</u>	100%	<u>199,583,447</u>
Totals	<u>\$ 300,449,105</u>		<u>\$ 199,583,447</u>

Source: District Records



LAKE COUNTY SCHOOLS, TAVARES FLORIDA

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS  
(Unaudited)**

<b>Fiscal Year</b>	<b>Population (A)</b>	<b>Personal Income (1)</b>	<b>Per Capita Personal Income (A)</b>	<b>Median Age (A)</b>	<b>Unemployment Rate (B)</b>	<b>Less than High School</b>
2017-18	335,396	12,834,379	38,266	46.10	4.80%	36,331
2016-17	325,518	12,284,994	37,743	46.10	4.00%	28,494
2015-16	316,569	11,297,313	37,698	46.10	4.90%	27,710
2014-15	315,690	10,672,035	36,327	46.00	4.80%	30,056
2013-14	308,115	10,300,854	34,711	46.20	6.30%	26,162
2012-13	303,450	9,967,769	34,209	46.20	8.90%	26,162
2011-12	399,886	9,608,606	33,423	47.10	11.20%	28,229
2010-11	297,910	9,379,412	32,337	44.50	10.60%	32,024
2009-10	295,511	9,839,249	31,883	46.00	11.90%	43,002
2008-09	293,654	9,609,907	33,506	44.10	8.52%	29,579

(1) Personal income is in thousands.

Sources:

(A) Population, Personal Income, & Per Capita Personal Income were obtained from the United States Department of Commerce, Bureau of Economic Analysis.

(B) Unemployment Rates were obtained from U. S. Department of Labor, Bureau of Labor Statistics, Local Area Unemployment Statistics Program.

(C) Education Level was obtained from Metro Orlando Economic Development Commission.

(D) Student Enrollment was obtained from District Records - UFTE- FEFP 4th Calculation.

(Continued)

<u>Education Level (C)</u>			<u>School Enrollment (D)</u>	<u>Government-wide</u>	<u>Cost per Student</u>
<u>High School</u>	<u>Bachelors</u>	<u>Graduate</u>		<u>Governmental Activities Expenses</u>	
179,741	37,696	19,395	42,643.14	\$ 406,867,010	\$ 9,541
148,573	33,394	17,478	41,864.00	405,743,889	9,692
144,488	31,889	15,834	41,838.68	406,613,519	9,719
148,697	31,186	16,045	41,343.43	385,218,496	9,318
73,780	31,450	16,740	40,971.00	368,498,568	8,994
73,780	31,450	16,740	40,753.45	362,837,748	8,903
77,903	29,256	15,224	40,563.12	360,975,887	8,899
81,471	32,023	16,012	40,390.97	355,298,419	8,796
73,654	26,193	11,819	40,553.61	377,146,717	9,300
74,712	35,621	10,568	40,151.05	352,701,248	8,784

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA  
PRINCIPAL EMPLOYERS  
ORLANDO METROPOLITAN STATISTICAL AREA (MSA)  
CURRENT YEAR AND NINE YEARS AGO  
(Unaudited)**

<b>Employer</b>	<b>Fiscal Year</b>					
	<b>2017</b>			<b>2008</b>		
	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total MSA Employment</b>	<b>Employees</b>	<b>Rank</b>	<b>Percentage of Total MSA Employment</b>
Lake County Public Schools	5,435	1	3.72%	4,353	1	3.39%
Central Florida Health	2,686	2	1.84%	-	-	-
Leesburg Regional Medical	1,826	3	1.25%	1,870	3	1.46%
Lake County Government	1,794	4	1.23%	690	7	0.54%
Florida Waterman Hospital	1,482	5	1.01%	1,400	4	1.09%
South Lake Hospital, Inc.	1,143	6	0.78%	-	0	-
Villages of Lake-Sumter, Inc.	1,120	7	0.77%	2,220	2	1.73%
Ace Staffing Unlimited, Inc.	700	8	0.48%	-	-	-
City of Leesburg	520	9	0.36%	-	-	-
Dura-Stress, Inc.	425	10	0.29%	-	-	-
Embarq (formerly Sprint)	-	-	-	811	5	0.63%
Casmin Incorporation	-	-	-	800	6	0.62%
Lake County Sheriff's Dept. (1)	-	-	-	585	8	0.46%
G & T Conveyor Company	-	-	-	550	9	0.43%
Bailey Industries	-	-	-	509	10	0.40%
	<u>17,131</u>		<u>11.73%</u>	<u>13,788</u>		<u>10.75%</u>
 Total Employment	 146,034			 128,223		

(1) In 2009, Lake County Government and Lake County Sheriff's Department was combined into one.

