



**Fiscal Year Ended
June 30, 2019**

Comprehensive Annual Financial Report

**District School Board of Volusia County
DeLand, Florida
32720**



Cover Artwork by Volusia County Schools Art Students

From Top Left to Bottom Right:

Aylah Block, *Rocky the Dog*, 1st grade, Indian River Elementary, Art Teacher - Ms. Preston
Lizbeth Armas, *Rainbow Hair*, 1st grade, McInnis Elementary, Art Teacher - Ms. Osterhout
Sara Murphy, *Cottage by the Stream*, 5th grade, Chisholm Elementary, Art Teacher - Ms. Combs
Cooper Smith, *Pressure*, 7th grade, Taylor Middle, Art Teacher - Ms. Mosley
Tanasia Thomas, *Giraffe Love*, 8th grade, Silver Sands Middle, Art Teacher - Ms. Nelson

District School Board of Volusia County
DeLand, Florida

Comprehensive Annual
Financial Report

For the Fiscal Year Ended
June 30, 2019



Prepared by:
Division of Financial Services

District School Board of Volusia County, Florida

Comprehensive Annual Financial Report

For the Fiscal Year Ended June 30, 2019

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Introductory Section



School Board of Volusia County

Ms. Ida D. Wright, Chairman
Mrs. Linda Cuthbert, Vice Chairman
Mr. Ruben Colón
Ms. Jamie M. Haynes
Mr. Carl Persis

Dr. Scott Fritz
Superintendent of Schools

December 12, 2019

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

State law requires that all local governments publish, after the close of each fiscal year, a complete set of financial statements presented in conformity with accounting principles generally accepted in the United States (GAAP) and audited, by a firm of licensed certified public accountants or by the Florida Auditor General, in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Pursuant to that requirement, we hereby issue the comprehensive annual financial report (CAFR) of the District School Board of Volusia County, Florida (District) for the fiscal year ended June 30, 2019. 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 the information presented in this report. This letter of transmittal is designed to complement Management's Discussion and Analysis (MD&A) and should be read in conjunction with it. The District's MD&A can be found immediately following the report of independent auditor.

This report includes all funds of the District, the Volusia School Board Leasing Corporation, Inc., Futures, Inc. and six of the District's seven charter schools: Reading Edge Academy, Inc.; Samsula Academy; The Chiles Academy, Inc.; Richard Milburn Academy of Volusia County; Ivy Hawn Charter School of the Arts; and Burns Science and Technology Charter School, Inc., which comprise the reporting entity. The Volusia School Board Leasing Corporation, Inc. was formed by the School Board to be the lessor in connection with financing the acquisition and/or construction of certain educational facilities and is included as a blended component unit. Futures is a separate not-for-profit corporation organized and operated as a direct-support organization. Futures' purpose is exclusively educational and charitable for the constituents of Volusia County. The Reading Edge Academy, Inc., Samsula Academy, The Chiles Academy, Inc., Richard Milburn Academy of Volusia County, Ivy Hawn Charter School of the Arts, and Burns Science and Technology Charter School, Inc., charter schools are public schools operating under performance contracts with the School Board. Futures and the applicable charter schools are included as aggregate discretely presented component units.

To provide a reasonable basis for making these representations, the District's management has established a system of internal control that is designed both to protect the District's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the District's financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the District's system of internal control 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 aspects.

The accounting firm of Cherry Bekaert LLP conducted the audit of the District's financial statements. 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, 2019, 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 that there was a reasonable basis for rendering unmodified opinions on the District's financial statements for the fiscal year ended

June 30, 2019. The report of the independent auditor is presented as the first component of the financial section of this report.

Profile of the Government

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

The geographical boundaries of the District are those of Volusia County. Volusia County is located in the east-central region of the State of Florida. Volusia County is bordered on the west by the historic St. Johns River, and by the Atlantic Ocean to the east. Roughly the size of Rhode Island, Volusia is situated 50 miles northeast of Orlando, 60 miles north of the Kennedy Space Center, and 89 miles south of Jacksonville. Volusia County was established in 1854 and became the 30th county in the State of Florida. The 2019 population for Volusia County is estimated to be 547,538 persons. Within its borders are several incorporated areas and small, unincorporated communities.

In the 2018-19 fiscal year, the District provided general, special, and vocational education programs. The District had 69 K-12 schools, including 45 elementary schools, 12 middle schools, 1 K-8 school, 1 middle/high school, 9 high schools, and 1 alternative education center (Department of Juvenile Justice). In addition, the District sponsors 7 charter schools, 1 of which is not a component unit of the District because it qualifies as a component unit of another organization.

Economic Condition and Outlook

Volusia County is located on the east coast of central Florida and is the eastern terminus of the I-4 corridor, which runs through Orlando and extends to the cities of Tampa and St. Petersburg on the Florida west coast. The county has a total of 16 cities, including: Daytona Beach, Daytona Beach Shores, DeBary, DeLand, Deltona, Edgewater, Holly Hill, Lake Helen, New Smyrna Beach, Oak Hill, Orange City, Ormond Beach, Pierson, Ponce Inlet, Port Orange, and South Daytona. Tourism is the county's largest industry, based primarily on a drive-in market of visitors interested in our recreational areas including 47 miles of beaches. Major tourist events include Bike Week, Biketoberfest, and the Daytona 500.

Per capita income was \$40,001 in 2018 for Volusia County. Volusia County's 2018 Florida Price Level Index as reported by the Florida Polytechnic University is 95.73. This means that the cost of living in Volusia County is 4.27 percent below the State average of 100.

Volusia is Florida's 11th most populous county, with 2.6 percent of the population. The population of Volusia County has increased 104,195 from 2000 to 2019 and is projected to reach 544,100 by 2020, 594,300 by 2030, and 629,900 by 2040.

The School District of Volusia County reported 63,264 students (20-day enrollment) in 2018-19. The District's enrollment increased by 845 students, or 1.4 percent, during the ten-year period of 2009-10 through 2018-19. Based on the District's cohort projection model and economic conditions, forecasts project enrollment for 2020-21 to be 63,221, a decrease of 43 students from the current fiscal year.

According to the most recent American Community Survey, the median age in Volusia County in 2018 was 46.6 years. The percentage of the population that was under 18 years is 17.6 percent and the percentage that was 65 and older is 24.4 percent. Families made up 60.4 percent of the households, which includes both married-couple families (45.2 percent) and other families (15.2 percent). The percentage of people that were

foreign born is 7.6 percent and 92.4 percent were native born, including 35.2 percent who were born in Florida.

Among people at least 5 years old, 15.1 percent spoke a language other than English at home. Of those speaking a language other than English at home, 75.3 percent spoke Spanish. The percentage of people 25 years and older who have graduated from high school and attended college is 96.1 percent and the percentage of people who have a bachelor's degree or higher is 24.8 percent.

In 2018, the leading industries for the employed population 16 years and older in Volusia County were: educational services, health care, and social assistance, 20.9 percent; retail trade, 14.2 percent; and arts, entertainment, recreation, accommodation and food services, 11.6 percent. The most common occupations were: management, business, science, and arts, 30.6 percent; sales and office occupations, 27.8 percent; service occupations, 20.1 percent; production, transportation, and material moving occupations, 11.8 percent; and natural resources, construction, and maintenance occupations, 9.7 percent.

According to the most recent Florida Department of Education's Florida Inventory of School Houses (FISH) survey, the average age of schools was 44 years as of June 30, 2017.

Long-Term Financial Planning

Capital Outlay Program

The last project on the 2001 half-cent sales tax project list was fully completed and closed in 2013. The remaining collections of that half-cent sales tax through 2016 went toward paying the debt service on several of the projects that were included in the sales tax bond issues and the certificates of participation issues. The District was successful in obtaining voter approval to extend the half-cent sales tax for an additional 15 years, beginning January 1, 2017 through December 31, 2031. These additional funds are being used to replace some of the aging outdated schools along with major renovations and much needed repair projects such as roofing and air conditioning replacements. The first half-cent project was the replacement of Pierson Elementary School which broke ground in June 2017 and opened in August 2018. The District bonded \$40 million in 2016 against future half-cent revenue to jumpstart construction and other projects. In addition, new and replacement technology will be purchased to keep the district current in a competitive and demanding academic environment. Security enhancements will also be purchased to keep the students in a safe learning environment.

Relevant Financial Policies

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

The Board has established a policy requiring a minimum fund balance equal to 3 percent of the District's projected General Fund revenues, calculated in accordance with Section 1011.051, Florida Statutes. The Board's goal is to maintain a fund balance equal to 5 percent. At June 30, 2019, the unassigned fund balance was 5.6 percent of total General Fund revenues. The financial condition ratio of the General Fund was 10.7 percent, calculated by combining the assigned and unassigned fund balances as a percentage of total General Fund revenues. The District's focus is on increasing academic achievement for all students through effective instruction, rigorous curriculum, and multiple pathways for students to meet their individual needs; as well as mental wellness and school safety; and on increasing employee salaries to compete with other districts and industries.

Accomplishments

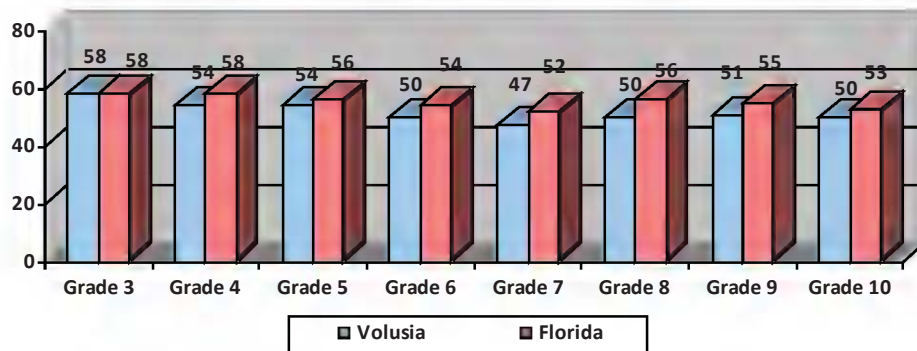
Forty-seven schools received the Florida Department of Education Five Star School Award, an incentive program to recognize exemplary community involvement in our schools. Thirty-five elementary schools met the distinguished criteria to become certified in the HealthierUS School Challenge.

The District maintained its “B” grade in 2018-19. This is the fourth year in which the District’s grade includes learning gains using the new calculation method. The new, more rigorous learning gains methodology requires that students make meaningful gains toward grade level performance and beyond. Fifty-one percent of Volusia’s schools are rated an “A” or “B”.

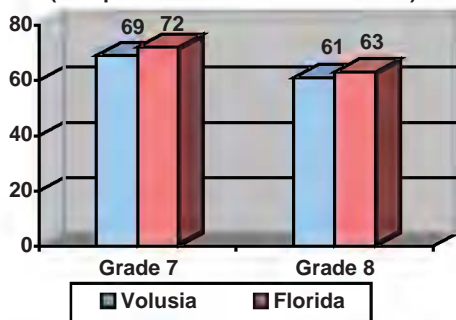
Student achievement is measured throughout a student’s educational career using a variety of testing instruments that include both norm-referenced and criterion-referenced assessments. Collectively, the data derived from student achievement tests support several purposes that include School, District, and State accountability; instructional and program decision-making; student placement; and monitoring individual student progress. Major State-wide assessments include the Florida Standards Assessments (FSA), Statewide Science Assessment (SSA), End-of-Course Assessments (EOC), Pre-Scholastic Assessment Test (PSAT), Scholastic Assessment Test (SAT), American College Test (ACT), and the Advanced Placement (AP).

The Florida Standards Assessments (FSA) measures education gains and progress in English language arts, mathematics, and two EOC exams for high school algebra I and geometry. In addition, Florida EOC assessments in biology, history and civics are administered and are designed to measure student achievement of the Next Generation Sunshine State Standards (NGSSS) for middle and high school level courses.

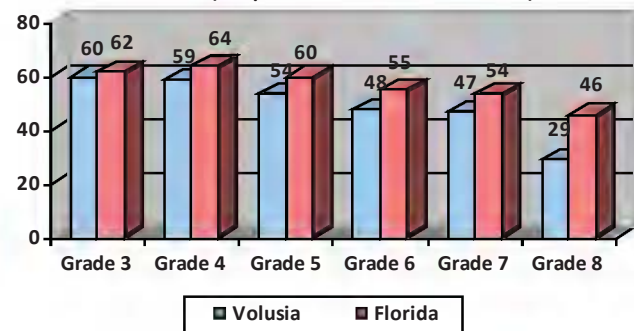
2019 FSA English Language Arts
(% Equal to or Greater Than Level 3)



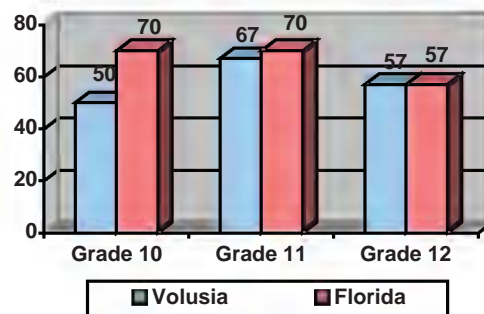
2019 NGSSS EOC Civics
(% Equal to or Greater Than Level 3)



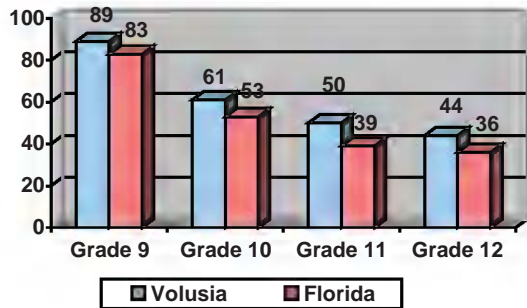
2019 FSA Mathematics
(% Equal to or Greater Than Level 3)



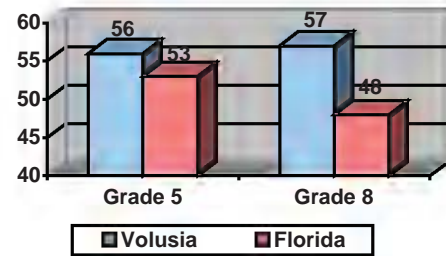
2019 NGSSS EOC US History
(% Equal to or Greater Than Level 3)



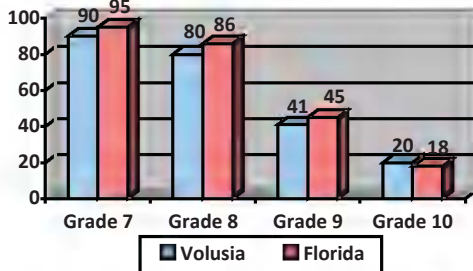
2019 NGSSS EOC Biology
(% Equal to or Greater Than Level 3)



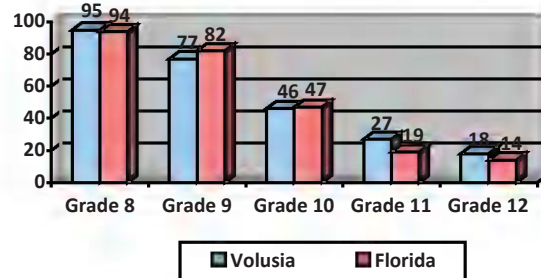
2019 NGSSS Statewide Science Assessment
(% Equal to or Greater Than Level 3)



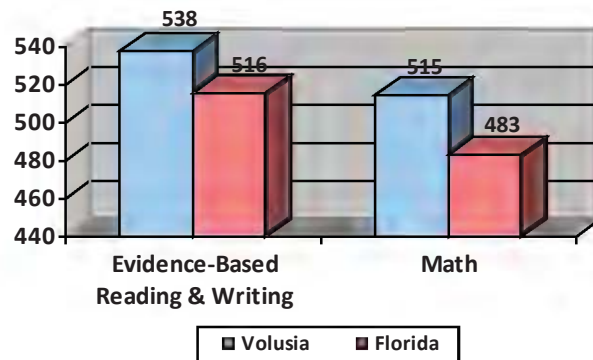
2019 FSA Algebra I
(% Equal to or Greater Than Level 3)



2019 FSA Geometry
(% Equal to or Greater Than Level 3)



2019 Scholastic Assessment Test (SAT)



Budgetary Controls

The District maintains budgetary controls, the objective of which is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the School Board. Activities of all governmental and proprietary fund types are included in the annual appropriated budget. Project-length financial plans are adopted for the Capital Projects Funds. The level of budgetary control (that is, the level at which expenditures cannot exceed the appropriated amount) is established at the function level.

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 from 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 Board adopts a District staffing plan that establishes teacher positions based generally on student populations served. Additionally, support and administrative positions are created based on established criteria.

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 and the Association of School Business Officials International (ASBO) awarded a Certificate of Excellence in Financial Reporting to the District for its comprehensive annual financial report (CAFR) for the fiscal year ended June 30, 2018. In order to be awarded the Certificate of Achievement for Excellence in Financial Reporting and the Certificate of Excellence in Financial Reporting, the District must publish an easily readable and efficiently organized CAFR. This report must satisfy both generally accepted accounting principles and applicable legal requirements.

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

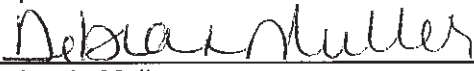
The preparation of the CAFR was made possible by the dedicated service of the entire staff of Financial Services. Each member of the division has our sincere appreciation for the contributions made in the preparation of this report.