Source: Metro Orlando Economic Development Commission





LAKE COUNTY SCHOOLS, TAVARES FLORIDA

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA  
SCHOOL BUILDING INFORMATION AND  
UNWEIGHTED FULL-TIME EQUIVALENT ENROLLMENT DATA  
LAST TEN FISCAL YEARS  
(Unaudited)**

	Year Completed (1)	Square Footage (2)	2008-09	2009-10	2010-11
<b>Elementary Schools</b>					
Astatula	1998	110,662	712.82	669.16	644.29
Beverly Shores	1955	96,546	600.35	628.60	594.55
Clermont	1937	94,722	670.84	685.80	661.15
Cypress Ridge	1914	51,998	611.98	605.54	594.98
Eustis	1927	63,444	569.00	567.77	494.24
Eustis Heights	1954	85,206	643.48	633.94	590.84
Fruitland Park	1962	92,683	599.17	628.39	604.34
Grassy Lake	2008	118,085	998.56	1,022.78	1,008.67
Groveland	1960	130,025	824.25	803.43	815.44
Leesburg	1961	101,137	948.82	947.36	899.90
Lost Lake	1998	138,582	1,084.50	1,129.39	1,099.98
Mascotte*	1972	51,617			
Pine Ridge	2002	126,337	761.77	764.16	796.30
Rimes	1960	63,205	243.74	275.14	278.50
Sawgrass Bay	2008	117,840	1,008.63	1,019.99	1,104.58
Seminole Springs	1988	109,664	851.61	848.55	647.42
Sorrento	2011	125,350			664.22
Tavares	1972	129,070	746.57	759.85	757.78
Treadway	1962	117,676	973.51	942.37	903.16
Triangle	1972	130,414	582.32	586.57	615.55
Umatilla	1998	110,767	703.82	723.44	687.84
Villages of Lady Lake	1998	113,419	793.90	807.60	741.64
Total Elementary			14,929.64	15,049.83	15,205.37
<b>Middle Schools</b>					
Carver	1952	170,422	827.00	855.05	856.78
Clermont	1950	127,764	693.23	696.76	668.68
East Ridge	2008	189,045	1,009.32	1,082.56	1,055.92
Eustis	1993	178,042	1,100.59	1,063.37	1,001.08
Gray	1923	130,379	1,011.48	946.42	995.71
Mt. Dora	1953	126,914	723.48	717.56	773.16
Oak Park	1961	90,245	608.65	553.20	572.25
Tavares	1990	156,901	1,004.61	1,010.14	1,010.19
Umatilla	1977	101,959	678.99	688.50	664.83
Windy Hill	1998	178,112	1,102.13	1,094.57	1,130.15
Total Middle Schools			8,759.48	8,708.13	8,728.75

(Continued)

Full-Time Equivalent Enrollment Data						
2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
597.25	601.93	599.72	583.76	615.12	660.68	621.19
481.03	553.00	638.03	645.08	676.20	638.94	700.25
627.44	572.57	533.58	522.98	537.74	500.08	500.10
594.91	602.29	592.26	600.00	598.48	596.93	568.79
494.99	521.86	542.06	542.49	535.77	518.46	498.55
592.42	595.67	572.55	580.19	565.33	641.46	698.23
625.63	638.96	658.91	697.11	749.63	735.96	736.35
1,014.58	962.13	985.87	1,003.99	1,020.16	1,022.40	1,003.73
842.63	804.96	807.87	814.83	813.15	766.48	722.35
851.76	841.51	831.76	786.91	851.45	787.99	767.32
1,080.31	996.69	976.29	975.21	1,035.55	1,058.70	1,005.10
843.39	803.47	849.23	839.84	845.66	836.07	804.72
260.00	176.04	158.43	159.11	175.02	182.21	187.89
1,091.13	1,159.59	1,194.19	1,238.62	1,296.42	1,336.25	1,358.96
603.73	595.17	581.07	555.23	531.51	516.59	503.96
722.25	702.26	714.54	759.94	775.55	769.92	821.41
769.68	787.33	830.27	846.59	872.36	895.09	925.47
944.29	903.96	898.45	887.79	927.60	945.10	906.68
662.57	668.05	685.84	708.51	692.23	702.03	717.81
651.92	630.08	629.19	617.39	626.38	612.50	617.23
781.57	826.92	773.55	807.96	824.05	811.62	833.81
<u>15,133.48</u>	<u>14,944.44</u>	<u>15,053.66</u>	<u>15,173.53</u>	<u>15,565.36</u>	<u>15,535.46</u>	<u>15,499.90</u>
829.00	810.36	828.36	850.76	799.13	786.75	802.92
708.37	717.19	740.31	718.70	728.48	684.69	697.82
1,074.03	1,066.95	1,126.20	1,090.71	1,116.21	1,087.85	1,121.49
989.72	1,012.98	1,027.05	964.17	995.13	916.82	958.91
987.10	1,029.25	1,010.43	1,061.21	1,010.33	959.53	983.36
769.60	797.03	759.22	783.58	792.94	869.95	846.56
573.09	571.92	552.56	478.64	492.00	500.08	505.43
971.05	1,026.56	1,010.58	1,011.67	1,080.44	1,106.32	1,119.10
609.36	594.07	572.91	562.80	560.51	553.58	593.34
1,149.43	1,207.95	1,253.14	1,282.06	1,295.18	1,348.09	1,382.57
<u>8,660.75</u>	<u>8,834.26</u>	<u>8,880.76</u>	<u>8,804.30</u>	<u>8,870.35</u>	<u>8,813.66</u>	<u>9,011.50</u>

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA  
SCHOOL BUILDING INFORMATION AND  
UNWEIGHTED FULL-TIME EQUIVALENT ENROLLMENT DATA  
LAST TEN FISCAL YEARS  
(Unaudited)**

	Year Completed (1)	Square Footage (2)	2008-09	2009-10	2010-11
<b>High Schools</b>					
East Ridge	2003	372,488	2,858.22	2,924.82	3,012.24
Eustis	1941	257,038	1,293.04	1,276.84	1,224.57
Lake Minneola	2012				
Leesburg	1927	323,045	1,632.27	1,706.01	1,647.66
Mt. Dora	1960	245,274	967.44	1,084.19	1,037.24
South Lake	1991	376,003	2,053.96	2,119.87	2,098.57
Tavares	1916	197,426	1,258.61	1,311.91	1,256.69
Umatilla	1956	180,854	898.03	870.87	843.05
Total High Schools			<u>10,961.57</u>	<u>11,294.51</u>	<u>11,120.02</u>
<b>Speciality Schools</b>					
Lake Hills	2008	95,359	177.31	166.76	175.84
Umatilla Girls Academy	n/a	n/a			
Total Speciality Schools			<u>177.31</u>	<u>166.76</u>	<u>175.84</u>
<b>Charter Schools</b>					
<b>Conversion Charter Schools</b>					
Lake Technical College	1967	239,724	15.00	15.00	15.00
Mascotte Charter Elementary	2007	120,382	758.85	777.58	758.23
Minneola Charter Elementary	2007(3)	128,713	994.33	991.92	923.96
Round Lake Charter Elementary	1997	107,516	1,140.78	1,182.03	751.56
Spring Creek Charter Elementary	1992	101,775	597.08	561.93	549.60
<b>Other Charter Schools</b>					
Alee Academy, Inc.	n/a	n/a	226.50	301.90	282.00
Altoona	1912	10,395	112.50	150.50	189.72
Humanities & Fine Arts Charter School	2011	n/a			109.00
Milestones Community School of Lake County, Inc.	n/a	n/a	209.00	185.50	197.00
Pinecrest Academy	n/a	n/a	-	-	-
Imagine Schools at South Lake Charter	n/a	n/a	703.50	740.50	891.00
The Charter School at National Deaf Academy, Inc.	n/a	n/a	11.50		
			<u>4,769.04</u>	<u>4,906.86</u>	<u>4,667.07</u>
<b>Other Programs</b>					
Lake-Sumter Community College/Virtual School	n/a	n/a	163.52	38.26	80.07
McKay Scholarships	n/a	n/a	156.10	181.22	188.50
Lake Vitruval	n/a	n/a			
Misc 9000 Centers	n/a	n/a	234.39	208.04	225.35
Total Other Sites			<u>554.01</u>	<u>427.52</u>	<u>493.92</u>
Total District			<u>40,151.05</u>	<u>40,553.61</u>	<u>40,390.97</u>

(1) Original date that the school construction was completed. This date does not reflect additions, renovations, replacements, or remodeling.

(2) Square footage includes portables.

(3) Minneola rebuilt on existing site.

Source: District Records

(Continued)

Full-Time Equivalent Enrollment Data						
2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18
2,228.45	1,979.60	2,038.01	2,079.01	2,199.98	2,253.44	2,253.54
1,228.76	1,166.34	1,217.25	1,232.48	1,203.47	1,195.90	1,215.28
1,279.29	1,737.24	1,835.46	2,052.55	1,900.47	1,783.41	1,783.44
1,615.89	1,582.07	1,544.62	1,523.89	1,505.01	1,429.28	1,394.29
1,069.85	1,035.21	1,028.81	984.27	955.60	979.95	1,035.93
1,701.74	1,521.58	1,513.35	1,461.00	1,713.14	1,815.77	1,873.61
1,253.91	1,137.94	1,121.09	1,120.84	1,201.00	1,243.77	1,277.17
831.24	769.10	788.18	797.95	816.81	757.97	753.62
<u>11,209.13</u>	<u>10,929.08</u>	<u>11,086.77</u>	<u>11,251.99</u>	<u>11,495.48</u>	<u>11,459.49</u>	<u>11,586.88</u>
176.50	168.35	171.84	183.71	179.32	195.59	210.54
<u>176.50</u>	<u>168.35</u>	<u>171.84</u>	<u>183.71</u>	<u>179.32</u>	<u>195.59</u>	<u>210.54</u>
15.00	23.05		18.08	21.63	3.49	2.90
726.13	792.60	772.00	809.38	826.40	810.98	738.31
897.19	938.66	994.95	1,044.15	1,013.19	1,042.03	1,044.47
795.02	828.63	840.28	816.59	876.90	918.47	982.39
543.04	585.62	587.66	568.78	573.93	586.00	587.74
278.50	282.50	268.36	292.79	294.04	293.78	270.90
208.50	239.50	249.11	254.49	262.37	260.60	275.99
155.00	147.50	127.74	136.60	Closed		
213.43	191.31	209.71	215.67	Closed		
-	-	-	-	-	-	416.17
1,016.98	1,011.58	1,011.90	1,009.24	1,021.57	1,033.46	1,036.72
<u>4,848.79</u>	<u>5,040.95</u>	<u>5,061.71</u>	<u>5,165.77</u>	<u>4,890.03</u>	<u>4,948.81</u>	<u>5,355.59</u>
99.13	369.08					
221.00	296.50	349.73	407.05	471.15	526.50	555.00
		185.57	185.80	182.45	212.56	271.15
214.34	170.79	180.96	171.28	184.54	172.01	152.58
<u>534.47</u>	<u>836.37</u>	<u>716.26</u>	<u>764.13</u>	<u>838.14</u>	<u>911.07</u>	<u>978.73</u>
<u>40,563.12</u>	<u>40,753.45</u>	<u>40,971.00</u>	<u>41,343.43</u>	<u>41,838.68</u>	<u>41,864.08</u>	<u>42,643.14</u>