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


Respectfully submitted,



Scott Fritz, Ed.D.
Superintendent of Schools



Debra L. Muller
Chief Financial Officer



Bertie Trawick
Director of Finance

DISTRICT SCHOOL BOARD OF VOLUSIA COUNTY, FLORIDA SCHOOL BOARD MEMBERS - ELECTED

as of December 12, 2019



Mrs. Ida D. Wright, Chairman

District 2

Member since January 2013

Current term expires November 2020

Mrs. Linda Cuthbert, Vice Chairman

District 3

Member since November 2014

Current term expires November 2022



Mr. Ruben Colón

District 5

Member since November 2018

Current term expires November 2022

Ms. Jamie M. Haynes

District 1

Member since January 2018

Current term expires November 2022



Mr. Carl Persis

District 4

Member since November 2016

Current term expires November 2020

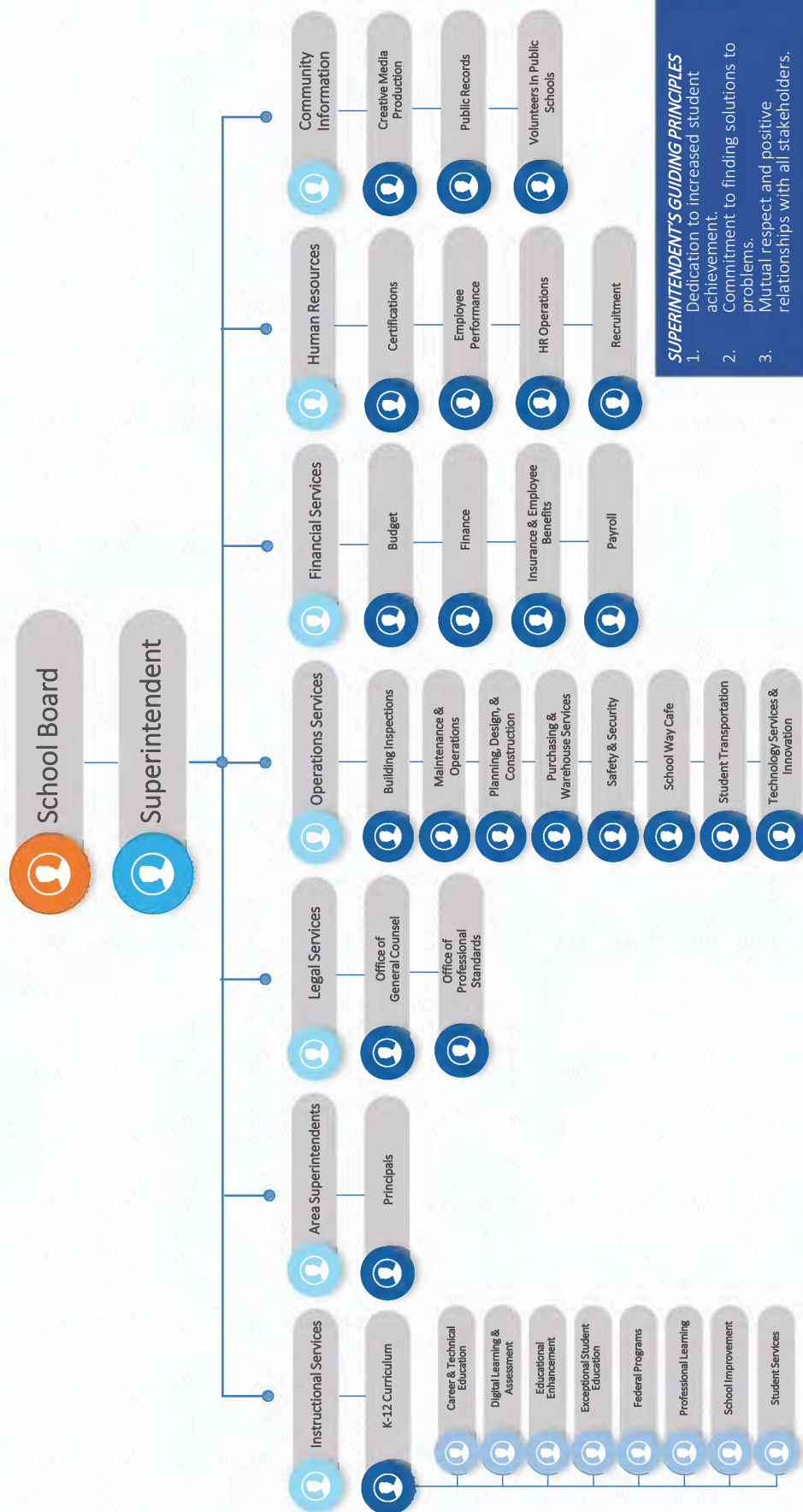
DISTRICT SCHOOL BOARD OF VOLUSIA COUNTY, FLORIDA
PRINCIPAL OFFICIALS - APPOINTED
as of December 12, 2019



Scott Fritz, Ed.D.
Superintendent of Schools

Greg Akin	Chief Operating Officer
Michael Cicchetti	Director, Technology Services & Innovation
Patricia Corr	Area Superintendent
Susan Freeman	Area Superintendent
Rachel Hazel	Chief Academic Officer
Stacey Manning	General Counsel
Saralee Morrissey	Director, Planning
Debra Muller	Chief Financial Officer
Rose Roland	Area Superintendent
Kelly Schulz	Director, Community Information Services
<i>Vacant</i>	Chief Human Resources Officer

ORGANIZATIONAL CHART



SUPERINTENDENT'S GUIDING PRINCIPLES

1. Dedication to increased student achievement.
2. Commitment to finding solutions to problems.
3. Mutual respect and positive relationships with all stakeholders.



Government Finance Officers Association

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

Presented to

**District School Board of Volusia County
Florida**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2018

Christopher P. Morill

Executive Director/CEO



**ASSOCIATION OF
SCHOOL BUSINESS OFFICIALS
INTERNATIONAL**

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

**District School Board of
Volusia County, Florida**

**for its Comprehensive Annual Financial Report (CAFR)
for the Fiscal Year Ended June 30, 2018.**

The CAFR meets the criteria established for
ASBO International's Certificate of Excellence.



A handwritten signature in black ink, reading 'Tom Wohleber'.

Tom Wohleber, CSRM
President

A handwritten signature in black ink, reading 'Siobhán McMahon'.

Siobhán McMahon, CAE
Chief Operating Officer



Financial Section

Report of Independent Auditor

The Honorable Members of the School Board
Volusia County School District
Deland, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the Volusia County School District (the "District"), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the District's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the discretely presented component units nor the fiduciary funds, which represent 100 percent of the component units assets, net position, and revenues and 11 percent of the assets and 49 percent of the liabilities of the aggregate remaining fund information in the accompanying financial statements. Those financial statements were audited by other auditors whose reports have been furnished to us, and our opinions, insofar as they relate to the amounts included for the fiduciary funds and the discretely presented component units, are based solely on the reports of the other auditors. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the 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 is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, based on our audit and the reports of other auditors, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the discretely presented component units, each major fund, and the aggregate remaining fund information of the Volusia County School District, as of June 30, 2019, and the respective changes in financial position, and where applicable, cash flows thereof, and the budgetary comparisons for the general fund and the contracted federal program fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the District's basic financial statements. The introductory section, combining and individual fund statements and schedules, and statistical section, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the 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* (CFR) 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 fund statements and 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 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 the other auditors. In our opinion, the combining and individual fund statements and schedules and the 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 12, 2019 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 District's 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.

A handwritten signature in black ink that reads "Cheryl Behrman LLP". The signature is written in a cursive, flowing style.

Orlando, Florida
December 12, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the District School Board of Volusia 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, 2019. We encourage readers to consider the information presented here in conjunction with our basic financial statements and notes thereto found on pages 14 through 63.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the District exceeded its liabilities and deferred inflows of resources at June 30, 2019, by \$717,660,403 (net position). Of this amount, \$821,341,888 represents investments in capital assets (net of related debt), and restricted and unrestricted net position of \$142,517,512 and (\$246,198,997), respectively.
- The District's total net position increased \$23,535,752.
- At June 30, 2019, the District's governmental funds reported combined fund balances of \$189,555,703, an increase of \$830,657 in comparison with the prior year.
- At June 30, 2019, the unassigned fund balance for the General Fund was \$26,201,039, or 5.6 percent of total General Fund revenues. The General Fund total assigned and unassigned fund balance was \$50,172,084, or 10.6 percent (financial condition ratio) of General Fund total revenues.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the District's basic financial statements. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the basic financial statements.

Government-wide Financial Statements

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 assets, deferred inflows of resources, liabilities, and deferred outflows of resources. The total assets and deferred outflows of resources, less the total liabilities and deferred inflows of resources, are reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

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

The government-wide financial statements include the District and its blended component unit, the Volusia School Board Leasing Corporation (Leasing Corporation), known as the primary government, as well as a separate column for Futures, Inc., and six charter schools; Reading Edge Academy, Inc., Samsula Academy, The Chiles Academy, Inc., Richard Milburn Academy of Volusia

County, Ivy Hawn Charter School of the Arts, and Burns Science and Technology Charter School, Inc., for which the District is financially accountable. Futures, Inc. is a separate not-for-profit corporation organized and operated as a direct-support organization under Section 1001.453, Florida Statutes, to provide charitable and educational aid to the District, to promote education, and to encourage research, learning and dissemination of information. The Leasing Corporation, although also legally separate, was formed to facilitate financing for the acquisition of facilities and equipment. Due to the substantive economic relationship between the District and the Leasing Corporation, the Leasing Corporation has been included as an integral part of the primary government. The government-wide financial statements can be found on pages 14 and 16 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 uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the District's funds can be divided into one of 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 fund 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 funds balance sheet and the governmental funds 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 thirteen individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the governmental funds statement of revenues, expenditures, and changes in fund balances for the District's most significant funds. The District's major governmental funds are the General Fund, Contracted Federal Programs – Special Revenue Fund, Local Capital Improvement – Capital Projects Fund, and Local Sales Tax – Capital Projects Fund. Data for the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The District adopts an annual appropriated budget for its General Fund and major Contracted Federal Programs – Special Revenue Fund. A budgetary comparison statement has been provided for the General Fund on page 21 and the major Contracted Federal Programs – Special Revenue Fund on page 22 to demonstrate compliance with the budgets.

The basic governmental fund financial statements can be found on pages 17 through 22 of this report.

Proprietary Funds – Proprietary funds may be established to account for activities in which a fee is charged for services. The District maintains internal service funds to accumulate and allocate costs internally among the District's various functions. The District uses internal service funds to account for its self-insurance programs. Because these services predominantly benefit

governmental rather than business-type functions, they have been included with governmental activities in the government-wide financial statements.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The four internal service funds are combined into a single, aggregated presentation in the proprietary funds financial statements. Individual fund data is provided in the form of combining statements elsewhere in this report.

The basic proprietary funds financial statements can be found on pages 23 through 25 of this report.

Fiduciary Funds – Fiduciary funds are used to account for resources held for the benefit of parties outside the primary government. The District maintains Private Purpose Trust Funds to account for the resources of the District's trust and endowment funds for Spruce Creek High, Seabreeze High, and Samsula Scholars. The District also maintains Agency Funds to account for resources of the school internal funds and a voluntary employee benefits program. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the District's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

The basic fiduciary funds financial statements can be found on pages 26 and 27 of this report.

Notes to the Financial Statements – The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 28 through 63 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net position may serve over time as a useful indicator of the District's financial position. The District's total assets plus deferred outflows of resources exceeded its total liabilities and deferred inflows of resources by \$717,660,403 (net position) at June 30, 2019, which was an increase of \$23,535,752 from the previous year.

Net position includes investments in capital assets, primarily school facilities and related furniture, fixtures, and equipment, net of outstanding debt used to acquire or construct capital assets. The remaining net position is divided between those that are restricted and those that are unrestricted. Restricted net position are those assets net of related liabilities that are restricted to uses specified by third parties, primarily under the terms of debt issues, and Federal and State grantor agencies.

The following is a summary of the District's net position as of June 30, 2019, compared to net position as of June 30, 2018:

Condensed Statement of Net Position		
	Governmental Activities	
	2019	2018
ASSETS		
Current and other assets	\$ 230,420,762	\$ 228,520,093
Capital assets, net	1,088,875,368	1,060,651,896
Total assets	1,319,296,130	1,289,171,989
DEFERRED OUTFLOWS OF RESOURCES	130,833,874	134,627,850
LIABILITIES		
Long-term liabilities	665,323,529	674,623,117
Other liabilities	28,098,665	27,677,325
Total liabilities	693,422,194	702,300,442
DEFERRED INFLOWS OF RESOURCES	39,047,407	27,374,746
NET POSITION		
Net investment in capital assets	821,341,888	780,550,229
Restricted	142,517,512	137,736,075
Unrestricted (deficit)	(246,198,997)	(224,161,653)
Total net position	\$ 717,660,403	\$ 694,124,651

The District reports a \$246,198,997 deficit in unrestricted net position at June 30, 2019, a \$22,037,344 increase in the deficit from the prior year. This is due primarily to an increase in the liability for compensated absences, an increase in the OPEB liability, an increase in deferred inflows for pensions and OPEB, offset by an increase in deferred outflows for OPEB and a decrease in deferred outflows for pensions. Management has every confidence that the deficit in unrestricted net position does not represent an inability to meet District obligations. Net pension liability of \$306,519,057, compensated absences in the amount of \$60,893,050 and other postemployment benefits (OPEB) obligation of \$23,747,643 were the most significant liabilities (claims) against unrestricted assets. Most of the estimated amount of the net pension liability, \$304,013,760, and the compensated absences liability, \$56,364,136, and the OPEB liability, \$21,994,617, will be due more than one year from the financial statement date and does not require the use of current resources.

Restricted net position represents resources that are subject to external restrictions on how they may be used, such as for capital projects and debt service. The restricted portion of the District's net position totals \$142,517,512, which represents a 3.5 percent increase from the prior year is due primarily to an increase in the Capital Projects Funds fund balance. The largest portion of the District's net position, \$821,341,888, reflects its investment in capital assets, less any related debt

still outstanding. Investment in capital assets, less related debt, increased \$40,791,659 due primarily to an increase in net capital assets offset by a decrease in related debt.

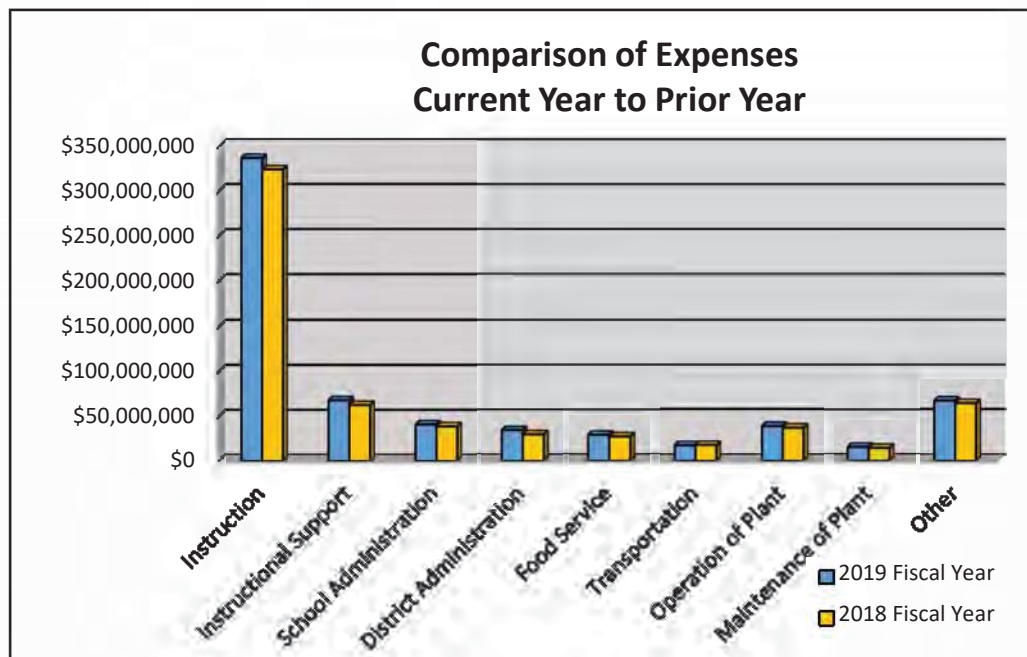
Key elements of the changes in the District's net position for the fiscal years ended June 30, 2019, and June 30, 2018, are as follows:

Change in Net Position		
	Governmental Activities	
	2019	2018
Revenues:		
Program revenues:		
Charges for services	\$ 9,767,793	\$ 9,061,352
Operating grants and contributions	26,125,439	24,979,858
Capital grants and contributions	12,621,295	8,964,310
General revenues:		
Property taxes	231,095,796	221,085,801
Local sales taxes	44,814,724	42,941,909
Grants and contributions not restricted to specific programs	328,115,697	315,618,350
Unrestricted investment earnings	5,604,430	2,723,187
Miscellaneous	9,387,194	14,628,289
Total revenues	667,532,368	640,003,056
Expenses:		
Instruction	336,926,370	322,934,733
Student personnel services	26,372,443	23,266,815
Instructional media services	6,140,703	5,862,151
Instruction and curriculum development services	22,873,958	19,015,513
Instructional staff training services	8,492,365	10,017,174
Instruction related technology	3,753,050	4,019,447
Board of education	687,678	727,872
General administration	4,343,626	3,542,094
School administration	40,804,998	38,493,322
Facilities services - non-capitalized	10,126,069	6,513,140
Fiscal services	2,934,627	2,738,235
Food services	28,272,432	26,448,996
Central services	7,108,894	6,543,004
Student transportation services	17,121,084	17,391,709
Operation of plant	38,335,470	36,369,317
Maintenance of plant	14,928,759	13,818,513
Administrative technology services	8,608,633	9,093,986
Community services	5,705,278	5,260,817
Interest on long-term debt	9,539,986	10,165,987
Unallocated depreciation expense	50,920,193	47,922,822
Total expenses	643,996,616	610,145,647
Change in net position	23,535,752	29,857,409
Net position - Beginning	694,124,651	664,267,242
Net position - Ending	\$ 717,660,403	\$ 694,124,651

Governmental activities increased the District's net position by \$23,535,752. Key elements are as follows:

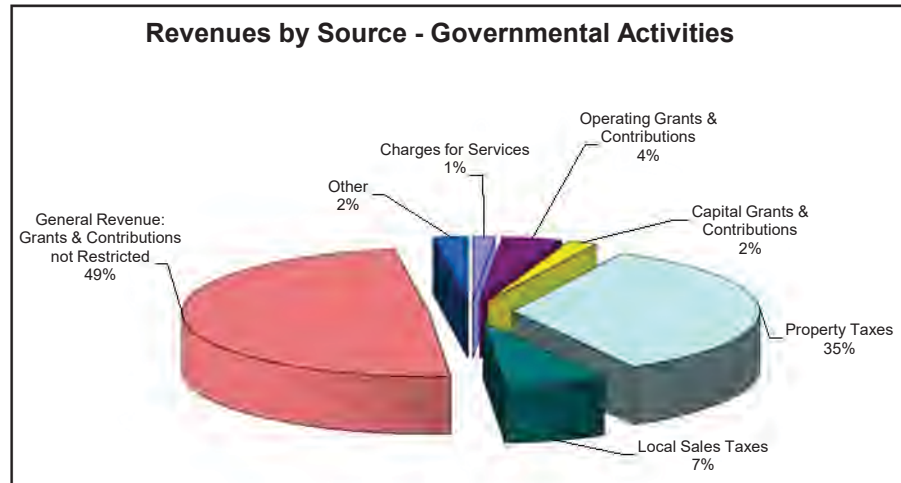
- Net Investment in Capital Assets increased \$40,791,659 due to an increase in net capital assets of \$28,223,472; a decrease in related debt of \$11,675,147; a decrease in the net deferred amount on refundings of \$229,030; a decrease in prepaid insurance costs of \$16,044; and a decrease of \$1,138,114 in construction contracts and retainage payable (unspent capital-related debt), reported as restricted net position.
- The deficit unrestricted net position increased \$22,037,344, due to a decrease of \$1,083,695 in the unrestricted fund balance of the General Fund; an increase in the net position of the internal service funds of \$99,474; an increase in compensated absences of \$4,042,012; an increase in OPEB of \$1,401,211; a decrease in the pension liability of \$701,572; an increase in obligations under capital lease of \$1,073,865; a decrease in the deferred outflows for OPEB of \$112,955; an increase in the deferred inflows for OPEB of \$252,296; a decrease in the deferred outflows for pensions of \$3,310,253; and an increase in the deferred inflows for pensions of \$11,562,103.
- Restricted net position increased \$4,781,437, due to a decrease in the fund balance of the Special Revenue Fund - Food Service fund of \$442,537; an increase in the fund balance of the Capital Projects Funds of \$1,139,909; an increase in the fund balance of the Debt Service Funds of \$22,340; an increase of \$4,005,199 in the amount of bond proceeds spent; an increase in the amount reserved for State categorical programs of \$1,194,640; and decreased by \$1,138,114 for unspent capital-related debt reported in various capital projects funds.

Instruction and instructional support expenses accounted for approximately 62.8 percent of total governmental expenses. Instruction increased by \$14.0 million (4.3 percent) and instructional support expenses increased by \$5.5 million (8.8 percent) from the 2017-18 fiscal year.



Instructional support includes student personnel services, instructional media services, instruction and curriculum development services, instructional staff training services, and instruction related technology.

District administration includes board of education, general administration, facilities acquisition and construction, fiscal services, central services, and administrative technology services. Other includes community services, interest on long-term debt, and unallocated depreciation expense.



FINANCIAL ANALYSIS OF THE INDIVIDUAL FUNDS

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

Governmental Funds. The focus of the District's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the District's financing requirements. As of the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$189,555,703 an increase of \$830,657 in comparison with the prior year. The following schedule indicates the fund balance and the total change in fund balance by major fund and other governmental funds (Nonmajor) as reported in the basic financial statements for the fiscal years ended June 30, 2019, and June 30, 2018.

Fund Balance	Governmental Activities		Increase (Decrease)	Percentage Change
	2019	2018		
General Fund	\$ 56,549,711	\$ 56,438,766	\$ 110,945	0.2%
Special Revenue -				
Contracted Federal Programs Fund	-	-	-	0.0%
Capital Projects Funds:				
Local Capital Improvement	39,382,646	48,514,982	(9,132,336)	-18.8%
Local Sales Tax	53,709,319	49,581,921	4,127,398	8.3%
Other Governmental Funds (nonmajor)	39,914,027	34,189,377	5,724,650	16.7%
Total	\$ 189,555,703	\$ 188,725,046	\$ 830,657	0.4%

The General Fund is the chief operating fund of the District. During the current fiscal year, the total fund balance of the General Fund increased by \$110,945. Key elements are as follows:

- Total revenues increased by \$6.6 million, due primarily to an increase in property taxes of \$6.0 million, an increase in state revenue of \$5.0 million, an increase in investment earnings of \$0.9 million, which was offset by a decrease in other local revenue of \$5.3 million which was a Proshare health insurance rebate received in the prior year but not in the current year. The increase in total revenue of \$6.6 million and the increase in expenditures of \$17.1 million resulted in an increase to the fund balance of \$110,945.

The Local Capital Improvement – Capital Projects Fund, which is used to account for revenues produced by an ad valorem (property) tax levy authorized by the Board to support capital improvements had a net decrease in fund balance during the current year of \$9,132,336, due primarily to an increase in expenditures of \$6.5 million, an increase in transfers out of \$14.7 million, offset by an increase in property taxes of \$5.0 million.

The Local Sales Tax – Capital Projects Fund, which is used to account for and report on funds received from a voted one-half cent sales tax, has a total fund balance of \$53,709,319. The net increase in fund balance during the current fiscal year was \$4,127,398. Some of the key factors for this increase was an increase in sales tax revenue of \$1.9 million, an increase in other local revenue of \$0.3 million, offset by an increase in expenditures of \$6.0 million and a decrease in transfers out of \$13.5 million.

GENERAL FUND BUDGETARY HIGHLIGHTS

Revenue between the original budget and the final amended budget increased approximately \$11.5 million (2.5 percent increase), and can be briefly summarized as follows:

- Federal revenue increased by \$0.6 million, primarily due to Medicaid funding.
- State revenue increased by \$0.8 million. The increase is primarily due to a decrease in FEFP funding of \$6.1 million, an increase for the Florida Best and Brightest Teacher Scholarship of \$4.4 million and an increase in various other State sources of \$2.5 million.
- Property tax revenue increased \$1.0 million. The original budget represents 96 percent of the yield from the proposed millage.
- Other local revenue increased by \$9.1 million. The extended day enrichment program generated \$5.1 million of the increase. Investment earnings contributed \$2.4 million, \$0.8 million was collected through miscellaneous local grants and sources, \$0.4 million in indirect cost, and \$0.4 million was collected in bus fees, contributing to the increase in other local revenues.

The increase between the original budget and the final amended budget for expenditures was approximately \$5.6 million (1.1 percent increase), the majority of which was in the community services function offset by a decrease in the instruction and instruction-related technology functions. The final amended budget reflected an increase in the net change in fund balance of \$7.1 million for current year operations. Many of the large fluctuations between original and amended budget are from revenues that are not known and measurable at the time of budget adoption. These are amended into the budget during the year. Revenues and the corresponding appropriations are amended into the budget upon receipt. Annual salary increases are amended into the budget once salary negotiations have concluded. Fluctuations between amended budget and actual amounts usually occur from unused grant balances. Certain unexpended funds remain allocated and are re-budgeted in the following fiscal year.

CAPITAL ASSETS AND DEBT ADMINISTRATION

Capital Assets. The District's investment in capital assets for its governmental activities as of June 30, 2019 amounted to \$1,088,875,368 (net of accumulated depreciation). This investment in capital assets includes land; construction in progress; improvements other than buildings; buildings and fixed equipment; furniture, fixtures, and equipment; motor vehicles; audio visual materials; and computer software. The total increase in the District's investment in capital assets for the current fiscal year was 2.7 percent.

Major construction projects in progress over \$1,000,000 at June 30, 2019, included the following:

- Chisholm Elementary - Replacement
- Westside Elementary – Renovations and additions
- George Marks Elementary – Replacement
- DeLand Middle – HVAC, ceiling and lighting
- Seabreeze High – Upgrade chilled water plant
- Heritage Middle – Upgrade HVAC
- Creekside Middle – Upgrade HVAC

See Note 15 of the financial statements for additional construction contract commitments.

The following is a summary of capital assets as of June 30, 2019, and June 30, 2018:

Capital Assets		
(net of depreciation)		
	Governmental Activities	
	2019	2018
Land	\$ 53,421,542	\$ 54,117,381
Construction in progress	30,590,770	33,761,385
Improvements other than buildings	43,770,737	44,798,076
Buildings and fixed equipment	932,054,959	906,599,192
Furniture, fixtures, and equipment	11,089,239	8,796,260
Motor vehicles	12,076,697	10,340,573
Computer software	5,871,424	2,239,029
Total	\$ 1,088,875,368	\$ 1,060,651,896

Additional information on the District's capital assets can be found in Notes 4 and 15 on pages 40 and 61, respectively, of this report.

Long-Term Debt. At the end of the current fiscal year, the District had total bonded debt outstanding of \$238,366,000, excluding premiums. Of this amount, \$30,745,000 comprises debt backed by sales tax revenue, and \$341,000 backed by the full faith and credit of the State of Florida. The remainder of this debt represents \$207,280,000 in certificates of participation.

In September 2018, Moody's performed a routine review of the District's general credit quality relative to the District's outstanding COPS. Moody's affirmed the rating of "Aa3" on all outstanding COPS. The negative outlook was removed.

The COPS are rated "A+" by Fitch with a stable outlook.

In September 2018, Moody's reviewed the District's credit quality relative to the Sales Tax Revenue Bonds, Series 2016. Moody's affirmed the rating of "Aa3". The rating outlook is stable.

In December 2018, Standard and Poor's also reviewed the District's credit quality relative to the Sales Tax Revenue Bonds, Series 2016. Standard and Poor's upgraded the District's rating to "AA" from "AA- ". The outlook is stable.

Additional information on the District's long-term debt can be found in Notes 5 through 7 to the basic financial statements pages 40 to 45.

The following is a summary of outstanding debt, excluding premiums, as of June 30, 2019, and June 30, 2018:

Outstanding Debt		
	Governmental Activities	
	2019	2018
Bonds payable	\$ 31,086,000	\$ 33,065,000
Certificates of participation	207,280,000	218,345,000
Total	\$ 238,366,000	\$ 251,410,000

ECONOMIC FACTORS AND NEW YEAR'S BUDGETS AND RATES

- The unemployment rate for the District (Volusia County, Florida) declined from the prior year and is currently 3.7 percent, which is slightly higher than the State's average unemployment rate of 3.5 percent and slightly lower than the national average unemployment rate of 3.8 percent.
- The General Fund adopted budget for the 2019-20 fiscal year includes an increase in total revenue of \$10.8 million and an increase of \$12.3 million in total expenditures over the prior year's original budget. The General Fund adopted budget for the 2019-20 fiscal year includes an assignment of the 2018-19 fiscal year ending fund balance of \$8.1 million, due to an operating deficit.

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 School District of Volusia County, Finance Department, P.O. Box 2118, DeLand, Florida 32721-2118.



Financial Statements



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District School Board of Volusia County, Florida
Statement of Net Position
June 30, 2019

	Primary Government	
	Governmental Activities	Component Units
ASSETS		
Cash and cash equivalents	\$ 44,719,524	\$ 6,235,745
Investments	162,577,526	933,881
Receivables	452,593	101,577
Interest receivable	605,562	-
Due from other agencies	18,657,408	90,962
Inventories	3,191,006	13,211
Prepaid items	8,578	1,042,860
Prepaid insurance costs	208,565	-
Other assets	-	118,287
Capital assets:		
Land	53,421,542	1,713,236
Construction in progress	30,590,770	-
Leasehold improvements	-	439,259
Improvements other than buildings, net	43,770,737	-
Buildings and fixed equipment, net	932,054,959	19,186,689
Furniture, fixtures, and equipment, net	11,089,239	723,472
Motor vehicles, net	12,076,697	-
Property under capital lease, net	-	87,802
Computer software, net	5,871,424	-
Total assets	<u>1,319,296,130</u>	<u>30,686,981</u>
DEFERRED OUTFLOWS OF RESOURCES		
Deferred outflows related to pensions	124,520,409	-
Deferred outflows related to postemployment healthcare benefits	1,753,026	-
Net carrying amount of debt refunding	4,560,439	-
Total deferred outflows of resources	<u>130,833,874</u>	<u>-</u>
LIABILITIES		
Salaries and benefits payable	9,304,825	403,352
Payroll deductions and withholdings	8,551	-
Accounts payable	10,969,233	521,459
Construction contracts payable	4,505,546	-
Construction contracts payable - retainage	2,422,907	-
Accrued liabilities	-	68,136
Accrued interest payable	-	611,733
Due to other agencies	887,603	106,410
Compensated absences payable	-	126,920
Long-term liabilities:		
Portion due within one year:		
Obligations under capital leases	357,945	145,439
Notes payable	-	115,555
Bonds payable, net	2,452,565	-
Lease-purchase agreements payable, net	13,689,781	-
Compensated absences payable	4,528,914	-
Estimated insurance claims payable	2,831,606	-
Pension liability	2,505,297	-
Other postemployment benefits payable	1,753,026	-
Portion due in more than one year:		
Obligations under capital leases	715,920	293,355
Notes payable	-	1,893,005
Bonds payable, net	33,859,060	17,712,270
Lease-purchase agreements payable, net	217,020,547	-
Compensated absences payable	56,364,136	-
Estimated insurance claims payable	3,236,355	-
Pension liability	304,013,760	-
Other postemployment benefits payable	21,994,617	-
Total liabilities	<u>693,422,194</u>	<u>21,997,634</u>
DEFERRED INFLOWS OF RESOURCES		
Deferred inflows related to pensions	37,110,138	-
Deferred inflows related to postemployment healthcare benefits	1,228,581	-
Deferred gain on debt refunding	708,688	-
Total deferred inflows of resources	<u>39,047,407</u>	<u>-</u>
NET POSITION		
Net investment in capital assets	821,341,888	2,131,773
Restricted for:		
State required carryover programs	4,939,677	-
Debt service	1,691,284	1,229,311
Capital projects	123,565,389	185,457
Food service	12,321,162	-
Other purposes	-	1,216,236
Unrestricted (deficit)	(246,198,997)	3,926,570
Total net position	<u>\$ 717,660,403</u>	<u>\$ 8,689,347</u>

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

District School Board of Volusia County, Florida
Statement of Activities
For the Fiscal Year Ended June 30, 2019

FUNCTIONS	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Primary government:				
Governmental activities:				
Instruction	\$ 336,926,370	\$ -	\$ -	\$ -
Student personnel services	26,372,443	-	-	-
Instructional media services	6,140,703	-	-	-
Instruction and curriculum development services	22,873,958	-	-	-
Instructional staff training services	8,492,365	-	-	-
Instructional related technology	3,753,050	-	-	-
Board of education	687,678	-	-	-
General administration	4,343,626	-	-	-
School administration	40,804,998	-	-	-
Facilities services - non-capitalized	10,126,069	-	-	9,845,382
Fiscal services	2,934,627	-	-	-
Food services	28,272,432	4,117,173	25,022,223	-
Central services	7,108,894	-	-	-
Student transportation services	17,121,084	-	13,230	-
Operation of plant	38,335,470	-	-	-
Maintenance of plant	14,928,759	-	1,089,986	-
Administrative technology services	8,608,633	-	-	-
Community services	5,705,278	5,650,620	-	-
Interest on long-term debt	9,539,986	-	-	2,775,913
Unallocated depreciation expense	50,920,193	-	-	-
Total primary government	<u>\$ 643,996,616</u>	<u>\$ 9,767,793</u>	<u>\$ 26,125,439</u>	<u>\$ 12,621,295</u>
Component units:				
Charter schools	\$ 20,787,347	\$ 1,594,067	\$ 1,257,040	\$ 882,743
Futures, Inc.	897,697	13,459	878,015	-
Total component units	<u>\$ 21,685,044</u>	<u>\$ 1,607,526</u>	<u>\$ 2,135,055</u>	<u>\$ 882,743</u>

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

Total general revenues

Change in net position

Net position - July 1, 2018

Net position - June 30, 2019

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

Net (Expense) Revenue and Changes in Net Position

Primary Government

Governmental Activities	Component Units
\$ (336,926,370)	\$ -
(26,372,443)	-
(6,140,703)	-
(22,873,958)	-
(8,492,365)	-
(3,753,050)	-
(687,678)	-
(4,343,626)	-
(40,804,998)	-
(280,687)	-
(2,934,627)	-
866,964	-
(7,108,894)	-
(17,107,854)	-
(38,335,470)	-
(13,838,773)	-
(8,608,633)	-
(54,658)	-
(6,764,073)	-
(50,920,193)	-
(595,482,089)	-
-	(17,053,497)
-	(6,223)
-	(17,059,720)
175,963,797	-
55,131,999	-
44,814,724	-
328,115,697	16,682,545
5,604,430	45,329
9,387,194	209,022
619,017,841	16,936,896
23,535,752	(122,824)
694,124,651	8,812,171
\$ 717,660,403	\$ 8,689,347

District School Board of Volusia County, Florida
Balance Sheet -
Governmental Funds
June 30, 2019

	General Fund	Contracted Federal Programs - Special Revenue Fund	Local Capital Improvement - Capital Projects Fund	Local Sales Tax - Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS						
Cash and cash equivalents	\$ 79,686	\$ -	\$ 17,255,057	\$ 7,588,181	\$ 15,883,571	\$ 40,806,495
Investments	64,726,876	-	26,937,533	40,697,059	21,919,075	154,280,543
Receivables	133,155	-	-	13,752	307	147,214
Interest receivable	252,706	-	161,472	89,001	58,641	561,820
Due from other agencies	1,492,401	8,131,542	79,313	8,281,593	672,559	18,657,408
Due from other funds	7,139,341	-	-	-	-	7,139,341
Prepaid items	8,578	-	-	-	-	8,578
Inventories	1,429,372	-	-	-	1,761,634	3,191,006
Total assets	<u>\$ 75,262,115</u>	<u>\$ 8,131,542</u>	<u>\$ 44,433,375</u>	<u>\$ 56,669,586</u>	<u>\$ 40,295,787</u>	<u>\$ 224,792,405</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Salaries and benefits payable	\$ 8,219,373	\$ 962,204	\$ -	\$ -	\$ 122,192	\$ 9,303,769
Payroll deductions and withholdings	8,551	-	-	-	-	8,551
Accounts payable	9,596,877	29,997	965,051	289,774	87,286	10,968,985
Construction contracts payable	-	-	2,880,813	1,624,733	-	4,505,546
Construction contracts payable-retainage	-	-	1,204,865	1,045,760	172,282	2,422,907
Due to other agencies	887,603	-	-	-	-	887,603
Due to other funds	-	7,139,341	-	-	-	7,139,341
Total liabilities	<u>18,712,404</u>	<u>8,131,542</u>	<u>5,050,729</u>	<u>2,960,267</u>	<u>381,760</u>	<u>35,236,702</u>
Fund balances:						
Nonspendable:						
Inventory	1,429,372	-	-	-	1,761,634	3,191,006
Prepaid amounts	8,578	-	-	-	-	8,578
Restricted for:						
State required carryover programs	4,939,677	-	-	-	-	4,939,677
Food service	-	-	-	-	10,559,528	10,559,528
Debt service	-	-	-	-	1,691,284	1,691,284
Capital projects	-	-	39,382,646	53,709,319	25,901,581	118,993,546
Assigned for:						
Subsequent fiscal year's budget:						
Appropriation of fund balance	8,129,718	-	-	-	-	8,129,718
State and local programs	15,841,327	-	-	-	-	15,841,327
Unassigned	26,201,039	-	-	-	-	26,201,039
Total fund balances	<u>56,549,711</u>	<u>-</u>	<u>39,382,646</u>	<u>53,709,319</u>	<u>39,914,027</u>	<u>189,555,703</u>
Total liabilities and fund balances	<u>\$ 75,262,115</u>	<u>\$ 8,131,542</u>	<u>\$ 44,433,375</u>	<u>\$ 56,669,586</u>	<u>\$ 40,295,787</u>	<u>\$ 224,792,405</u>

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

District School Board of Volusia County, Florida
Reconciliation of the Governmental Funds Balance Sheet
to the Government-wide Statement of Net Position
June 30, 2019

Total Fund Balances - Governmental Funds **\$ 189,555,703**

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

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

Nondepreciable assets	\$ 84,012,312	
Depreciable assets	1,708,226,680	
Less: Accumulated depreciation	<u>(703,363,624)</u>	1,088,875,368

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

Deferred outflow - Net carrying amount of debt refunding	4,560,439	
Deferred inflow - Deferred gain on debt refunding	<u>(708,688)</u>	3,851,751

Prepaid insurance costs related to the issuance of debt is reported as an asset in the government-wide statements and amortized over the life of the debt, but is not reported in the governmental funds.

208,565

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

6,489,868

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

Obligations under capital lease	(1,073,865)	
Bonds payable	(36,311,625)	
Lease-purchase agreements payable	(230,710,328)	
Compensated absences payable	(60,893,050)	
Other postemployment benefits payable	<u>(23,747,643)</u>	(352,736,511)

The deferred outflows of resources and deferred inflows of resources related to other postemployment benefits are applicable to future periods and, therefore, are not reported in the governmental funds.

Deferred outflows related to other postemployment benefits	1,753,026	
Deferred inflows related to other postemployment benefits	<u>(1,228,581)</u>	524,445

On the statement of net position, the District's proportionate share of the net pension liability of the cost-sharing defined benefit pension plans in which the District participates is reported as a noncurrent liability. Additionally, deferred outflows and deferred inflows of resources related to pensions are reported.