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA  
NUMBER OF PERSONNEL  
LAST TEN FISCAL YEARS  
(Unaudited)**

<b>Fiscal Year</b>	<b>(A) Instructional</b>	<b>(B) Administrative</b>	<b>(C) Support Services</b>	<b>Total</b>	<b>(D) Ratio of Students to Instructional Personnel</b>	<b>(E) Ratio of Instructional Personnel to School Administrators</b>
2017-18	2,981	179	2,440	5,600	0.00	16.65
2016-17	3,042	179	2,457	5,678	13.75	16.99
2015-16	2,938	159	2,694	5,791	14.07	18.48
2014-15	2,920	163	2,686	5,769	14.03	17.91
2013-14	2,871	163	2,580	5,614	14.19	17.61
2012-13	3,045	164	2,655	5,864	13.32	18.57
2011-12	3,025	164	2,435	5,624	13.35	18.45
2010-11	3,019	168	2,522	5,709	13.43	17.97
2009-10	2,977	165	2,485	5,627	13.49	18.04
2008-09	2,987	176	2,424	5,587	13.28	16.97

Notes:

- (A) Classroom teachers, guidance/psychologists, exceptional education teachers, media specialists, other professional instructional staff
- (B) Principals, assistant principals, superintendent, assistant superintendents, executive directors, directors, supervisors, coordinators
- (C) Paraprofessional, bus drivers, monitors, maintenance, clerical, etc.
- (D) Calculated using enrollment data from page 127/128
- (E) Calculated using data from columns A and B

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Source: District Records and Florida Department of Education Staffing Report

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA  
INSTRUCTIONAL SALARY INFORMATION  
LAST TEN FISCAL YEARS  
(Unaudited)**

<u>Fiscal Year</u>	<u>Minimum Salary</u>	<u>Maximum Salary</u>	<u>Average Salary</u>
2017-18	\$ 40,000	\$ 63,725	\$ 44,460
2016-17	40,000	63,725	44,902
2015-16	38,500	62,225	45,127
2014-15	37,150	60,875	42,922
2013-14	37,150	60,875	43,547
2012-13	35,600	59,375	42,903
2011-12	35,600	59,375	43,614
2010-11	35,600	59,375	43,614
2009-10	35,600	59,375	42,969
2008-09	35,600	58,875	42,334
2007-08	35,600	58,875	42,334

10 Month Teachers

Source: District Records

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA**  
**FOOD SERVICE OPERATING DATA**  
**LAST TEN FISCAL YEARS**  
**(Unaudited)**

	Fiscal Year Ending			
	June 30, 2009	June 30, 2010	June 30, 2011	June 30, 2012
Days Meals were Served	180	180	180	180
Average Number of Free and Reduced Meals Served Daily	19,479	23,416	25,511	27,271
Number of Free and Reduced Meals Served	3,506,220	4,214,880	4,591,896	4,908,788
Average Daily Subsidy Received	\$ 51,582	\$ 63,576	\$ 72,041	\$ 73,647
Total Subsidy Received	\$ 9,284,701	\$ 11,443,724	\$ 12,967,409	\$ 13,256,517
Average Number of Meals Served Daily	39,279	32,643	25,920	35,446
Number of Meals Served	7,070,220	5,875,740	4,665,531	6,380,345
Average Daily Revenues	\$ 90,755	\$ 97,908	\$ 106,808	\$ 106,030
Total Revenues	\$ 16,335,987	\$ 17,623,421	\$ 19,225,512	\$ 19,085,402
Average Daily Costs	\$ 85,746	\$ 88,013	\$ 91,882	\$ 110,955
Total Costs	\$ 15,434,199	\$ 15,842,402	\$ 16,538,839	\$ 19,971,845