Pension liability	(306,519,057)	
Deferred outflows related to pensions	124,520,409	
Deferred inflows related to pensions	<u>(37,110,138)</u>	(219,108,786)

Total Net Position - Governmental Activities **\$ 717,660,403**

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

District School Board of Volusia County, Florida
Statement of Revenues, Expenditures, and Changes in Fund Balances -
Governmental Funds
For the Fiscal Year Ended June 30, 2019

	General Fund	Contracted Federal Programs - Special Revenue Fund	Local Capital Improvement - Capital Projects Fund	Local Sales Tax - Capital Projects Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES						
Federal direct	\$ 455,903	\$ -	\$ -	\$ -	\$ -	\$ 455,903
Federal through State	3,198,496	45,426,920	-	-	24,707,683	73,333,099
Federal through local	10,186	326,957	-	-	-	337,143
State sources	276,441,104	-	-	-	7,208,421	283,649,525
Local sources:						
Ad valorem taxes	175,963,797	-	55,131,999	-	-	231,095,796
Sales taxes	-	-	-	44,814,724	-	44,814,724
Food service	-	-	-	-	4,305,879	4,305,879
Other local revenues	15,020,498	-	1,385,143	1,149,431	9,333,629	26,888,701
Total local revenues	190,984,295	-	56,517,142	45,964,155	13,639,508	307,105,100
Total revenues	471,089,984	45,753,877	56,517,142	45,964,155	45,555,612	664,880,770
EXPENDITURES						
Current:						
Instruction	303,015,998	21,318,934	-	-	-	324,334,932
Student personnel services	18,957,744	6,367,397	-	-	-	25,325,141
Instructional media services	5,882,080	-	-	-	-	5,882,080
Instruction and curriculum development services	13,602,759	8,397,752	-	-	-	22,000,511
Instructional staff training services	1,977,344	6,249,643	-	-	-	8,226,987
Instructional related technology	3,605,204	9,386	-	-	-	3,614,590
Board of education	635,048	-	-	-	-	635,048
General administration	2,127,631	2,095,801	-	-	-	4,223,432
School administration	37,188,592	1,926,888	-	-	-	39,115,480
Facilities services - non-capitalized	1,235,351	-	1,222,302	7,488,249	107,096	10,052,998
Fiscal services	2,789,372	-	-	-	-	2,789,372
Food services	-	-	-	-	27,664,362	27,664,362
Central services	6,845,044	40,787	-	-	-	6,885,831
Student transportation services	16,437,462	106,371	-	-	-	16,543,833
Operation of plant	37,846,166	22,776	-	-	-	37,868,942
Maintenance of plant	14,455,386	-	-	-	-	14,455,386
Administrative technology services	8,407,000	-	-	-	-	8,407,000
Community services	5,531,254	-	-	-	-	5,531,254
Debt service:						
Principal	-	357,915	-	-	13,044,000	13,401,915
Interest and fiscal charges	-	-	-	-	11,931,258	11,931,258
Capital outlay:						
Facilities acquisition and construction	-	-	35,205,357	20,903,417	8,964,919	65,073,693
Other capital outlay	116,710	70,372	4,765,444	9,063,006	710,120	14,725,652
Total expenditures	480,656,145	46,964,022	41,193,103	37,454,672	62,421,755	668,689,697
Excess (deficiency) of revenues over (under) expenditures	(9,566,161)	(1,210,145)	15,324,039	8,509,483	(16,866,143)	(3,808,927)
OTHER FINANCING SOURCES (USES)						
Proceeds from sale of capital assets	230,850	-	-	-	2,648,682	2,879,532
Inception of capital lease	-	1,431,780	-	-	-	1,431,780
Loss recoveries	-	-	412,391	15,355	-	427,746
Transfers in	9,446,256	-	122,161	-	24,635,187	34,203,604
Transfers out	-	(221,635)	(24,990,927)	(4,397,440)	(4,693,076)	(34,303,078)
Total other financing sources (uses)	9,677,106	1,210,145	(24,456,375)	(4,382,085)	22,590,793	4,639,584
Net change in fund balances	110,945	-	(9,132,336)	4,127,398	5,724,650	830,657
Fund balances, July 1, 2018	56,438,766	-	48,514,982	49,581,921	34,189,377	188,725,046
Fund balances, June 30, 2019	\$ 56,549,711	\$ -	\$ 39,382,646	\$ 53,709,319	\$ 39,914,027	\$ 189,555,703

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

District School Board of Volusia 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, 2019

Net Change in Fund Balances - Total Governmental Funds

\$ 830,657

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

Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of those assets is allocated over their estimated useful lives as depreciation expense. This is the amount of capital outlays in excess of depreciation expense in the current period.

Capital outlay - facilities acquisition and construction:	\$ 65,073,693	
Capital outlay - other capital outlay:	14,725,652	
Less, depreciation expense:	<u>(50,920,193)</u>	28,879,152

Capital assets donated to the District during the current period increase net position on the government-wide statements, but do not provide current financial resources and are not reported as revenues in the governmental funds.

40,159

Proceeds from the sale of land are included in the governmental funds. However, the cost of the land sold is removed from capital assets and offset against the sale proceeds in the government-wide statements.

(695,839)

Prepaid insurance costs relating to the issuance of debt are expensed as incurred at the fund level, but amortized over the life of the debt and reported as interest on long-term debt in the statement of activities.

Prepaid insurance - current year:	208,565	
Prepaid insurance - prior year:	<u>224,609</u>	(16,044)

Refunding gains and losses result from the difference between the reacquisition cost of the refunded debt and the net carrying amount. Refunding gains or losses are amortized over the life of the related debt in the statement of activities.

Deferred amount on refunding, net - current year:	3,851,751	
Deferred amount on refunding, net - prior year:	<u>4,080,781</u>	(229,030)

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

Unamortized premiums - current year:	(28,655,953)	
Unamortized premiums - prior year:	<u>(31,292,299)</u>	2,636,346

Long-term debt proceeds provide current financial resources to the governmental funds, but issuing debt increases long-term debt in the statement of net position.

(1,431,780)

Repayments of long-term debt are expenditures in the governmental funds, but repayments reduce long-term liabilities in the statement of net position.

Obligations under capital lease:	357,915	
Bond repayments:	1,979,000	
Lease-purchase agreement repayments:	<u>11,065,000</u>	13,401,915

The net change in the liability for other postemployment benefits is reported in the government-wide statements, but not in the governmental fund statements.

Deferred outflows related to other postemployment benefits - current year:	1,753,026	
Deferred outflows related to other postemployment benefits - prior year:	<u>1,865,981</u>	(112,955)
Other postemployment benefits payable - current year:	(23,747,643)	
Other postemployment benefits payable - prior year:	<u>(22,346,432)</u>	(1,401,211)
Deferred inflows related to other postemployment benefits - current year:	(1,228,581)	
Deferred inflows related to other postemployment benefits - prior year:	<u>(976,285)</u>	(252,296)

Governmental funds report contributions to defined benefit plans as expenditures. However, in the statement of activities, the amount contributed to defined benefit plans reduces future net pension liability and is reported as part of deferred outflows and deferred inflows of resources.

In the statement of activities, pension expense is recorded for the District's proportionate share of collective pension expense of the cost-sharing defined benefit plans in which the District participates.

Also included in pension expense are amounts required to be amortized in accordance with GASB Statement No. 68.

Deferred outflows related to pensions - current year:	124,520,409	
Deferred outflows related to pensions - prior year:	<u>127,830,662</u>	(3,310,253)
Pension liability - current year:	(306,519,057)	
Pension liability - prior year:	<u>(307,220,629)</u>	701,572
Deferred inflows related to pensions - current year:	(37,110,138)	
Deferred inflows related to pensions - prior year:	<u>(25,548,035)</u>	(11,562,103)

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

99,474

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 in excess of the amount paid in the current period.

(4,042,012)

Change in Net Position of Governmental Activities

\$ 23,535,752

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

District School Board of Volusia County, Florida
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -
General Fund
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
REVENUES				
Federal direct:				
Reserve Officers Training Corp (ROTC)	\$ 320,000	\$ 413,803	\$ 413,803	\$ -
Miscellaneous Federal direct	-	42,100	42,100	-
Total Federal direct	320,000	455,903	455,903	-
Federal through State:				
Medicaid	2,725,000	2,067,050	2,067,050	-
Miscellaneous Federal through State	-	1,131,446	1,131,446	-
Total Federal through State	2,725,000	3,198,496	3,198,496	-
Federal through local:				
Miscellaneous Federal through local	-	10,186	10,186	-
State sources:				
Florida education finance program	205,499,179	199,882,933	199,882,933	-
Other restricted State programs	69,211,976	69,008,775	69,008,775	-
CO&DS withheld for administrative expense	34,900	34,833	34,833	-
Other State sources	906,244	7,514,563	7,514,563	-
Total State sources	275,652,299	276,441,104	276,441,104	-
Local sources:				
Ad valorem taxes	174,971,114	175,963,797	175,963,797	-
Interest income	250,000	2,444,862	2,444,862	-
Authorized fees	-	5,104,771	5,104,771	-
Indirect cost	2,500,000	2,871,608	2,871,608	-
Other local sources	3,126,465	4,599,257	4,599,257	-
Total local sources	180,847,579	190,984,295	190,984,295	-
Total revenues	459,544,878	471,089,984	471,089,984	-
EXPENDITURES				
Current:				
Instruction	316,973,563	312,628,348	303,015,998	9,612,350
Student personnel services	19,561,875	20,323,516	18,957,744	1,365,772
Instructional media services	6,874,708	6,397,411	5,882,080	515,331
Instruction and curriculum development services	11,400,628	14,046,946	13,602,759	444,187
Instructional staff training services	1,170,794	2,587,646	1,977,344	610,302
Instructional related technology	6,058,554	4,406,743	3,605,204	801,539
Board of education	667,868	665,359	635,048	30,311
General administration	1,911,295	2,208,737	2,127,631	81,106
School administration	36,449,506	37,686,250	37,188,592	497,658
Facilities services - non-capitalized	74,767	1,236,776	1,235,351	1,425
Fiscal services	2,834,660	2,807,972	2,789,372	18,600
Central services	8,138,390	8,192,480	6,845,044	1,347,436
Student transportation services	17,419,798	16,509,418	16,437,462	71,956
Operation of plant	37,533,560	38,318,955	37,846,166	472,789
Maintenance of plant	14,895,723	14,818,909	14,455,386	363,523
Administrative technology services	10,827,788	9,493,614	8,407,000	1,086,614
Community services	2,995,246	8,965,477	5,531,254	3,434,223
Capital outlay:				
Other capital outlay	14,758	142,592	116,710	25,882
Total expenditures	495,803,481	501,437,149	480,656,145	20,781,004
Excess (deficiency) of revenues over (under) expenditures	(36,258,603)	(30,347,165)	(9,566,161)	20,781,004
OTHER FINANCING SOURCES				
Proceeds from sale of capital assets	250,000	230,850	230,850	-
Transfers in	8,245,831	9,446,256	9,446,256	-
Total other financing sources	8,495,831	9,677,106	9,677,106	-
Net change in fund balances	(27,762,772)	(20,670,059)	110,945	20,781,004
Fund balances, July 1, 2018	56,438,766	56,438,766	56,438,766	-
Fund balances, June 30, 2019	\$ 28,675,994	\$ 35,768,707	\$ 56,549,711	\$ 20,781,004

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

District School Board of Volusia County, Florida
Statement of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -
Contracted Federal Programs - Special Revenue Fund
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
REVENUES				
Federal through State and local:				
Career and Technical Education	\$ 615,251	\$ 697,659	\$ 697,659	\$ -
Teacher and Principal Training and Recruiting - Title II - Part A	2,207,910	2,431,647	2,078,522	(353,125)
Individuals with Disabilities Education Act (IDEA)	15,667,214	17,246,984	15,804,105	(1,442,879)
Elementary and Secondary Education Act - Title I	21,955,920	25,887,539	22,101,791	(3,785,748)
Language Instruction - Title III	572,510	662,329	606,682	(55,647)
Twenty-First Century Schools - Title IV	1,015,349	1,608,163	1,137,718	(470,445)
Other Federal through local	-	326,957	326,957	-
Other Federal through State	1,466,910	3,597,319	3,000,443	(596,876)
Total Federal through State and local	<u>43,501,064</u>	<u>52,458,597</u>	<u>45,753,877</u>	<u>(6,704,720)</u>
Total revenues	<u>43,501,064</u>	<u>52,458,597</u>	<u>45,753,877</u>	<u>(6,704,720)</u>
EXPENDITURES				
Current:				
Instruction	17,754,785	24,576,965	21,318,934	3,258,031
Student personnel services	5,202,727	7,100,213	6,367,397	732,816
Instruction and curriculum development services	8,043,348	9,860,156	8,397,752	1,462,404
Instructional staff training services	8,221,701	7,193,989	6,249,643	944,346
Instructional related technology	8,700	10,033	9,386	647
General administration	1,983,648	2,305,949	2,095,801	210,148
School administration	2,053,250	1,973,970	1,926,888	47,082
Central services	8,700	46,776	40,787	5,989
Student transportation services	91,352	131,586	106,371	25,215
Operation of plant	21,751	28,763	22,776	5,987
Debt service:				
Principal	-	357,915	357,915	-
Capital outlay:				
Other capital outlay	111,102	82,427	70,372	12,055
Total expenditures	<u>43,501,064</u>	<u>53,668,742</u>	<u>46,964,022</u>	<u>6,704,720</u>
Excess of revenues over expenditures	<u>-</u>	<u>(1,210,145)</u>	<u>(1,210,145)</u>	<u>-</u>
OTHER FINANCING SOURCES (USES)				
Inception of capital lease	-	1,431,780	1,431,780	-
Transfers out	-	(221,635)	(221,635)	-
Total other financing sources (uses)	<u>-</u>	<u>1,210,145</u>	<u>1,210,145</u>	<u>-</u>
Net change in fund balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, July 1, 2018	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances, June 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

District School Board of Volusia County, Florida
Statement of Fund Net Position -
Proprietary Funds
June 30, 2019

	Governmental Activities - Internal Service Funds
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 3,913,029
Investments	8,296,983
Receivables	305,379
Interest receivable	43,742
Total assets	<u>12,559,133</u>
LIABILITIES	
Current liabilities:	
Salaries and benefits payable	1,056
Accounts payable	248
Estimated insurance claims payable	2,831,606
Noncurrent liabilities:	
Estimated insurance claims payable	<u>3,236,355</u>
Total liabilities	<u>6,069,265</u>
NET POSITION	
Unrestricted	6,489,868
Total net position	<u>\$ 6,489,868</u>

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

District School Board of Volusia County, Florida
Statement of Revenues, Expenses, and
Changes in Fund Net Position -
Proprietary Funds
For the Fiscal Year Ended June 30, 2019

	Governmental Activities - Internal Service Funds
OPERATING REVENUES	
Premium revenue	\$ 6,884,604
Total operating revenues	<u>6,884,604</u>
OPERATING EXPENSES	
Salaries	81,353
Employee benefits	21,364
Purchased services	4,130,302
Materials and supplies	4,292
Capital outlay	690
Insurance claims and related costs	3,023,838
Total operating expenses	<u>7,261,839</u>
Operating loss	<u>(377,235)</u>
NONOPERATING REVENUES	
Interest	377,235
Total nonoperating revenues	<u>377,235</u>
Income before operating transfers	-
Transfers in	99,474
Change in net position	99,474
Net position - July 1, 2018	6,390,394
Net position - June 30, 2019	<u>\$ 6,489,868</u>

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

District School Board of Volusia County, Florida
Statement of Cash Flows -
Proprietary Funds
For the Fiscal Year Ended June 30, 2019

	Governmental Activities - Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from premium revenues	\$ 6,884,604
Payments to suppliers for goods and services	(4,136,023)
Payments to employees	(102,548)
Payments for insurance claims	(2,763,975)
Net cash used by operating activities	<u>(117,942)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES	
Capital grant	99,474
Net cash provided by capital and related financing activities	<u>99,474</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from sales and maturities of investments	794,903
Interest income	370,284
Purchase of investments	(54,912)
Net cash provided by investing activities	<u>1,110,275</u>
Net change in cash and cash equivalents	1,091,807
Cash and cash equivalents - July 1, 2018	<u>2,821,222</u>
Cash and cash equivalents - June 30, 2019	<u><u>\$ 3,913,029</u></u>
Reconciliation of operating loss to net cash used by operating activities:	
Operating loss	\$ (377,235)
Adjustments to reconcile operating loss to net cash used by operating activities:	
Changes in assets and liabilities:	
Increase in accounts receivable	(305,379)
Decrease in salaries and benefits payable	(531)
Decrease in accounts payable	(39)
Increase in estimated insurance claims payable	565,242
Net cash used by operating activities	<u><u>\$ (117,942)</u></u>
Noncash investing activities:	
Net increase in the fair value of investments	<u><u>\$ 108,216</u></u>

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

District School Board of Volusia County, Florida
Statement of Fiduciary Net Position -
Fiduciary Funds
June 30, 2019

	Private-Purpose Trust Funds	Agency Funds
ASSETS		
Cash and cash equivalents	\$ 235,517	\$ 3,920,838
Investments	620,822	2,379,178
Receivables	-	11,000
Interest receivable	222	-
Total assets	856,561	\$ 6,311,016
LIABILITIES		
Accounts payable	\$ -	\$ 231,974
Deposits held for others	-	6,079,042
Total liabilities	-	\$ 6,311,016
NET POSITION		
Held in trust for scholarships and other purposes	\$ 856,561	

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

District School Board of Volusia County, Florida
Statement of Changes in Fiduciary Net Position -
Fiduciary Funds
For the Fiscal Year Ended June 30, 2019

	Private-Purpose Trust Funds
ADDITIONS	
Interest earnings	\$ 21,459
DEDUCTIONS	
Scholarship payments	6,162
Total deductions	6,162
Change in net position	15,297
Net position - July 1, 2018	841,264
Net position - June 30, 2019	\$ 856,561

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



Notes to the Financial Statements

District School Board of Volusia County, Florida

Notes to the Financial Statements

June 30, 2019

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The District School Board of Volusia County (the District) has direct responsibility for operation, control, and supervision of District schools, and is considered a primary government for financial reporting. The District is part of the Florida system of public education. The governing body of the District is the Volusia County District School Board (Board), which is composed of five elected members. The appointed Superintendent of Schools is the executive officer of the District. Geographic boundaries of the District correspond with those of Volusia County.

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 Standards Board's (GASB) *Codification of Governmental Accounting and Financial Reporting Standards*, Sections 2100 and 2600. The application of these criteria provides for identification of any entities for which the District is financially accountable and other organizations that 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 District considered its charter school operated by Easter Seals Educational Services, Inc., for inclusion in its reporting entity; however, because Easter Seals Educational Services, Inc. is a component unit of a nongovernmental not-for-profit organization, it does not meet the criteria for inclusion as a component unit of the District. The charter school's financial statements were audited by an independent certified public accountant and are filed in the District's administrative office.

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

Blended Component Unit. The Volusia School Board Leasing Corporation (the Corporation) was formed to facilitate financing for the acquisition of facilities and equipment. Due to the substantive economic relationship between the District and the Corporation and their shared governing body, the financial activities of the Corporation are included in the accompanying basic financial statements. Separate financial statements for the Corporation are not published.

Discretely Presented Component Units. The component unit columns in the basic financial statements include the financial data of the District's other component units. These component units consist of Futures, Inc. (Futures), and six of the District's charter schools: Reading Edge Academy, Inc., Samsula Academy, The Chiles Academy, Inc., Richard Milburn Academy of Volusia County, Ivy Hawn Charter School of the Arts, and Burns Science and Technology Charter School, Inc.

Futures is a separate not-for-profit corporation organized and operated as a direct-support organization under Section 1001.453, Florida Statutes, to provide charitable and educational aid to the District, to promote education, and to encourage research, learning and dissemination of information. Futures is considered to be a component unit of the District, because the District must approve all members of Futures' Board, and the District has the ability to impose its will on Futures. It is considered to be a discretely presented component unit, because the two boards are not the same and Futures does not provide services entirely or nearly entirely to the District. An audit of the direct-support organization's financial statements for the fiscal year ended June 30, 2019, was conducted by an independent certified public accountant and is filed in the District's administrative office.

The District's charter schools are separate not-for-profit corporations organized pursuant to Chapter 617, Florida Statutes, the Florida Not for Profit Corporation Act, and Section 1002.33, Florida Statutes. The charter schools operate under a charter approved by their sponsor, the District School Board of Volusia County. The District used guidance provided by the Florida Department of Education for inclusion of the charter schools in the District's reporting entity, in

District School Board of Volusia County, Florida
Notes to the Financial Statements
June 30, 2019

part due to exclusion being considered misleading. 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.

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 office.

B. Basis of Presentation

Government-wide Financial Statements – Government-wide financial statements, including the statement of net position and the statement of activities, present information about the School District as a whole. These statements include the nonfiduciary financial activity of the primary government and its component units.

Government-wide financial statements are prepared using the economic resources measurement focus. The statement of activities presents a comparison between direct expenses and program revenues for each function or program of the District's governmental activities. Direct expenses are those that are specifically associated with a service, program, or department and are thereby clearly identifiable to a particular function. Program revenues include charges paid by the recipient of the goods or services offered by the program and grants and contributions that are restricted to meeting the operational or capital requirements of a particular program. Revenues that are not classified as program revenues are presented as general revenues. The comparison of direct expenses with program revenues identifies the extent to which each governmental function is self-financing or draws from the general revenues of the District.

Eliminations have been made to minimize the double-counting of internal service fund activities. The effect of interfund activities has been eliminated from the government-wide statements, except for interfund services provided and used.

Fund Financial Statements – Fund financial statements report detailed information about the District in the governmental, proprietary, and fiduciary funds. The focus of governmental fund financial statements is on major funds rather than reporting funds by type. Each major fund is reported in a separate column. Nonmajor funds are aggregated and reported in a single column. Because the focus of governmental fund financial statements differs from the focus of government-wide financial statements, a reconciliation is presented with each of the governmental fund financial statements.

The District reports the following major governmental funds:

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

Contracted Federal Programs – Special Revenue Fund – to account for certain Federal grant program resources.

Local Capital Improvement - Capital Projects Fund – to account for the financial resources generated by the local capital improvement tax levy to be used for educational capital outlay needs, including new construction, renovation and remodeling projects, leases on relocatable educational facilities, and debt service payments on certificates of participation.

Local Sales Tax – Capital Projects Fund – to account for and report on funds received by the District from a voted one-half cent sales tax authorized under Section 212.055(6), Florida Statutes, approved by voters, and agreed to by an interlocal agreement.

District School Board of Volusia County, Florida
Notes to the Financial Statements
June 30, 2019

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

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

Private-Purpose Trust Funds – to account for the Spruce Creek High, Seabreeze High, and Samsula Scholars scholarship trust funds.

Agency Funds – to account for resources of the school internal funds that are used to administer moneys collected at the several schools in connection with school, student athletic, class, and club activities and to account for resources that are held for a voluntary employee benefits program.

C. Basis of Accounting

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

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

Governmental fund financial statements are prepared utilizing the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized in the accounting period in which they become susceptible to accrual, that is, both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Significant revenues susceptible to accrual include ad valorem taxes, reimbursable-type grants, and interest on investments. The District considers revenues to be available if they are collected within 60 days of the end of the current fiscal year. Under the modified accrual basis of accounting, expenditures are generally recognized when the related fund liability is incurred, except for principal and interest on long-term debt, claims and judgments, and compensated absences, which are recognized when due. Allocations of cost, such as depreciation, are not recognized in governmental funds.

Agency Funds are purely custodial in nature (assets equal liabilities) and, as such, do not have a measurement focus, but utilize the accrual basis of accounting for reporting assets and liabilities. Private-purpose trust funds are reported using the economic resources measurement focus.

In applying the "susceptible to accrual" concept to revenues from Federal and State sources, the legal contractual requirements of the numerous individual programs are used as guidance. There are, however, essentially two types of revenues. In one, monies must be expended for the specific purpose before the District will receive any amounts; therefore, revenues are recognized based upon the incurrence of the expenditures. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed legal and contractual requirements. These resources are reflected as revenues at the time of receipt or earlier if the "susceptible to accrual" criteria are met. In all cases, monies received before the revenue recognition criteria have been met, are reported as unearned revenue.

The Proprietary Funds are prepared under the economic resources measurement focus and the accrual basis of accounting. Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating

District School Board of Volusia County, Florida
Notes to the Financial Statements
June 30, 2019

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 workers' compensation, general liability, and property insurance. The principal operating expenses include salaries and benefits for employees, insurance claims, and excess coverage insurance. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses. Unrestricted net position in the internal service funds is designated for future losses.

When both restricted and unrestricted resources are available for use, it is the District's policy to use restricted resources first, and then unrestricted resources as they are needed. When both assigned and unassigned resources are available for use in governmental fund financial statements, it is the District's policy to use assigned resources first, and then unassigned resources as they are needed.

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

Futures is accounted for under the not-for-profit basis of accounting and uses the accrual basis of accounting whereby revenues are recognized when earned and expenses are recognized when incurred.

D. Deposits and Investments

The amount reported as cash and cash equivalents consist of cash on hand, demand deposits, and cash placed with the State Board of Administration (SBA) Florida PRIME fund, created pursuant to Section 218.405, Florida Statutes. The statement of cash flows considers cash and cash equivalents as cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition. Under this definition, the District considers amounts invested in Florida PRIME to be cash equivalents.

Cash deposits are held by banks qualified as public depositories under Florida law, and at June 30, 2019, the bank balances totaled \$22,498,481. 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.

At June 30, 2019, the District reported as cash equivalents \$34,247,362 of moneys held in Florida PRIME administered by SBA, pursuant to Section 215.47, Florida Statutes. The District's investments in Florida PRIME, which SBA indicates is a Securities and Exchange Commission Rule qualifying external investment pool, as of June 30, 2019, are similar to money market funds in which shares are owned in the fund rather than the underlying investments.

Investments consist of amounts placed with SBA in a debt service account and those made locally.

The District's investments in the SBA Debt Service accounts are administered by the State Board of Education (SBE) to provide for debt service payments on bonded debt issued by SBE for the benefit of the District. Disclosures for the debt service accounts are included in the notes to the financial statements of the State of Florida's Comprehensive Annual Financial Report.

Investments also consist of United States Treasury Obligations, Obligations of United States Government Agencies and Instrumentalities, commercial paper, municipal bonds, corporate notes, Florida Public Assets for Liquidity Management (FL PALM) formerly known as Florida Education Investment Trust Fund (FEITF), and money market funds and are reported at net asset value or amortized cost, depending on the type of investment. Types and amounts of investments held at fiscal year-end are described in a subsequent note on investments.

District School Board of Volusia County, Florida
Notes to the Financial Statements
June 30, 2019

E. Inventories and Prepaid Items

Inventories consist of expendable supplies held for consumption in the course of District operations. Warehouse, transportation, and maintenance inventories are valued on a moving average basis. Purchased food inventories at the schools and warehouse are valued at cost on the first-in, first-out basis. The United States Department of Agriculture surplus commodities are stated at their fair value as determined at the time of donation to the District's food service program by the Florida Department of 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 government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

F. 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 costs if purchased or constructed. Donated assets are recorded at acquisition value at the time of donation. 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 are depreciated using the straight-line method over the following estimated useful lives:

<u>Description</u>	<u>Estimated Lives</u>
Improvements Other than Buildings	20 years
Buildings and Fixed Equipment	40 years
Furniture, Fixtures and Equipment	5 years
Motor Vehicles	10 years
Audio Visual Materials	3 years
Computer Software	5 years

Land and construction in progress are not depreciated. Current-year information relative to changes in capital assets is described in a subsequent note.

G. 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/deductions from the FRS and the HIS fiduciary net position have been determined on the same basis as they are reported by the FRS and the HIS plans. For this purpose, defined benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

District School Board of Volusia County, Florida
Notes to the Financial Statements
June 30, 2019

H. Long-Term Liabilities

Long-term obligations that will be financed from resources to be received in the future by governmental funds are reported as liabilities in the government-wide statement of net position. Bond and lease-purchase agreement premiums and discounts, as well as prepaid insurance related to issuances, are deferred and amortized over the life of the debt using the straight-line method. Bond and lease-purchase agreement issuance costs are recognized in the current period. Bonds and lease-purchase agreements payable are reported net of the applicable premium or discount.

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

In the government-wide financial statements, compensated absences (i.e., paid absences for employee vacation leave and sick leave) are accrued as liabilities to the extent that it is probable that the benefits will result in termination payments. A liability is reported in the governmental fund financial statements only for the current portion of compensated absences expected to be paid using expendable available resources. The liability is liquidated with expendable available resources, and expenditures are recognized as payments come due each period upon the occurrence of relevant events, such as employee resignations and retirements.

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

I. Deferred Outflows / Inflows of Resources

In addition to assets, the statement of net position reports a separate section for deferred outflows of resources. This separate financial statement element, *deferred outflows of resources*, represents a consumption of net position that applies to future periods and so will not be recognized as an outflow of resources (expense) until then. The District has three items that qualify for reporting in this category. The deferred outflows of resources related to pensions and OPEB are discussed in subsequent notes. The third item is the net carrying amount of loss on debt refundings. A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price, resulting in a loss for accounting purposes. This amount is deferred and amortized over the shorter of the life of the refunded debt or new refunding debt.

In addition to liabilities, the statement of net position reports a separate section for deferred inflows of resources. This separate financial statement element, *deferred inflows of resources*, represents an acquisition of net position that applies to future periods and so will not be recognized as an inflow of resources (revenue) until that time. The District has three items that qualify for reporting as deferred inflows of resources in the government-wide statement of net position. The deferred inflows of resources related to pensions and OPEB are discussed in subsequent notes. In the government-wide statement of net position, the third item is the net carrying amount of gain on debt refundings. The amount is the difference between the reacquisition price and the net carrying amount of the old debt, resulting in a gain for accounting purposes. The amount is deferred and amortized over the shorter of the life of the refunded debt or new refunding debt.

District School Board of Volusia County, Florida
Notes to the Financial Statements
June 30, 2019

J. 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.

K. State Revenue Sources

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

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

The State allocates gross receipt 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 a subsequent note.

L. 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 Volusia County Property Appraiser and property taxes are collected by the Volusia County Finance Department.

The School Board adopted the 2018 tax levy on September 11, 2018. Tax bills are mailed in October and taxes are payable between November 1 of the year assessed and March 31 of the following year at discounts of up to 4 percent for early payment. Taxes become an enforceable lien on January 1.

District School Board of Volusia County, Florida

Notes to the Financial Statements

June 30, 2019

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

Property tax revenues are recognized in the government-wide financial statements when the Board adopts the tax levy. Property tax revenues are recognized in the governmental fund financial statements when taxes are received by the District, except that revenue is accrued for taxes collected by the Volusia County Finance Department at fiscal year-end but not yet remitted to the District.

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

M. School Capital Outlay Surtax (Local Sales Tax)

The citizens of Volusia County, on October 9, 2001, approved a one-half cent sales tax authorized under Section 212.055(6), Florida Statutes. The surtax levy commenced on January 1, 2002, and was in effect for a period of fifteen years through December 31, 2016. The citizens of Volusia County, on August 26, 2014, approved an extension of the one-half cent sales tax that expired on December 31, 2016. The extension was authorized for another fifteen years beginning January 1, 2017.

N. 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.

O. Budgetary Compliance and Accountability

The Board follows procedures established by Chapter 1001.51, Florida Statutes, and State Board of Education Administrative Rules, Chapter 6A-1, in establishing budget balances for governmental funds as described below:

- Budgets are prepared, public hearings are held, and original budgets are adopted annually for all governmental fund types in accordance with procedures and time intervals prescribed by law and State Board of Education rules.
- The legal level of control is at the functional level (e.g., instruction, pupil personnel services, and school administration) with control exercised at the object level (e.g., salaries, purchased services, and capital outlay) within each function. Appropriations are amended accordingly by resolution at any School Board meeting prior to the due date of 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.

District School Board of Volusia County, Florida

Notes to the Financial Statements

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2. INVESTMENTS

As of June 30, 2019, the District had the following investments:

Investments	Fair Value Measurements			
	Value	Level 1	Level 2	Level 3
Investments measured at fair value:				
U.S. Government Securities	\$ 64,540,004	\$ -	\$ 64,540,004	\$ -
U.S. Government Agencies and Instrumentalities	8,240,384	-	8,240,384	-
Corporate Notes	6,341,159	-	6,341,159	-
Municipal Bonds	793,279	-	793,279	-
Total investments measured at fair value:	79,914,826	\$ -	\$ 79,914,826	\$ -
Investments measured at net asset value (NAV):				
Florida PALM	42,403,065			
Total investments measured at NAV:	42,403,065			
Investments measured at amortized cost:				
Commercial Paper	32,402,603			
SBA - Florida PRIME ⁽¹⁾	34,247,362			
SBA - Debt Service Accounts ⁽¹⁾⁽²⁾	5,722			
Money Market Funds	10,857,032			
Total investments measured at amortized cost:	77,512,719			
Total Investments:	\$ 199,830,610			

⁽¹⁾ Reported as cash and cash equivalents in the financial statements.

⁽²⁾ Administered by the State Board of Education

The District categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets, level 2 inputs are significant other observable inputs, and level 3 inputs are significant unobservable inputs. The District's recurring fair value measurements are valued using quoted prices for similar assets in active markets or for identical or similar assets in inactive markets (Level 2 inputs). Investments using net asset value or amortized cost, which approximate fair value, have not been classified in the fair value hierarchy. All investments may be redeemed without advance notice and there are no limitations as to the frequency of redemptions for any investment pool. The District has no unfunded commitments to invest in any investment pool.

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The District's investment policy limits the length of investments to the type of investments up to a maximum of five and a half years and, to the extent possible, investment of current operating funds to twelve months.

For Florida PRIME, with regard to redemption gates, Section 218.409(8)(a), Florida Statutes, states, "The principal, and any part thereof, of each account constituting the trust fund is subject to payment at any time from the moneys in the trust fund. However, the executive director may, in good faith, on the occurrence of an event that has a material impact on liquidity or operations of the trust fund, for 48 hours limit contributions to or withdrawals from the trust fund to ensure that the Board [State Board of Administration] can invest moneys entrusted to it in exercising its fiduciary responsibility. Such action must be immediately disclosed to all participants, the trustees, the Joint Legislative Auditing Committee, the Investment Advisory Council, and the Participant Local Government Advisory Council. The trustees shall convene an emergency meeting as soon as practicable from the time the executive director has instituted such measures and review the necessity of those measures. If the trustees are unable to convene an emergency meeting before the expiration of the 48-hour moratorium on contributions and withdrawals, the moratorium may be extended by the executive director until the trustees are able to meet to review the necessity for the moratorium. If the trustees agree with such measures, the trustees shall vote to continue the measures for up to an additional 15 days. The

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Notes to the Financial Statements

June 30, 2019

trustees must convene and vote to continue any such measures before the expiration of the time limit set, but in no case may the time limit set by the trustees exceed 15 days." As of June 30, 2019, there were no redemption fees, maximum transaction amounts, or any other requirements that serve to limit a participant's daily access to 100 percent of their account value.

As of June 30, 2019, the District had the following investments by fund and interest rate risk:

Investments by Fund (1)	Fair Value	Investment Maturities					
		< 6 Months	< 1 Year	< 2 Years	< 3 Years	3 - 5 Years	> 5 Years
Major Governmental Funds:							
General Fund	\$ 64,726,876	\$ 55,270,871	\$ 318,819	\$ 3,452,692	\$ 4,919,815	\$ 263,793	\$ 500,886
Capital Project Funds:							
Local Capital Improvement	38,986,381	32,470,037	478,794	2,805,729	2,672,786	265,060	293,975
Local Sales Tax	48,285,240	45,394,867	-	2,236,253	654,120	-	-
Nonmajor Governmental Funds	31,804,662	31,211,047	-	430,414	163,201	-	-
Internal Service Funds	12,210,012	7,384,518	49,872	1,653,378	2,473,569	88,114	560,561
Fiduciary Funds	3,817,439	3,817,439	-	-	-	-	-
Total Investments:	\$ 199,830,610	\$ 175,548,779	\$ 847,485	\$ 10,578,466	\$ 10,883,491	\$ 616,967	\$ 1,355,422

(1) Florida Prime is reported as cash and cash equivalents in the financial statements: \$12,048,848 Local Capital Improvement Fund; \$7,588,181 Local Sales Tax Fund; \$9,885,587 Nonmajor Funds; \$3,913,029 Internal Service Funds; and \$817,439 Fiduciary Funds.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. District policy allows for the following investments:

Investments in negotiable direct obligations of the United States Government, Governmental agencies, and Federal instrumentalities with maturities and average life of less than five and a half years. As of June 30, 2019, the District had investments in United States Treasury securities with a fair value of \$64,540,004 and in obligations of the United States Government agencies and Federal instrumentalities with a fair value of \$8,240,384. Obligations of the United States Government agencies and instrumentalities were rated "AA+" by Standard & Poor's.

Investments in commercial paper with maturities less than 270 days. As of June 30, 2019, the District had investments in commercial paper with a fair value of \$32,402,603. Investments in commercial paper were rated "A-1" and "A-1+" by Standard & Poor's.

Investments in municipal bonds with maturities less than five and a half years. As of June 30, 2019, the District had investments in municipal bonds with a fair value of \$793,279. Investments in municipal bonds were rated "AA" and "AA-" by Standard & Poor's.

Investments in corporate notes with maturities less than five and a half years. As of June 30, 2019, the District had investments in corporate notes with a fair value of \$6,341,159. Investments in corporate notes were rated "AA+", "AA", "AA-", "A+", "A", "A-", and "BBB+" by Standard & Poor's.

Investments in an intergovernmental investment pool rated "AAAm" by Standard & Poor's. As of June 30, 2019, the District had investments in an intergovernmental investment pool rated "AAAm" by Standard & Poor's with a fair value of \$42,403,065.

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Investments in money market mutual funds that are rated “AAAm” by Standard & Poor’s. As of June 30, 2019, the District had investments in Fidelity Institutional Government with a fair value of \$10,857,032, which is rated “AAAm” by Standard & Poor’s.

The District’s investments in the SBA debt service accounts totaling \$5,722 are to provide for debt service payments on bond debt issued by the SBE for the benefit of the District. The District relies on policies developed by the SBA for managing interest rate risk and credit risk for this account. Disclosures for the Debt Service Accounts are included in the notes to financial statements of the State’s Comprehensive Annual Financial Report.

Custodial Credit Risk

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to a transaction, the District will not be able to recover the value of investment or collateral securities that are in the possession of an outside party. District policies require that all securities be held in the District’s name in custodial accounts by a third party custodian. All securities were held in custodial accounts in the District’s name by a third party custodial bank.

Concentration of Credit Risk

Concentration of credit risk is the risk of loss attributed to the magnitude of the District’s investment in a single issuer. Composition of investment portfolio, calculated based on the original cost, is limited by District policy as follows:

- United States government securities are limited to 100 percent of the portfolio.
- Federal instrumentalities are limited to 75 percent of the portfolio and a maximum of 40 percent with any single issuer.
- Agency mortgage-backed securities are limited to 25 percent of the portfolio and a maximum of 40 percent with any single issuer.
- Commercial paper is limited to 35 percent of the portfolio and a maximum of 5 percent with any single issuer.
- Corporate notes are limited to 25 percent of the portfolio and a maximum of 5 percent with any single issuer.
- Municipals are limited to 25 percent of the portfolio and a maximum of 5 percent with any single issuer.
- Intergovernmental investment pools are limited to 25 percent of the portfolio.
- Interest bearing time deposit or savings accounts are limited to 25 percent of the portfolio and a maximum of 15 percent with any single issuer; registered investment companies (money market mutual funds) are limited to 50 percent of the portfolio and a maximum of 25 percent with any single issuer.
- Florida local government surplus trust funds (SBA) are limited to 25 percent of the portfolio.