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Source: District Records



(Continued)

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>
180	180	180	180	180	180
25,837	27,298	27,153	25,101	26,700	26,472
4,650,606	4,913,581	4,887,595	4,518,219	4,805,923	4,765,036
\$ 69,419	\$ 75,827	\$ 78,020	\$ 79,996	\$ 87,726	\$ 81,646
\$ 12,495,468	\$ 13,648,860	\$ 14,043,660	\$ 14,399,248	\$ 15,790,637	\$ 14,696,292
30,475	34,434	33,797	31,387	32,853	31,002
5,485,488	6,198,053	6,083,465	5,649,723	5,913,621	5,580,279
\$ 111,735	\$ 113,848	\$ 112,473	\$ 113,424	\$ 113,923	\$ 109,099
\$ 20,112,381	\$ 20,492,647	\$ 20,245,119	\$ 20,416,291	\$ 20,506,226	\$ 19,637,904
\$ 106,028	\$ 100,219	\$ 109,756	\$ 112,373	\$ 111,712	\$ 113,189
\$ 19,085,069	\$ 18,039,391	\$ 19,756,060	\$ 20,227,219	\$ 20,108,208	\$ 20,373,959



LAKE COUNTY SCHOOLS, TAVARES FLORIDA

**SINGLE AUDIT ACT  
AND  
OTHER AUDIT REPORTS**



**LAKE COUNTY SCHOOLS, TAVARES FLORIDA**



LAKE COUNTY SCHOOLS, TAVARES FLORIDA

**DISTRICT SCHOOL BOARD OF LAKE COUNTY, FLORIDA**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
*Fiscal year ended June 30, 2018*

Federal Grantor/Pass-Through Grantor/ Program or Cluster	Federal CFDA Number	Pass - Through Entity Identifying Number	Passed Through to Subrecipients	Total Expenditures
<b>Clustered</b>				
<b>Child Nutrition Cluster:</b>				
United States Department of Agriculture:				
Florida Department of Agriculture and Consumer Services:				
School Breakfast Program	10.553	17002	\$ -	\$ 2,862,844
National School Lunch Program	10.555	17001. 17003	-	13,055,518
Summer Food Service Program	10.559		-	143,749
Healthier US School Challenge	10.543		-	10,500
<b>Total Child Nutrition Cluster</b>			<u>-</u>	<u>16,072,611</u>
<b>Special Education Cluster:</b>				
United States Department of Education:				
Special Education - Grants to States:	84.027			
Florida Department of Education		263	-	8,679,986
Orange County District School Board		None	-	12,299
University of South Florida		None	-	2,467
Brevard County District School Board		None	-	5,431
Total Special Education - Grants to States	84.027		<u>-</u>	<u>8,700,183</u>
Special Education - Preschool Grants	84.173	267	-	191,422
<b>Total Special Education Cluster</b>			<u>-</u>	<u>8,891,605</u>
<b>Not Clustered</b>				
<b>United States Department of Agriculture:</b>				
Florida Department of Financial Services:				
Schools and Roads - Grants to States	10.665	None	-	74,869
<b>Total United States Department of Agriculture</b>			<u>-</u>	<u>74,869</u>
<b>United States Department of Defense:</b>				
Air Force Junior Reserve Officers Training Corps	12.UNK	N/A	-	147,335
Army Junior Reserve Officers Training Corps	12.UNK	N/A	-	68,188
Navy Junior Reserve Officers Training Corps	12.UNK	N/A	-	72,789
<b>Total United States Department of Defense</b>			<u>-</u>	<u>288,312</u>
<b>United States Department of Education:</b>				
Florida Department of Education:				
Adult Education - Basic Grants to States	84.002	191, 192, 193	447,368	447,368
Title I Grants to Local Educational Agencies	84.010	212, 223, 226	-	10,257,720
Migrant Education-State Grant Program	84.011	217	-	207,574
Career and Technical Education - Basic Grants to States	84.048	161	129,954	565,955
Education for Homeless Children and Youth	84.196	127	-	110,873
English Language Acquisition State Grants	84.365	102	-	229,649
Supporting Effective Instruction - State Grants	84.367	224	-	1,275,303
Student Support and Academic Enrichment Program	84.424A	241	-	32,894
Charter Schools Program State Educational Agencies	84.282A	298	440,073	440,073
Young Men's Christian Association:				
Twenty-First Century Community Learning Centers	84.287	None	-	295,167
<b>Total United States Department of Education</b>			<u>1,017,395</u>	<u>13,862,576</u>
<b>United States Department of Health and Human Services:</b>				
Children's Health Insurance Program	93.767	N/A	-	31,611
<b>Total United States Department of Health and Human Services</b>			<u>-</u>	<u>31,611</u>
<b>Total Expenditures of Federal Awards</b>			<u>\$ 1,017,395</u>	<u>\$ 39,221,584</u>

The notes below are an integral part of this schedule.

Notes: (1) Basis of Presentation. The accompanying Schedule of Expenditures of Federal Awards (Schedule) includes the Federal award activity of the Lake County District School Board under programs of the Federal government for the fiscal year ended June 30, 2018. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of the District, it is not intended to and does not present the financial position, changes in net position or cash flows of the District.

(2) Summary of Significant Accounting Policies. Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

(3) Indirect Cost Rate. The District has not elected to use the 10 percent de minimis cost rate allowed under the Uniform Guidance.

(4) Noncash Assistance-National School Lunch Program. Includes \$1,162,360 of donated food received during the fiscal year. Donated foods are valued at fair value as determined at the time of donation.



LAKE COUNTY SCHOOLS, TAVARES FLORIDA

**INDEPENDENT AUDITORS' 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***

District School Board of Lake County, Florida and  
Superintendent  
Tavares, 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, the agency fund, and the aggregate remaining fund information of the District School Board of Lake 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 December 20, 2018.

Our report includes a reference to other auditors, who audited the financial statements of the aggregate 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. However, this report, insofar as it relates to the results of the other auditors, is based solely on the reports of the other 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.

**Certified Public Accountants**

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MEMBERS OF AMERICAN AND FLORIDA INSTITUTES OF CERTIFIED PUBLIC ACCOUNTANTS  
MEMBER OF AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS PRIVATE COMPANIES AND S.E.C. PRACTICE SECTIONS

District School Board of Lake County, Florida and  
Superintendent  
Tavares, Florida

**INDEPENDENT AUDITORS' 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  
(Concluded)**

**Internal Control Over Financial Reporting (Concluded)**

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 over financial reporting that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

**Compliance and Other Matters**

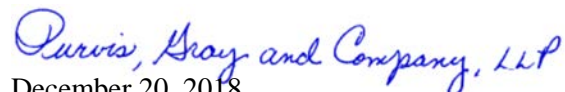
As part of obtaining reasonable assurance about whether the District's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material 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*.

We noted certain other matters that we reported to management of the District in a separate letter dated December 20, 2018.

The District's response to the management letter comments identified in our audit is described in the accompanying management's response to management letter comments. We did not audit the District's response and, accordingly, we express no opinion on it.

**Purpose of this Report**

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

  
December 20, 2018  
Ocala, Florida



**INDEPENDENT ACCOUNTANTS' REPORT**

District School Board of Lake County, Florida and  
Superintendent  
Tavares, Florida

We have examined the District School Board of Lake County, Florida (the District)'s compliance with the requirements of Section 218.415, Florida Statutes with regards to the District's investments during the 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, in all material respects, with the requirements referenced above. An examination involves performing procedures to obtain evidence about whether the District complied with the specified requirements. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risks of material 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 during the fiscal year ended June 30, 2018.

This report is intended solely for the information and use of the Florida Auditor General, the Board of Supervisors of the District, and applicable management, and is not intended to be, and should not be, used by anyone other than these specified parties.

*Purvis, Gray and Company, LLP*  
December 20, 2018  
Ocala, Florida

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**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH  
REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT  
ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE**

District School Board of Lake County, Florida and  
Superintendent  
Tavares, Florida

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

We have audited the District School Board of Lake County, Florida's (the District) compliance with the types of compliance requirements described in the *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 auditors' results section of the accompanying schedule of findings and questioned costs.

**Management's Responsibility**

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

**Auditors' 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.

**Certified Public Accountants**

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District School Board of Lake County, Florida and  
Superintendent  
Tavares, Florida

**INDEPENDENT AUDITORS' REPORT ON COMPLIANCE WITH  
REQUIREMENTS THAT COULD HAVE A DIRECT AND MATERIAL EFFECT  
ON EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER  
COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE  
(Concluded)**

**Other Matters**

The results of our auditing procedures disclosed one instance of noncompliance which is required to be reported in accordance with the Uniform Guidance and which is described in the accompanying schedule of findings and questioned costs. Our opinion on each major federal program is not modified with respect to these matters.

The District's response to the noncompliance finding identified in our audit is described in the accompanying schedule of findings and questioned costs. The District's response was not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

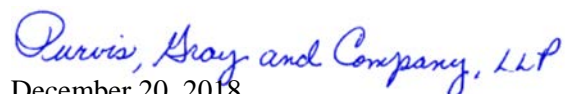
**Report on Internal Control Over Compliance**

Management of the District is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. 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 a 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.