Compliance with portfolio allocations and issuer maximums is measured at the time of purchase. Management believes District investments were in compliance with the District’s investment policy or debt covenants and did not exceed portfolio allocation or issuer maximums at the time of purchase.

District School Board of Volusia County, Florida
Notes to the Financial Statements
June 30, 2019

3. DUE FROM OTHER AGENCIES

At June 30, 2019, the District had a total of \$18,657,408 in "Due from Other Agencies" as follows:

- **General Fund - \$1,492,401**

\$856,275 is due from Federal, State and local governments for various grants and programs.

\$273,985 is due from the State for Medicaid reimbursement.

\$231,446 is due from Daytona State College for dual enrollment.

\$130,695 is due from the State for Vocational Rehabilitation.

- **Contracted Federal Programs Fund – Special Revenue Funds - \$8,131,542**

\$8,028,139 is due from the Florida Department of Education for expenditure reimbursement.

\$103,403 is due from the New Teacher Center for expenditure reimbursement.

- **Local Capital Improvement – Capital Projects Funds – \$79,313**

\$71,422 is due from FEMA for hurricane related expenditures.

\$7,891 is due from Volusia County for taxes receivable.

- **Local Sales Tax – Capital Projects Funds – \$8,281,593**

\$8,281,593 is due from the State for sales tax collections.

- **Nonmajor Governmental Funds - \$672,559**

\$426,280 is due from Volusia County for impact fees.

\$246,279 is due from State and local agencies for various programs.

District School Board of Volusia County, Florida
Notes to the Financial Statements
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4. CHANGES IN CAPITAL ASSETS

Changes in capital assets are presented in the table below:

GOVERNMENTAL ACTIVITIES	July 1, 2018 Balance	Additions	Deletions	June 30, 2019 Balance
Capital Assets Not Being Depreciated:				
Land	\$ 54,117,381	\$ -	\$ 695,839	\$ 53,421,542
Construction in progress	33,761,385	61,021,786	64,192,401	30,590,770
Total Capital Assets Not Being Depreciated:	87,878,766	61,021,786	64,888,240	84,012,312
Capital Assets Being Depreciated:				
Improvements other than buildings	103,923,123	4,045,432	-	107,968,555
Buildings and fixed equipment	1,403,110,803	64,192,401	62,761	1,467,240,443
Furniture, fixtures, and equipment	67,050,770	6,793,718	3,341,713	70,502,775
Motor vehicles	39,677,502	3,514,518	4,139,169	39,052,851
Audio visual materials	26,604	-	6,007	20,597
Computer software	19,080,129	4,464,050	102,720	23,441,459
Total Capital Assets Being Depreciated:	1,632,868,931	83,010,119	7,652,370	1,708,226,680
Less Accumulated Depreciation for:				
Improvements other than buildings	59,125,047	5,072,771	-	64,197,818
Buildings and fixed equipment	496,511,611	38,736,634	62,761	535,185,484
Furniture, fixtures, and equipment	58,254,510	4,500,739	3,341,713	59,413,536
Motor vehicles	29,336,929	1,778,394	4,139,169	26,976,154
Audio visual materials	26,604	-	6,007	20,597
Computer software	16,841,100	831,655	102,720	17,570,035
Total Accumulated Depreciation	660,095,801	50,920,193	7,652,370	703,363,624
Total Capital Assets Being Depreciated, Net	972,773,130	32,089,926	-	1,004,863,056
Governmental Activities - Capital Assets, Net	\$ 1,060,651,896	\$ 93,111,712	\$ 64,888,240	\$ 1,088,875,368

The District's capital assets serve several functions; accordingly, depreciation expense, which totaled \$50,920,193, was not charged to functions but is separately reported on the statement of activities.

5. LEASE-PURCHASE AGREEMENTS PAYABLE

The District entered into a financing arrangement on September 1, 1999, which was characterized as a lease-purchase agreement, with the Leasing Corporation, whereby the District secured financing for the acquisition and construction of facilities and equipment in the total amount of \$65,685,000. The financing was accomplished through the issuance of Certificates of Participation, Series 1999, to be repaid from the proceeds of rents paid by the District. The District entered into a crossover refunding arrangement on March 10, 2005, to advance refund the Certificates of Participation, Series 1999, which matured on or after August 1, 2010. On the crossover date, August 1, 2009, the crossover transaction met the definition of an in-substance defeasance and the liability for the Refunded Series 1999 Certificates was removed from the District's government-wide financial statements. The refunding issue was made pursuant to the Master Lease-Purchase Agreement dated August 1, 1991, and the Supplemental Trust Agreement dated March 1, 2005. The refunding was accomplished through the issuance of Refunding Certificates of Participation, Series 2005B, totaling \$47,180,000. The District entered into a refunding arrangement on May 5, 2015 to refund, on a current basis, the Certificates of Participation, Series 2005B, maturing on and after August 1, 2016. The refunding transaction met the definition of a redemption and the liability for the Refunded Series 2005B Certificates was removed from the District's

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government-wide financial statements. The refunding issue was made pursuant to the Master Lease-Purchase Agreement dated August 1, 1991, and the Supplemental Trust Agreement dated May 1, 2015. The refunding was accomplished through the issuance of Refunding Certificates of Participation, Series 2015A, totaling \$28,210,000.

As a condition of the financing arrangement, the District has given a ground lease on District property to the Leasing Corporation, with a rental fee of \$10 per year. The term of the original lease commenced on September 1, 1999, and runs until the earlier of (a) the date on which the Series 2015A Certificates (or any Certificates issued to refund the Series 2015A Certificates) have been paid in full, or (b) October 30, 2034. The properties covered by the ground lease are, together with the improvements constructed thereon from the financing proceeds, leased back to the District. If the District fails to renew the lease and to provide for the rent payments through the term, the District may be required to surrender the sites included under the Ground Lease Agreement for the benefit of the securers of the Certificates for a period of time specified by the arrangement which may be up to approximately 30 years from the date of the inception of the arrangement.

The District properties included in the ground lease under this arrangement, and supplements thereto, include Creekside Middle School, Maintenance Facility, Campbell Middle School, Seabreeze High School, and Deltona High School.

The District entered into a financing arrangement on June 30, 2005, which was characterized as a lease-purchase agreement, with the Leasing Corporation, whereby the District secured financing for the acquisition, construction and installation of certain education facilities in the total amount of \$39,010,000. The financing was accomplished through the issuance of Certificates of Participation, Series 2005C, to be repaid from the proceeds of rents paid by the District. The District entered into a refunding arrangement on May 28, 2014, to refund, on an advanced basis, the Certificates of Participation, Series 2005C, maturing on and after August 1, 2016. The refunding transaction met the definition of an in-substance defeasance and the liability for the Refunded Series 2005C Certificates was removed from the District's government-wide financial statements. The refunding issue was made pursuant to the Master Lease-Purchase Agreement dated August 1, 1991, and the Supplemental Trust Agreement dated May 1, 2014. The refunding was accomplished through the issuance of Refunding Certificates of Participation, Series 2014A, totaling \$29,760,000.

As a condition of the financing arrangement, the District has given a ground lease on District property to the Leasing Corporation, with a rental fee of \$10 per year. The term of the original lease commenced on June 1, 2005, and runs until the earlier of (a) the date on which the Series 2014A Certificates (or any Certificates issued to refund the Series 2014A Certificates) have been paid in full, or (b) June 30, 2030. The properties covered by the ground lease are, together with the improvements constructed thereon from the financing proceeds, leased back to the District. If the District fails to renew the lease and to provide for the rent payments through the term, the District may be required to surrender the sites included under the Ground Lease Agreement for the benefit of the securers of the Certificates for a period of time specified by the arrangement which may be up to approximately 30 years from the date of the inception of the arrangement.

The District properties included in the ground lease under this arrangement include Osteen Elementary School, Cypress Creek Elementary School, and the Community Learning Center East.

The District entered into a financing arrangement on January 31, 2006, which was characterized as a lease-purchase agreement, with the Leasing Corporation, whereby the District secured financing for the acquisition, construction and installation of certain education facilities in the total amount of \$135,175,000. The financing was accomplished through the issuance of Certificates of Participation, Series 2006A, to be repaid from the proceeds of rents paid by the District. The District entered into a refunding arrangement on June 25, 2014, to refund, on an advanced basis, the Certificates of Participation, Series 2006A, maturing on and after August 1, 2016. The refunding transaction met the definition of an in-substance defeasance and the liability for the Refunded Series 2006A Certificates was removed from the District's government-wide financial statements. The refunding issue was made pursuant to the Master Lease-Purchase

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Agreement dated August 1, 1991, and the Supplemental Trust Agreement dated June 1, 2014. The refunding was accomplished through the issuance of Refunding Certificates of Participation, Series 2014B, totaling \$113,045,000.

As a condition of the financing arrangement, the District has given a ground lease on District property to the Leasing Corporation, with a rental fee of \$10 per year. The term of the original lease commenced on January 1, 2006, and runs until the earlier of (a) the date on which the Series 2014B Certificates (or any Certificates issued to refund the Series 2014B Certificates) have been paid in full, or (b) June 30, 2031. The properties covered by the ground lease are, together with the improvements constructed thereon from the financing proceeds, leased back to the District. If the District fails to renew the lease and to provide for the rent payments through the term, the District may be required to surrender the sites included under the Ground Lease Agreement for the benefit of the securers of the Certificates for a period of time specified by the arrangement which may be up to approximately 30 years from the date of the inception of the arrangement.

The District properties included in the ground lease under this arrangement include University High School and River Springs Middle School.

The District entered into a financing arrangement on April 25, 2007, which was characterized as a lease-purchase agreement, with the Leasing Corporation, whereby the District secured financing for the acquisition, construction, and installation of certain education facilities in the total amount of \$97,975,000. The financing was accomplished through the issuance of Certificates of Participation, Series 2007, to be repaid from the proceeds of rents paid by the District. The District entered into a refunding arrangement on February 10, 2016, to refund, on an advanced basis, the Certificates of Participation, Series 2007, maturing on and after August 1, 2018. The refunding transaction met the definition of an in-substance defeasance and the liability for the Refunded Series 2007 Certificates was removed from the District's government-wide financial statements. The refunding issue was made pursuant to the Master Lease-Purchase Agreement dated August 1, 1991, and the Supplemental Trust Agreement dated February 1, 2016. The refunding was accomplished through the issuance of Refunding Certificates of Participation, Series 2016A, totaling \$73,150,000.

As a condition of the financing arrangement, the District has given a ground lease on District property to the Leasing Corporation, with a rental fee of \$10 per year. The term of the original lease commenced on April 1, 2007, and runs until the earlier of (a) the date on which the Series 2016A Certificates (or any Certificates issued to refund the Series 2016A Certificates) have been paid in full, or (b) July 31, 2037. The properties covered by the ground lease are, together with the improvements constructed thereon from the financing proceeds, leased back to the District. If the District fails to renew the lease and to provide for the rent payments through the term, the District may be required to surrender the sites included under the Ground Lease Agreement for the benefit of the securers of the Certificates for a period of time specified by the arrangement which may be up to approximately 30 years from the date of the inception of the arrangement.

The District properties included in the ground lease under this arrangement, amended in June 2009, include Holly Hill School, Ormond Beach Middle School, Pride Elementary School, and Hurst Elementary School replacement.

The lease payments are payable by the District, semiannually, on August 1 and February 1. A summary of interest rates is presented as follows:

<u>Certificate</u>	<u>Remaining Interest Rates</u>
Series 2014A	3.000%
Series 2014B	5.000%
Series 2015A	5.000%
Series 2016A	4.000% to 5.000%

District School Board of Volusia County, Florida
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The following is a schedule by years of future minimum lease payments under the lease agreements together with the present value of minimum lease payments as of June 30:

Fiscal Year Ending June 30	Certificates		Direct Placement		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2020	\$ 9,770,000	\$ 9,162,550	\$ 1,785,000	\$ 685,950	\$ 11,555,000	\$ 9,848,500
2021	10,255,000	8,674,050	1,840,000	632,400	12,095,000	9,306,450
2022	10,765,000	8,161,300	1,895,000	577,200	12,660,000	8,738,500
2023	11,305,000	7,623,050	1,955,000	520,350	13,260,000	8,143,400
2024	11,875,000	7,057,800	2,010,000	461,700	13,885,000	7,519,500
2025-2029	71,830,000	25,488,000	10,980,000	1,367,400	82,810,000	26,855,400
2030-2032	58,615,000	5,972,650	2,400,000	72,000	61,015,000	6,044,650
Total Minimum Lease Payments:	184,415,000	72,139,400	22,865,000	4,317,000	207,280,000	76,456,400
Plus: Unamortized Net Premiums:	23,430,328	-	-	-	23,430,328	-
Total Lease-Purchase Agreements Payable:	\$ 207,845,328	\$ 72,139,400	\$ 22,865,000	\$ 4,317,000	\$ 230,710,328	\$ 76,456,400

6. BONDS PAYABLE

Bonds payable at June 30, 2019, are as follows:

Bond Type	Amount Issued	Amount Outstanding	Remaining Interest Rates (Percent)	Annual Maturity To
State School Bonds:				
Series 2011-A, refunding	\$ 315,000	\$ 160,000	3.000 - 5.000	2023
Series 2014-B, refunding	4,549,000	181,000	2.000	2020
Sales Tax Revenue Bonds:				
Series 2016	33,805,000	30,745,000	5.000	2032
Subtotal	38,669,000	31,086,000		
Plus Unamortized Net Premiums:				
State School Bonds, Series 2014-B, refunding	432,635	72,109		
Sales Tax Revenue Bonds, Series 2016	6,441,896	5,153,516		
Total Unamortized Net Premiums	6,874,531	5,225,625		
Total Bonds Payable	\$ 45,543,531	\$ 36,311,625		

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

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State School Bonds

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

Sales Tax Revenue Bonds

The School Board issued Sales Tax Revenue Bonds, Series 2016 on November 17, 2016, totaling \$33,805,000. These bonds are authorized by Chapter 1001, Florida Statutes, and Chapter 212, Florida Statutes. These bonds are secured by a pledge of proceeds received by the District from the levy and collection of a one-half cent discretionary sales surtax pursuant to Section 212.055(6), Florida Statutes. Proceeds of the bonds were used to finance construction of new school facilities, renovations of existing school facilities and technology.

The District pledged a total of \$41,778,875 of discretionary sales surtax revenues (sales tax revenues) in connection with the Sales Tax Revenue Bond issues described above. During the 2018-19 fiscal year, the District recognized sales tax revenues totaling \$44,814,724 and expended \$3,233,625 (7.2 percent) of these revenues for debt service directly collateralized by these revenues. The pledged sales tax revenues are committed until final maturity of the debt, or October 1, 2031.

Annual requirements to amortize all bonded debt outstanding as of June 30, 2019, are as follows:

Fiscal Year Ending June 30	Principal	Interest	Total
State School Bonds:			
2020	\$ 216,000	\$ 9,920	\$ 225,920
2021	40,000	4,550	44,550
2022	40,000	2,550	42,550
2023	45,000	1,350	46,350
Total State School Bonds	341,000	18,370	359,370
Sales Tax Revenue Bonds:			
2020	1,735,000	1,493,875	3,228,875
2021	1,825,000	1,404,875	3,229,875
2022	1,915,000	1,311,375	3,226,375
2023	2,010,000	1,213,250	3,223,250
2024	2,110,000	1,110,250	3,220,250
2025-2029	12,240,000	3,817,500	16,057,500
2030-2032	8,910,000	682,750	9,592,750
Total Sales Tax Revenue Bonds	30,745,000	11,033,875	41,778,875
Subtotal	31,086,000	11,052,245	42,138,245
Plus Unamortized Net Premiums	5,225,625	-	5,225,625
Total	\$ 36,311,625	\$ 11,052,245	\$ 47,363,870

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Annual requirements to amortize net premiums as of June 30, 2019, are as follows:

Fiscal Year Ending June 30	Amortized Expense
State School Bonds:	
2020	\$ 72,109
Subtotal	72,109
Sales Tax Revenue Bonds:	
2020	429,460
2021	429,460
2022	429,460
2023	429,460
2024	429,460
2025-2029	2,147,300
2030-2031	858,916
Subtotal	5,153,516
Total	\$ 5,225,625

7. CHANGES IN LONG-TERM LIABILITIES

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

Description	July 1, 2018 Balance	Additions	Deductions	June 30, 2019 Balance	Due in One Year
GOVERNMENTAL ACTIVITIES					
Bonds Payable	\$ 33,065,000	\$ -	\$ 1,979,000	\$ 31,086,000	\$ 1,951,000
Plus Unamortized Net Premium	5,727,190	-	501,565	5,225,625	501,565
Net Bonds Payable	38,792,190	-	2,480,565	36,311,625	2,452,565
Lease-Purchase Agreements Payable	193,745,000	-	9,330,000	184,415,000	9,770,000
Lease-Purchase Agreements Payable-Direct Placement	24,600,000	-	1,735,000	22,865,000	1,785,000
Plus Unamortized Net Premium	25,565,109	-	2,134,781	23,430,328	2,134,781
Net Lease-Purchase Agreements Payable	243,910,109	-	13,199,781	230,710,328	13,689,781
Obligations Under Capital Lease	-	1,431,780	357,915	1,073,865	357,945
Compensated Absences Payable	56,851,038	8,570,926	4,528,914	60,893,050	4,528,914
Estimated Insurance Claims Payable	5,502,719	3,329,218	2,763,976	6,067,961	2,831,606
Other Postemployment Benefits Payable	22,346,432	3,267,192	1,865,981	23,747,643	1,753,026
Net Pension Liability	307,220,629	25,415,284	26,116,856	306,519,057	2,505,297
Total Governmental Activities	\$ 674,623,117	\$ 42,014,400	\$ 51,313,988	\$ 665,323,529	\$ 28,119,134

For the governmental activities, compensated absences, pensions, and other postemployment benefits are generally liquidated with resources of the General Fund. The estimated insurance claims payable are generally liquidated with resources of the internal service funds as discussed in Note 16. Additional information on Obligations Under Capital Lease can be found in Note 17.

District School Board of Volusia County, Florida
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8. FUND BALANCE AND NET POSITION REPORTING

FUND BALANCE

There are two major types of fund balances, which are nonspendable and spendable. Nonspendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, and principal (corpus) of an endowment fund. The District has inventories and prepaid items that are considered nonspendable. The District does not have any nonspendable funds related to endowments.

In addition to the nonspendable fund balances, spendable fund balances are classified based on a hierarchy of spending constraints.

- **Restricted:** Fund balances that are constrained by external parties, constitutional provisions, or enabling legislation.
- **Committed:** Fund balances that contain self-imposed constraints of the government from its highest level of decision making authority.
- **Assigned:** Fund balances that contain self-imposed constraints of the government to be used for a particular purpose. The Superintendent is authorized to assign fund balances pursuant to Board Policy 701.
- **Unassigned:** Fund balance of the General Fund that is not constrained for any particular purpose.

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

NONSPENDABLE: The District has inventories totaling \$3,191,006 and prepaid amounts totaling \$8,578 that are classified as nonspendable.

SPENDABLE: The District has classified the spendable fund balances as *Restricted*, *Assigned*, and *Unassigned* and considered each to have been spent when expenditures are incurred.

- **Restricted for State Required Carryover Programs, Food Service, Debt Service, and Capital Projects:**

Federal laws, Florida Statutes and local ordinances require that certain revenues be specifically designated for the purposes of State required carryover programs, food service, debt service, and capital projects. The funds have been included in the Restricted category of fund balance. Restricted fund balances total \$136,184,035 and represented \$4,939,677 in State required carryover programs, \$10,559,528 in food service, \$1,691,284 in debt service and \$118,993,546 in capital projects.