  
December 20, 2018  
Ocala, Florida

**LAKE COUNTY DISTRICT SCHOOL BOARD  
TAVARES, FLORIDA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
IN ACCORDANCE WITH THE UNIFORM GUIDANCE**

**Summary of Audit Results**

**Financial Statements**

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified:	No
Significant deficiency(ies) identified:	None reported
Noncompliance material to financial statements noted?	No

**Federal Awards**

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	None reported
Type of auditor's report issued on compliance for major programs:	Unmodified
Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)?	Yes
Identification of major programs:	
Child Nutrition Cluster:	
United States Department of Agriculture	
Florida Department of Agriculture and Consumer Services:	
School Breakfast Program	CFDA 10.553
National School Lunch Program	CFDA 10.555
Dollar threshold used to distinguish between Type A and Type B Federal Programs:	\$1,178,648
Audit qualified as a low-risk auditee pursuant to the Uniform Guidance?	Yes

**Other Issues**

No Summary Schedule of Prior Audit Findings is required because there are no prior audit findings related to Federal programs.

**LAKE COUNTY DISTRICT SCHOOL BOARD  
TAVARES, FLORIDA  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
IN ACCORDANCE WITH THE UNIFORM GUIDANCE  
(Concluded)**

**Findings and Questioned Costs – Major Federal Programs**

*Program:* Child Nutrition Cluster (CFDA Nos. 10.553 and 10.555)

*Brief Description:* Contrary to Federal regulations, the Lake County District School Board (the District) has excess net cash resources of \$4,779,393 for its food service program as of June 30, 2018.

*Current Status:* The finding is being address by the District during the 2019 fiscal year but has not been resolved.



LAKE COUNTY SCHOOLS, TAVARES FLORIDA

## MANAGEMENT LETTER

District School Board of Lake County, Florida and  
Superintendent  
Tavares, Florida

### Report on the Financial Statements

We have audited the financial statements of the District School Board of Lake County, Florida (the District), as of and for the fiscal year ended June 30, 2018, and have issued our report thereon dated December 20, 2018. Our report includes a reference to other auditors. Other auditors audited the financial statements of the aggregate discretely presented component units, as described in our report on the District's financial statements. This letter does not include the results of the other auditors, and such information related to those audits is reported on separately by those auditors.

### Auditors' Responsibility

We conducted our audit 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; 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 Auditors' 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*, Independent Auditors' Report on Compliance with Each Major Program and Report on Internal Control over Compliance Required by the Uniform Guidance, and Schedule of Findings and Questioned Costs and our Independent Accountants' Report on the examination conducted in accordance with AICPA Professional Standards, AT-C Section 315, regarding compliance requirements in accordance with Chapter 10.800, *Rules of the Auditor General*. Disclosures in this report, which is dated December 20, 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 our preceding annual financial audit report for the fiscal year end June 30, 2018. Corrective actions have been taken to address findings and recommendations made in our preceding annual financial audit report.

Section 10.804(1)(f)2., *Rules of the Auditor General*, requires a statement be included as to whether or not the District has met one or more of the conditions described in Section 218.503(1), Florida Statutes, and to identify the 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.

### Certified Public Accountants

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MEMBERS OF AMERICAN AND FLORIDA INSTITUTES OF CERTIFIED PUBLIC ACCOUNTANTS  
MEMBER OF AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS PRIVATE COMPANIES AND S.E.C. PRACTICE SECTIONS

District School Board of Lake County, Florida and  
Superintendent  
Tavares, Florida

**MANAGEMENT LETTER**  
*(Concluded)*

**Prior Audit Findings (Concluded)**

Pursuant to Sections 10.804(1)(f)5.a and 10.805(7), *Rules of the Auditor General*, we applied financial condition assessment procedures for the District. 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 connection with our audit, please see the accompanying Management Letter Comments. See Item Nos. 2018-1, 2, and 3.

**Transparency**

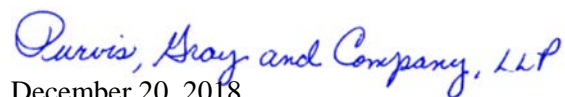
Section 10.804(1)(f)6., *Rules of the Auditor General*, requires that we communicate the results of our determination as to whether the District maintains on its Web site the information specified in Section 1011.035, Florida Statutes. In connection with our audit, we determined that the District maintained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

**Purpose of this Letter**

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

  
December 20, 2018  
Ocala, Florida



## MANAGEMENT LETTER COMMENTS

District School Board of Lake County, Florida and  
Superintendent  
Tavares, Florida

During the course of our audit, the following items came to our attention. These items involve primarily financial management matters, which, if improved, will result in more efficient and effective financial operations.

### Current Year Comments

#### **2018 – 1 Impact Fees**

The use of school impact fees to pay debt service was questioned by the Florida Auditor General as a part of their audit of the District for the fiscal year ended June 30, 2017. As a result of the recommendation, the District has consulted with various legal counsel and the consultants who calculated/determined the fee amount to get their input on the matter. Initial responses from these sources appear to support the use of impact fees to pay debt service.

Additionally, the District is seeking DOE input on use of the funds and has provided DOE additional support and information for the rationale behind the use of funds. As of the date this report, this remains an open, undecided issue, we recommend the District continue their efforts to resolve the issue.

#### **2018 – 2 Leave Time Tracking**

The District's payroll system is based upon exception reporting for leave time for employees that are both exempt and non-exempt from DOL overtime provisions. Leave time is accrued automatically in the payroll system based upon years of service and position. Leave time taken comes from a separate software system solely for this purpose.

Due to payroll by exception, leave time taken by exempt employees at the many schools in the District is the most significant risk area in that any time off taken, but not recorded, increases leave balances and the terminal pay.

Accordingly, we recommend that the District continue to emphasize the importance of recording all time off through the system with all employees and their immediate supervisors. Additionally, the District has recently added a control procedure to reconcile substitute teachers hours worked to leave time taken by the teacher which should help with this issue.

#### **2018 – 3 Internal Accounts**

Our audit of the District's Internal Accounts identified control deficiencies found throughout the various schools of the District. We have provided District staff with a matrix of our findings for follow up and

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District School Board of Lake County, Florida and  
Superintendent  
Tavares, Florida

**MANAGEMENT LETTER COMMENTS**  
*(Concluded)*

**Current Year Comments** *(Concluded)*

**2018 – 3 Internal Accounts** *(Concluded)*

corrective training. We urge the District to continue its efforts to improve internal controls of the internal accounts by carefully addressing these items with each individual school.

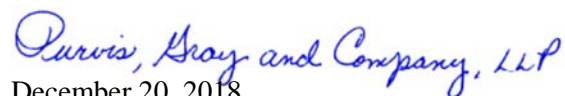
Additionally, our audit of the District's Internal Accounts identified instances where the bookkeeper is the sole individual responsible for receiving cash, depositing cash, and recording transactions into the general ledger. This condition is common across internal accounts in school districts across the state of Florida and is not unique to the District.

The District has recognized this weakness and has established and implemented detect controls to mitigate this risk including monthly review and approval of the monthly financial report and the bank reconciliation by each principal, requiring the sponsor or instructor responsible for each individual account at a school to review and sign-off on their activity and ending balance quarterly as well as annual reviews and audits performed by the Finance Department and District Auditor.

We recommend that the District continue its efforts to mitigate the segregation of duties issues and continue to emphasize the importance of detect controls. We have no further recommendations for compensating controls; however, we think it is important that we make you aware of this condition.

These Management Letter Comments are intended solely for the information and use of the District School Board, Superintendent, management, the State of Florida, and other governmental agencies, and is not intended to be, and should not be, used by anyone other than these specified parties.

We would like to take this opportunity to express our appreciation for the courtesies that have been extended to our staff. If you have any questions or comments about the contents of this letter, or the information accompanying this letter, please do not hesitate to contact us.

  
December 20, 2018  
Ocala, Florida



**Superintendent:**  
**Diane S. Kornegay, M.Ed.**

**School Board Members:**  
**District 1**  
**Bill Mathias**  
**District 2**  
**Kristi Burns, Ph.D.**  
**District 3**  
**Marc Dodd**  
**District 4**  
**Sandy Gamble**  
**District 5**  
**Stephanie Luke**

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December 20, 2018

The Honorable Lake County School Board  
201 West Burleigh Blvd  
Tavares, FL 32778

Re: The School District's written response to the Management Letter Comments for Fiscal Year Ended June 30, 2018

Dear School Board Members,

Please accept the following written response concerning the Management Letter Comments dated December 20, 2018.

Current Year Comments

2018-1 Impact Fees

We will continue our efforts to resolve this issue.

2018-2 Leave Time Tracking

We will continue to emphasize the importance of recording all time off through the system with all employees and their immediate supervisors.

2018-3 Internal Accounts

We will continue our efforts to mitigate the segregation of duties issues and continue to emphasize the important of detection controls.

We appreciate the assistance and review of our systems provided by the independent auditor and look forward to working together in our efforts to continually improve our school district.

Respectfully submitted,

Scott Ward  
Chief Financial Officer

cc: Diane S Kornegay, Superintendent of Schools



**Superintendent:**  
**Diane S. Kornegay, M.Ed.**

**School Board Members:**  
**District 1**  
**Bill Mathias**  
**District 2**  
**Kristi Burns, Ph.D.**  
**District 3**  
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December 20, 2018

The Honorable Lake County School Board  
201 West Burleigh Blvd  
Tavares, FL 32778

Re: The School District's written response to the Schedule of Findings and Questioned Costs for Fiscal Year Ended June 30, 2018.

Dear School Board Members,

Please accept the following written response concerning the Schedule of Findings and Questioned Costs for Fiscal Year Ended June 30, 2018:

Current Year Comments

Finding – Child Nutrition Cluster

We will provide a NSLP Corrective Action Plan for Excess Net Cash Resources to the Florida Department of Agriculture and Consumer Services, as in previous years, and request a waiver.

We appreciate the assistance and review of our systems provided by the independent auditor and look forward to working together in our efforts to continually improve our school district.

Respectfully submitted,

Scott Ward  
Chief Financial Officer