- **Assigned for State and Local Programs and Subsequent Year's Budget:**

The District has set aside certain spendable fund balances to cover a gap between estimated revenue and appropriations in the subsequent year's appropriated budget and for State and local programs. At year end, the assigned fund balance is \$8,129,718 for the subsequent year's appropriated budget and \$15,841,327 for State and local programs.

- **Unassigned:**

The unassigned fund balance in the General Fund is \$26,201,039.

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	Major Funds				Total Governmental Funds
	General Fund	Local Capital Improvement - Capital Projects Fund	Local Sales Tax Capital Projects Fund	Nonmajor Governmental Funds	
Fund Balances:					
Nonspendable:					
Inventories:					
General Fund	\$ 1,429,372	\$ -	\$ -	\$ -	\$ 1,429,372
Food Service	-	-	-	1,761,634	1,761,634
Prepaid amounts:					
General Fund	8,578	-	-	-	8,578
Restricted:					
State Required					
Carryover Programs	4,939,677	-	-	-	4,939,677
Food Service	-	-	-	10,559,528	10,559,528
Debt Service	-	-	-	1,691,284	1,691,284
Capital Projects	-	39,382,646	53,709,319	25,901,581	118,993,546
Assigned:					
Subsequent Year's Budget	8,129,718	-	-	-	8,129,718
State and Local Programs	15,841,327	-	-	-	15,841,327
Unassigned:	26,201,039	-	-	-	26,201,039
Total Fund Balance:	\$ 56,549,711	\$ 39,382,646	\$ 53,709,319	\$ 39,914,027	\$ 189,555,703

The Board has established a policy (Board Policy 722) requiring a minimum fund balance of 3 percent with a desirability of 5 percent, calculated in accordance with Section 1011.051, Florida Statutes. At June 30, 2019, the unassigned fund balance for the General Fund was \$26,201,039, or 5.6 percent of total General Fund revenues.

NET POSITION – Net Investment in Capital Assets

In the government-wide Statement of Net Position, the difference between total assets, deferred outflows of resources and total liabilities, deferred inflows of resources 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, 2019, is shown in the table below:

<u>Description</u>	<u>Amount</u>
Total capital assets, net of accumulated depreciation	\$1,088,875,368
Less related debt, net of unspent proceeds:	
Lease-purchase agreements payable	230,710,328
Bonds payable	36,311,625
Unspent bond proceeds	(2,356,610)
Deferred amount on refunding	(3,851,751)
Construction and retainage payable	6,928,453
Prepaid insurance on refunding debt	(208,565)
Total related debt, net of unspent proceeds	(267,533,480)
Net investment in capital assets	<u>\$ 821,341,888</u>

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9. ENCUMBRANCES

Appropriations in governmental fund types are encumbered upon issuance of purchase orders for goods and/or 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 District uses encumbrance accounting for recording purchase order commitments. At June 30, 2019, the District has recorded \$45,390,039 in encumbrances as follows: \$3,269,602 for the General Fund; \$15,916,074 for the Local Capital Improvement – Capital Projects Fund; \$21,042,986 for the Local Sales Tax – Capital Projects Fund; and \$5,161,377 for the Nonmajor Governmental Funds.

10. INTERFUND TRANSFERS AND INTERFUND PAYABLES AND RECEIVABLES

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

Transfers Out	Transfers In				Total
	General Fund	Local Capital Improvement - Capital Projects Funds	Nonmajor Governmental Funds	Internal Service Funds	
Local Capital Improvement - Capital Projects Fund	\$ 6,194,400	\$ -	\$ 18,796,527	\$ -	\$ 24,990,927
Local Sales Tax - Capital Projects Fund	966,563	-	3,430,877	-	4,397,440
Special Revenue - Contracted Federal Programs Fund	-	122,161	-	99,474	221,635
Nonmajor Governmental Funds	2,285,293	-	2,407,783	-	4,693,076
Total	\$ 9,446,256	\$ 122,161	\$ 24,635,187	\$ 99,474	\$ 34,303,078

A portion of the transfers out of the Local Capital Improvement – Capital Projects Fund was to provide debt service principal and interest payments, to assist in funding maintenance operations of the District and for property and casualty insurance. Transfers out of the Local Sales Tax – Capital Projects Fund was to provide debt service principal and interest payments and SaaS fees for software. Transfers out of the Contracted Federal Programs – Special Revenue Fund was to reimburse for hurricane related expenditures. A portion of the transfers out of the Nonmajor Governmental Funds was to provide debt service principal and interest payments and to assist in funding maintenance operations of the District. The remaining transfers between funds were operational in nature.

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

Funds	Due From Other Funds	Due To Other Funds
General Fund	\$ 7,139,341	\$ -
Special Revenue - Contracted Federal Programs Fund	-	7,139,341
Total	\$ 7,139,341	\$ 7,139,341

The interfund receivables and payables represent temporary cash shortages that were covered by cash held by other funds and will be repaid within 12 months.

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11. SCHEDULE OF STATE REVENUE SOURCES

The following is a schedule of the District's State revenue for the 2018-19 fiscal year:

Sources	Amount
Florida Education Finance Program	\$ 199,882,933
Other Restricted State Sources:	
Class Size Reduction	66,372,618
School Recognition	1,569,861
Other	1,066,296
Motor Vehicle License Tax (Capital Outlay and Debt Service)	2,365,988
Public Education Capital Outlay	1,089,986
Lottery Funds	207,738
Mobile Home License Tax	536,950
Charter School Capital Outlay Funding	1,181,774
Food Service Supplement	314,540
State Grants and Other State Sources	9,060,841
Total	\$ 283,649,525

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

12. PROPERTY TAXES

The following is a summary of millages and taxes levied on the 2018 tax roll for the 2018-19 fiscal year:

	<u>Millages</u>	<u>Taxes Levied</u>
<u>General Fund</u>		
Nonvoted School Tax:		
Required Local Effort	4.033	\$ 153,337,820
Basic Discretionary Local Effort	0.748	28,439,546
<u>Capital Projects Funds</u>		
Nonvoted Tax:		
Local Capital Improvements	1.500	57,031,175
Total	<u>6.281</u>	<u>\$ 238,808,541</u>

13. FLORIDA RETIREMENT SYSTEM

General Information about the Florida Retirement System (FRS)

The FRS was created in Chapter 121, Florida Statutes, to provide a defined benefit pension plan for participating public employees. The FRS was amended in 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 Health Insurance Subsidy (HIS) Program, a cost-sharing multiple-employer defined benefit pension plan, to assist retired members of any State-administered retirement system in paying the costs of health insurance.

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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).

The District's pension expense totaled \$40,218,029 for the fiscal year ended June 30, 2019.

FRS Pension Plan

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

- *Regular Class* – Members of the FRS who do not qualify for membership in the other classes.
- *Elected County Officers Class* – Members who hold specified elective offices in local government.
- *Senior Management Service Class (SMSC)* – 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 8 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. Members of 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 participating employer. An employee may participate in DROP for a period not to exceed 60 months after electing to participate, except that certain instructional personnel may participate for up to 96 months. During the period of DROP participation, deferred monthly benefits are held in the FRS Trust Fund and accrue interest. The net pension liability does not include amounts for DROP participants, as these members are considered retired and are not accruing additional pension benefits.

Benefits Provided. Benefits under the 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:

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<u>Class, Initial Enrollment, and Retirement Age/Years of Service</u>	<u>% Value</u>
<i>Regular Class members initially enrolled before July 1, 2011</i>	
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
<i>Regular Class members initially enrolled on or after July 1, 2011</i>	
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
<i>Elected County Officers</i>	3.00
<i>Senior Management Service Class</i>	2.00

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.

Contributions. The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates during the 2018-19 fiscal year were as follows:

<u>Class</u>	<u>Percent of Gross Salary</u>	
	<u>Employee</u>	<u>Employer (1)</u>
FRS, Regular	3.00	8.26
FRS, Elected County Officers	3.00	48.70
FRS, Senior Management Service	3.00	24.06
DROP - Applicable to		
Members from All of the Above Classes	0.00	14.03
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 to the Plan totaled \$20,727,594 for the fiscal year ended June 30, 2019.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2019, the District reported a liability of \$204,165,618 for its proportionate share of the Plan's net pension liability. The net pension liability was measured as of June 30, 2018, and the total pension liability used

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to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2018. The District's proportionate share of the net pension liability was based on the District's 2017-18 fiscal year contributions relative to the 2017-18 fiscal year contributions of all participating members. At June 30, 2018, the District's proportionate share was 0.6778 percent, which was a decrease of 0.0078 percent from its proportionate share measured as of June 30, 2017.

For the fiscal year ended June 30, 2019, the District recognized the Plan pension expense of \$32,911,016. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ 17,295,897	\$ 627,760
Change of assumptions	66,711,396	-
Net difference between projected and actual earnings on FRS pension plan investments	-	15,774,284
Changes in proportion and differences between District FRS contributions and proportionate share of contributions	148,258	7,062,005
District FRS contributions subsequent to the measurement date	20,727,595	-
Total	\$ 104,883,146	\$ 23,464,049

The deferred outflows of resources related to pensions resulting from District contributions to the Plan subsequent to the measurement date totaling \$20,727,594, will be recognized as a reduction of the net pension liability in the fiscal year ending June 30, 2020. 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>
2020	\$ 24,089,689
2021	16,041,453
2022	728,373
2023	11,020,750
2024	7,716,024
Thereafter	1,095,213
Total	\$ 60,691,502

Actuarial Assumptions. The total pension liability in the July 1, 2018 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	7.00 percent, net of pension plan investment expense, including inflation

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

The actuarial assumptions used in the July 1, 2018, 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:

Asset Class	Target Allocation (1)	Annual Arithmetic Return	Compound Annual (Geometric) Return	Standard Deviation
Cash	1.0%	2.9%	2.9%	1.8%
Fixed Income	18.0%	4.4%	4.3%	4.0%
Global Equity	54.0%	7.6%	6.3%	17.0%
Real Estate (Property)	11.0%	6.6%	6.0%	11.3%
Private Equity	10.0%	10.7%	7.8%	26.5%
Strategic Investments	6.0%	6.0%	5.7%	8.6%
Total	100.0%			
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 7.00 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 2018 valuation was updated from 7.10 percent to 7.00 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 7.00 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 (6.00 percent) or 1 percentage-point higher (8.00 percent) than the current rate:

	1% Decrease 6.00%	Current Discount Rate 7.00%	1% Increase 8.00%
District's proportionate share of the net pension liability	\$372,610,816	\$204,165,618	\$ 64,261,923

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.

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Payables to the Pension Plan. At June 30, 2019, the District reported a payable of \$4,775,948 for the outstanding amount of contributions to the Plan required for the fiscal year ended June 30, 2019.

HIS Pension Plan

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

Benefits Provided. For the fiscal year ended June 30, 2019, 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 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, 2019, 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 \$5,389,262 for the fiscal year ended June 30, 2019.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2019, the District reported a net pension liability of \$102,353,439 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, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2017, and update procedures were used to determine liabilities as of July 1, 2018. The District's proportionate share of the net pension liability was based on the District's 2017-18 fiscal year contributions relative to the total 2017-18 fiscal year contributions of all participating members. At June 30, 2018, the District's proportionate share was 0.9670 percent, which was a decrease of 0.0095 from its proportionate share measured as of June 30, 2017.

For the fiscal year ended June 30, 2019, the District recognized the HIS Plan pension expense of \$7,307,013. 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	\$ 1,566,986	\$ 173,895
Change of assumptions	11,382,967	10,821,661
Net difference between projected and actual earnings on HIS pension plan investments	61,783	-
Changes in proportion and differences between District HIS contributions and proportionate share of HIS contributions	1,236,265	2,650,533
District contributions subsequent to the measurement date	5,389,262	-
Total	\$ 19,637,263	\$ 13,646,089

The deferred outflows of resources related to pensions resulting from District contributions to the HIS Plan subsequent to the measurement date, totaling \$5,389,262, will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2020. 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>
2020	\$ 1,099,305
2021	1,094,096
2022	768,936
2023	(130,511)
2024	(1,464,290)
Thereafter	(765,624)
Total	<u>\$ 601,912</u>

Actuarial Assumptions. The total pension liability in the July 1, 2018, 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	3.87 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 3.87 percent, which is an increase from 3.58 percent used at the preceding measurement date. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal

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bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 3.87 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 (2.87 percent) or 1 percentage-point higher (4.87 percent) than the current rate:

	<u>Decrease</u> <u>2.87%</u>	<u>Discount Rate</u> <u>3.87%</u>	<u>Increase</u> <u>4.87%</u>
District's proportionate share of the net pension liability	\$116,574,570	\$ 102,353,439	\$90,499,303

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

Payables to the Pension Plan. At June 30, 2019, the District reported a payable of \$866,560 for the outstanding amount of contributions to the HIS Plan required for the fiscal year ended June 30, 2019.

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. Service retirement benefits are based upon the value of the member's account upon retirement.

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

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Allocations to the investment member's accounts during the 2018-19 fiscal year were as follows:

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

For all membership classes, employees are immediately vested in their own contributions and are vested after 1 year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to 5 years. If the employee returns to FRS-covered employment within the 5-year period, the employee will regain control over their account. If the employee does not return within the 5-year period, the employee will forfeit the accumulated account balance. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.06 percent of payroll and by forfeited benefits of Investment Plan members. For the fiscal year ended June 30, 2019, the information for the amount of forfeitures was unavailable from the SBA; however, management believes that these amounts, if any, would be immaterial to the District.

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

The District's Investment Plan pension expense totaled \$4,560,510 for the fiscal year ended June 30, 2019.

Payables to the Defined Contribution Pension Plan. At June 30, 2019, the District reported a payable of \$1,059,715 for the outstanding amount of contributions to the Investment Plan required for the fiscal year ended June 30, 2019.

14. OTHER POSTEMPLOYMENT BENEFIT OBLIGATIONS (OPEB)

Plan Description – The Other Postemployment Benefits Plan (OPEB) is a single-employer defined benefit plan administered by the District that provides OPEB for all employees who satisfy the District's retirement eligibility provisions. Pursuant to Section 112.0801, Florida Statutes, former employees who retire from the District may continue to participate in the District's fully insured health and hospitalization plan for medical and prescription drug coverage. Retirees and their eligible dependents shall be offered the same health and hospitalization insurance coverage as is offered to active employees at a premium cost of no more than the premium costs applicable to active employees. The District subsidizes the premium rates paid by retirees by allowing them to participate in the plans at reduced or blended group (implicitly subsidized) premium rates for both active and retired employees. The rates provide an implicit subsidy for retirees because retiree healthcare costs are generally greater than active employee healthcare costs. Retirees are required to enroll in the Federal Medicare programs parts A and B for their primary coverage as soon as they are eligible. The OPEB Plan contribution requirements and benefit terms of the District and the OPEB Plan members are established and may be amended through recommendations of the Insurance Committee and action from the Board. No assets are accumulated in a trust that meet the criteria in paragraph 4 of GASB Statement No. 75. OPEB does not issue a stand-alone report and is not included in the report of a public employee retirement system or other entity.

District School Board of Volusia County, Florida
Notes to the Financial Statements
June 30, 2019

Benefits Provided - The OPEB Plan provides healthcare insurance benefits for retirees and their dependents. The OPEB Plan only provides an implicit subsidy as described above. Additionally, if a retiree participates in a medical plan they receive a monthly Health Insurance Subsidy (HIS) from the District in the amount of \$0.50 per year of service (maximum \$20) until age 65.

Employees Covered by Benefit Terms – At June 30, 2017, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently Receiving Benefits	340
Active Employees	<u>6,607</u>
Total	<u><u>6,947</u></u>

Total OPEB Liability – The District's total OPEB liability of \$23,747,643 was measured as of June 30, 2018, and was determined by an actuarial valuation as of July 1, 2017.

Actuarial Assumptions and Other Inputs – The total OPEB liability was determined using the following actuarial assumptions and other inputs, applied to all periods in the measurement, unless otherwise specified:

District School Board of Volusia County, Florida

Notes to the Financial Statements

June 30, 2019

Inflation	2.50 percent
Salary increases	4.50 percent
Discount rate	3.87 percent
Healthcare-cost trend rates:	
Retirement age Pre-65	7.8 percent for 2018, decreasing 0.4 percent per year to an ultimate rate of 4.5 percent for 2026-2027 and later years
Retirement age Post-65	8.0 percent for 2018, decreasing 0.4 percent per year to an ultimate rate of 4.5 percent for 2026-2027 and later years
Benefit-related costs	100 percent of projected health insurance premiums for retirees, less a District monthly contribution of \$0.50 per year of service to a maximum of \$20 for eligible retirees until age 65
Healthcare participation rate:	
Future retirees	Pre-65: 40.0 percent Medicare eligible: 2.0 percent
Current retirees	Pre-65: Current retirees are assumed to continue coverage until Medicare eligible, 5.0 percent are assumed to maintain coverage at initial Medicare eligibility Medicare eligible: All existing Medicare eligible retirees are assumed to maintain coverage
Future medical plan election	Future retirees who elect medical coverage are expected to elect between available options as follows: HMO – 29.0 percent; Point of Service – 7.6 percent; Triple Option – 37.0 percent; HRA – 26.4 percent
Spouse Coverage Election Rate:	
Future retirees	Assumed that 30.0 percent of males and 15.0 percent of females are married and elect coverage for their spouse. Males are assumed to be 3 years older than their female spouses
Current retirees	Spousal coverage is based on actual retiree coverage elections. Actual spouse age is used where available. In instances when this information is not available, males are assumed to be three years older than their female spouses
Census data	As of July 1, 2017

The discount rate was based on the Bond Buyer General Obligation 20-Year Municipal Bond Index. Mortality rates were based on the aggregate 2006 base rates from the RP-2014 mortality study projected generationally from 2006 using Scale MP-2017. The economic, demographic and health care claim cost assumptions used in the July 1, 2017, valuation were provided by the District, with the actuary providing guidance with respect to the mortality, health claims, medical trend, plan participation, and spousal assumptions. The remaining actuarial assumptions used in the July 1, 2107 valuation, were selected by the District and align with the Florida Retirement System pension valuation.

District School Board of Volusia County, Florida
Notes to the Financial Statements
June 30, 2019

Changes in the Total OPEB Liability

	Amount
Balance at June 30, 2018	\$ 22,346,432
Changes for the year:	
Service cost	2,753,871
Interest on the total liability	865,483
Difference between expected and actual experience	(149,438)
Changes in assumptions or other inputs	(202,724)
Benefit payments	(1,865,981)
Net changes	1,401,211
Balance at June 30, 2019	\$ 23,747,643

Changes in assumptions and other inputs reflect a change in the discount rate from 3.58 percent in 2017 to 3.87 percent in 2018.

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate – The following table presents the total OPEB liability of the District, as well as what the District's total OPEB 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 discount rate:

	1% Decrease (2.87%)	Current Rate (3.87%)	1% Increase (4.87%)
Total OPEB Liability	\$ 25,257,913	\$ 23,747,643	\$ 22,383,062

Sensitivity of the Total OPEB Liability to Changes in the Healthcare Cost Trend Rates – The following table presents the total OPEB liability of the District, as well as what the District's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1 percentage-point lower or 1 percentage-point higher than the current healthcare cost trend rates:

	1% Decrease	Healthcare Cost Trend Rate	1% Increase
Total OPEB Liability	\$ 20,288,000	\$ 23,747,643	\$ 28,006,474

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB

For fiscal year ended June 30, 2019, the District recognized OPEB expense of \$3,519,488. At June 30, 2018, the District reported deferred outflows of resources and deferred inflows of resources related to OPEB from the following sources:

District School Board of Volusia County, Florida
Notes to the Financial Statements
June 30, 2019

Description	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	\$ -	\$ 217,063
Assumption changes	-	1,011,518
Contributions made in fiscal year ending 6/30/19, after measurement date	1,753,026	-
	<u>\$ 1,753,026</u>	<u>\$ 1,228,581</u>

The amount reported as deferred outflows related to OPEB, totaling \$1,753,026, resulting from contributions made subsequent to the measurement date and before the end of the fiscal year will be included as a reduction of the total OPEB liability in the year ended June 30, 2020. Other amounts reported as deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Fiscal Year Ending June 30	Amount
2020	\$ (99,866)
2021	(99,866)
2022	(99,866)
2023	(99,866)
2024	(99,866)
Thereafter	(729,251)
Total	<u>\$ (1,228,581)</u>

15. CONSTRUCTION CONTRACT COMMITMENTS

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

Project	Contract Amount	Completed to Date	Balance Committed
CHISHOLM ELEMENTARY - Replacement School			
Architect	\$ 1,261,772	\$ 1,086,697	\$ 175,075
Contractor	18,091,146	12,939,669	5,151,477
WESTSIDE ELEMENTARY - Renovations and Additions			
Architect	1,275,773	1,077,527	198,246
Contractor	14,959,358	1,531,040	13,428,318
GEORGE MARKS ELEMENTARY - Replacement School			
Architect	1,330,441	939,375	391,066
Contractor	3,089,351	1,872,820	1,216,531
DELAND MIDDLE - HVAC, Ceiling and Lighting			
Architect	809,167	779,167	30,000
Contractor	9,692,590	8,240,894	1,451,696
SEABREEZE HIGH - Upgrade Chilled Water Plant			
Architect	186,550	146,623	39,927
Contractor	1,631,170	296,105	1,335,065
HERITAGE MIDDLE - Upgrade HVAC			
Contractor	1,913,726	558,157	1,355,569
CREEKSIDE MIDDLE - Upgrade HVAC			
Contractor	1,394,946	683,666	711,280
Total	<u><u>\$ 55,635,990</u></u>	<u><u>\$ 30,151,740</u></u>	<u><u>\$ 25,484,250</u></u>

District School Board of Volusia County, Florida
Notes to the Financial Statements
June 30, 2019

16. 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 and fleet coverage are being provided on a self-insured basis up to specified limits, while general liability is totally self-insured by the District. The District has entered into agreements with various insurance companies to provide specific excess coverage of worker's compensation and fleet claim amounts above the stated amount on an individual claim basis, and aggregate excess coverage when total claims, minus specific excess coverage, exceed the loss fund established annually by the District. The District has contracted with an insurance administrator to administer these self-insurance programs, including the processing, investigating, and payment of claims.

Property and casualty coverage is obtained through purchased commercial insurance. The property insurance fund is used to track premiums and any claims expense. In the 2018-19 fiscal year, property insurance coverage amounts were \$100 million for named wind and \$175 million excess of wind.

A liability in the amount of \$6,067,961 was actuarially determined to cover estimated incurred, but not reported, insurance claims payable at June 30, 2019.

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

Fiscal Years	Beginning-of- Fiscal-Year Liability	Current-Year Claims and Changes in Estimates	Claims Payments	Balance at Fiscal Year-End
2017-18	\$ 4,201,051	\$ 2,939,450	\$ (1,637,782)	\$ 5,502,719
2018-19	5,502,719	3,329,218	(2,763,976)	6,067,961

Health and hospitalization coverage are being provided through purchased commercial insurance.

Settled claims resulting from the risks described above have not exceeded commercial coverage in any of the past 3 fiscal years.

District School Board of Volusia County, Florida

Notes to the Financial Statements

June 30, 2019

17. OBLIGATIONS UNDER CAPITAL LEASE

The District entered into a capital lease agreement on January 15, 2019, in order to acquire various computer hardware. The capital lease agreement requires periodic payments over a period of three years.

The following is a summary of changes in capital leases for the fiscal year ended June 30, 2019:

	Final Maturity Date	June 30, 2018	Increases	Decreases	June 30, 2019
Computer Hardware	1/15/2022	\$ -	\$ 1,431,780	\$ (357,915)	\$ 1,073,865

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

Fiscal Year	Amount
2020	\$ 357,945
2021	357,945
2022	357,975
Total minimum lease payments	<u>\$ 1,073,865</u>

18. LITIGATION

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

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 although the District expects such amounts, if any, to be immaterial.

19. SUBSEQUENT EVENTS

On September 24, 2019, the Board authorized the issuance of Certificates of Participation, Series 2019, in the amount of \$90,945,000. The closing took place on November 12, 2019. The proceeds will be used to finance capital improvements, including a middle school and two elementary schools.



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Required Supplementary Information

District School Board of Volusia County, Florida
Required Supplementary Information -
Schedule of Changes in the District's
Other Postemployment Benefits Liability and Related Ratios
For the Fiscal Year Ended June 30, 2019

	Fiscal Year	
	2019	2018
Service cost	\$ 2,753,871	\$ 2,906,343
Interest on the total liability	865,483	675,184
Difference between expected and actual experience	(149,438)	(91,210)
Changes in assumptions or other inputs	(202,724)	(960,001)
Benefit payments	(1,865,981)	(1,922,877)
Net change in total OPEB liability	1,401,211	607,439
Total OPEB liability - beginning	22,346,432	21,738,993
Total OPEB liability - ending	<u>\$ 23,747,643</u>	<u>\$ 22,346,432</u>
Covered-employee payroll	\$ 332,673,719	\$ 330,585,332
Total OPEB liability as a percentage of covered-employee payroll	7.14%	6.76%

Notes to Required Supplementary Information - Other Postemployment Benefits:

Changes in assumptions: The funding discount rate changed from 3.58 percent at June 30, 2017 to 3.87 percent at June 30, 2018. The mortality projection scale was updated from MP-2017 to MP-2018.

Data for the above schedule is not available prior to the 2017-18 fiscal year.
Additional years will be displayed as it becomes available.

District School Board of Volusia County, Florida
Required Supplementary Information -
Schedule of the District's Proportionate Share of the Net Pension Liability -
Florida Retirement System Pension Plan
June 30, 2019

District Fiscal Year Ending	Plan Sponsor Measurement Date	District's Proportion of the FRS Net Pension Liability	District's Proportionate Share of the FRS Net Pension Liability	District's Covered Payroll (1)	District's Proportionate Share of the FRS Net Pension Liability as a Percentage of Covered Payroll	FRS Plan Fiduciary Net Position as a Percentage of Total Pension Liability
June 30, 2014	June 30, 2013	0.7680%	\$ 132,204,754	\$ 287,734,128	45.95%	88.54%
June 30, 2015	June 30, 2014	0.7539%	45,999,875	291,372,414	15.79%	96.09%
June 30, 2016	June 30, 2015	0.7565%	97,714,400	302,411,113	32.31%	92.00%
June 30, 2017	June 30, 2016	0.6883%	173,789,159	298,978,477	58.13%	84.88%
June 30, 2018	June 30, 2017	0.6856%	202,805,044	311,395,052	65.13%	83.89%
June 30, 2019	June 30, 2018	0.6778%	204,165,618	316,050,330	64.60%	84.26%

(1) Covered payroll includes defined benefit plan actives, investment plan members, and members in DROP because total employer contributions are determined on a uniform basis (blended rate) as required by Part III of Chapter 121, Florida Statutes.

District School Board of Volusia County, Florida
Required Supplementary Information -
Schedule of District Contributions -
Florida Retirement System Pension Plan
June 30, 2019

Fiscal Year Ending	FRS Contractually Required Contribution	FRS Contributions in Relation to the Contractually Required Contribution	FRS Contribution Deficiency (Excess)	District's Covered Payroll (1)	FRS Contributions as a Percentage of Covered Payroll
June 30, 2014	\$ 16,513,928	\$ 16,513,928	\$ -	\$ 291,372,414	5.67%
June 30, 2015	18,444,543	18,444,543	-	302,411,113	6.10%
June 30, 2016	16,784,604	16,784,604	-	298,978,477	5.61%
June 30, 2017	17,848,662	17,848,662	-	311,395,052	5.73%
June 30, 2018	19,317,583	19,317,583	-	316,050,330	6.11%
June 30, 2019	20,727,594	20,727,594	-	324,912,093	6.38%

(1) Covered payroll includes defined benefit plan actives, investment plan members, and members in DROP.

Notes to Required Supplementary Information - Florida Retirement System Pension Plan:

Changes in assumptions: As of June 30, 2018, the inflation rate assumption remained at 2.60 percent and the overall payroll growth rate assumption remained at 3.25 percent. The long-term expected rate of return decreased from 7.10 percent to 7.00 percent.

Data for the above schedules is not available prior to the 2013-14 fiscal year.
Additional years will be displayed as it becomes available.

District School Board of Volusia County, Florida
Required Supplementary Information -
Schedule of the District's Proportionate Share of the Net Pension Liability -
Health Insurance Subsidy Pension Plan
June 30, 2019

District Fiscal Year Ending	Plan Sponsor Measurement Date	District's Proportion of the HIS Net Pension Liability	District's Proportionate Share of the HIS Net Pension Liability	District's Covered Payroll (1)	District's Proportionate Share of the HIS Net Pension Liability as a Percentage of Covered Payroll	HIS Plan Fiduciary Net Position as a Percentage of Total Pension Liability
June 30, 2014	June 30, 2013	0.9904%	\$ 86,231,868	\$ 287,734,128	29.97%	1.78%
June 30, 2015	June 30, 2014	0.9806%	91,692,197	291,372,414	31.47%	0.99%
June 30, 2016	June 30, 2015	0.9967%	101,650,220	302,411,113	33.61%	0.50%
June 30, 2017	June 30, 2016	0.9682%	112,840,939	298,978,477	37.74%	0.97%
June 30, 2018	June 30, 2017	0.9765%	104,415,585	311,395,052	33.53%	1.64%
June 30, 2019	June 30, 2018	0.9674%	102,353,439	316,050,330	32.39%	2.15%

(1) Covered payroll includes defined benefit plan actives, investment plan members, and members in DROP.

District School Board of Volusia County, Florida
Required Supplementary Information -
Schedule of District Contributions -
Health Insurance Subsidy Pension Plan
June 30, 2019

Fiscal Year Ending	HIS Contractually Required Contribution	HIS Contributions in Relation to the Contractually Required Contribution	HIS Contribution Deficiency (Excess)	District's Covered Payroll (1)	HIS Contributions as a Percentage of Covered Payroll
June 30, 2014	\$ 3,359,341	\$ 3,359,341	\$ -	\$ 291,372,414	1.15%
June 30, 2015	3,810,101	3,810,101	-	302,411,113	1.26%
June 30, 2016	4,962,697	4,962,697	-	298,978,477	1.66%
June 30, 2017	5,168,103	5,168,103	-	311,395,052	1.66%
June 30, 2018	5,244,325	5,244,325	-	316,050,330	1.66%
June 30, 2019	5,389,262	5,389,262	-	324,912,093	1.66%

(1) Covered payroll includes defined benefit plan actives, investment plan members, and members in DROP.

Notes to Required Supplementary Information - Health Insurance Subsidy Pension Plan:

Changes in assumptions. The municipal rate used to determine total pension liability decreased from 3.58 percent to 3.87 percent.

Data for the above schedules is not available prior to the 2013-14 fiscal year. Additional years will be displayed as it becomes available.



Combining and Individual Fund Statements and Schedules

Nonmajor Governmental Funds

Special Revenue Funds

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

Food Service Fund - Used to account for the activities of the District's food services function. These activities are funded primarily through local charges and Federal awards.

Debt Service Funds

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

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

Sales Tax Revenue Bonds - Used to account for the payment of principal, interest and related costs pertaining to the sales tax revenue bonds.

Certificates of Participation Fund - Used to account for the payment of principal, interest, and related costs pertaining to the District's certificates of participation.

Capital Projects Funds

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities, such as new school buildings or additions to existing buildings, or for major renovation projects.

Capital Outlay and Debt Service Fund - Used to account for capital project activity funded by the District's portion of the State Capital Outlay and Debt Service program.

Impact Fees Fund - Used to account for capital project activity funded through impact fees.

State and Local Miscellaneous Fund - Used to account for capital project activity funded through miscellaneous state and local sources.

Charter Schools' Capital Outlay Fund - Used to account for capital project activity for the charter schools' capital outlay funds.

Public Education Capital Outlay Fund - Used to account for capital project activity funded through the State Public Education Capital Outlay (PECO) program. The primary funding source for PECO is the gross receipts tax on utilities.

District School Board of Volusia County, Florida
Combining Balance Sheet -
Nonmajor Governmental Funds
June 30, 2019

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Funds	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 6,202,511	\$ 1,405,118	\$ 8,275,942	\$ 15,883,571
Investments	4,255,974	284,990	17,378,111	21,919,075
Receivables	307	-	-	307
Interest receivable	17,554	1,176	39,911	58,641
Due from other agencies	205,468	-	467,091	672,559
Inventories	1,761,634	-	-	1,761,634
Total assets	<u>\$ 12,443,448</u>	<u>\$ 1,691,284</u>	<u>\$ 26,161,055</u>	<u>\$ 40,295,787</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Salaries and benefits payable	\$ 122,192	\$ -	\$ -	\$ 122,192
Accounts payable	94	-	87,192	87,286
Construction contracts payable - retainage	-	-	172,282	172,282
Total liabilities	<u>122,286</u>	<u>-</u>	<u>259,474</u>	<u>381,760</u>
Fund balances:				
Nonspendable	1,761,634	-	-	1,761,634
Restricted	10,559,528	1,691,284	25,901,581	38,152,393
Total fund balances	<u>12,321,162</u>	<u>1,691,284</u>	<u>25,901,581</u>	<u>39,914,027</u>
Total liabilities and fund balances	<u>\$ 12,443,448</u>	<u>\$ 1,691,284</u>	<u>\$ 26,161,055</u>	<u>\$ 40,295,787</u>

District School Board of Volusia County, Florida
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances -
Nonmajor Governmental Funds
For the Fiscal Year Ended June 30, 2019

	Total Nonmajor Special Revenue Funds	Total Nonmajor Debt Service Funds	Total Nonmajor Capital Projects Funds	Total Nonmajor Governmental Funds
REVENUES				
Federal through State and local	\$ 24,707,683	\$ -	\$ -	\$ 24,707,683
State sources	314,540	333,299	6,560,582	7,208,421
Local sources	4,305,879	26,884	9,306,745	13,639,508
Total revenues	<u>29,328,102</u>	<u>360,183</u>	<u>15,867,327</u>	<u>45,555,612</u>
EXPENDITURES				
Current:				
Facilities services - non-capitalized	-	-	107,096	107,096
Food services	27,664,362	-	-	27,664,362
Debt service:				
Principal	-	13,044,000	-	13,044,000
Interest and fiscal charges	-	11,929,030	2,228	11,931,258
Capital outlay:				
Facilities acquisition and construction	1,396,729	-	7,568,190	8,964,919
Other capital outlay	709,548	-	572	710,120
Total expenditures	<u>29,770,639</u>	<u>24,973,030</u>	<u>7,678,086</u>	<u>62,421,755</u>
Excess (Deficiency) of revenues over (under) expenditures	<u>(442,537)</u>	<u>(24,612,847)</u>	<u>8,189,241</u>	<u>(16,866,143)</u>
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	-	-	2,648,682	2,648,682
Transfers in	-	24,635,187	-	24,635,187
Transfers out	-	-	(4,693,076)	(4,693,076)
Total other financing sources (uses)	<u>-</u>	<u>24,635,187</u>	<u>(2,044,394)</u>	<u>22,590,793</u>
Net change in fund balances	<u>(442,537)</u>	<u>22,340</u>	<u>6,144,847</u>	<u>5,724,650</u>
Fund balances, July 1, 2018	12,763,699	1,668,944	19,756,734	34,189,377
Fund balances, June 30, 2019	<u>\$ 12,321,162</u>	<u>\$ 1,691,284</u>	<u>\$ 25,901,581</u>	<u>\$ 39,914,027</u>



Special Revenue Funds



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District School Board of Volusia County, Florida
Combining Balance Sheet -
Nonmajor Governmental Funds - Special Revenue Funds
June 30, 2019

	Food Service	Total Nonmajor Special Revenue Funds
ASSETS		
Cash and cash equivalents	\$ 6,202,511	\$ 6,202,511
Investments	4,255,974	4,255,974
Receivables	307	307
Interest receivable	17,554	17,554
Due from other agencies	205,468	205,468
Inventories	1,761,634	1,761,634
Total assets	<u>\$ 12,443,448</u>	<u>\$ 12,443,448</u>
LIABILITIES AND FUND BALANCES		
Liabilities:		
Salaries and benefits payable	\$ 122,192	\$ 122,192
Accounts payable	94	94
Total liabilities	<u>122,286</u>	<u>122,286</u>
Fund balances:		
Nonspendable	1,761,634	1,761,634
Restricted	10,559,528	10,559,528
Total fund balances	<u>12,321,162</u>	<u>12,321,162</u>
Total liabilities and fund balances	<u>\$ 12,443,448</u>	<u>\$ 12,443,448</u>

**District School Board of Volusia County, Florida
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances -
Nonmajor Governmental Funds - Special Revenue Funds
For the Fiscal Year Ended June 30, 2019**

	Food Service	Total Nonmajor Special Revenue Funds
REVENUES		
Federal through State and local	\$ 24,707,683	\$ 24,707,683
State sources	314,540	314,540
Local sources	4,305,879	4,305,879
Total revenues	<u>29,328,102</u>	<u>29,328,102</u>
EXPENDITURES		
Current:		
Food services	27,664,362	27,664,362
Capital outlay:		
Facilities acquisition and construction	1,396,729	1,396,729
Other capital outlay	709,548	709,548
Total expenditures	<u>29,770,639</u>	<u>29,770,639</u>
Deficiency of revenues under expenditures	<u>(442,537)</u>	<u>(442,537)</u>
Net change in fund balances	<u>(442,537)</u>	<u>(442,537)</u>
Fund balances, July 1, 2018	12,763,699	12,763,699
Fund balances, June 30, 2019	<u><u>\$ 12,321,162</u></u>	<u><u>\$ 12,321,162</u></u>

District School Board of Volusia County, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual -
All Special Revenue Funds
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
REVENUES				
Federal through State and local:				
School lunch reimbursement	\$ 16,000,000	\$ 15,784,902	\$ 15,784,902	\$ -
School breakfast reimbursement	4,800,000	4,923,486	4,923,486	-
USDA donated foods	1,900,000	2,317,829	2,317,829	-
Career and Technical Education	615,251	697,659	697,659	-
Teacher and Principal Training and Recruitment, Title II, Part A	2,207,910	2,431,647	2,078,522	(353,125)
Individuals with Disabilities Education Act (IDEA)	15,667,214	17,246,984	15,804,105	(1,442,879)
Elementary and Secondary Education Act, Title I	21,955,920	25,887,539	22,101,791	(3,785,748)
Language Instruction - Title III	572,510	662,329	606,682	(55,647)
Twenty-First Century Schools - Title IV	1,015,349	1,608,163	1,137,718	(470,445)
Other Federal through local	-	326,957	326,957	-
Other Federal through State	2,926,910	5,278,785	4,681,909	(596,876)
Total Federal through State and local	<u>67,661,064</u>	<u>77,166,280</u>	<u>70,461,560</u>	<u>(6,704,720)</u>
State sources:				
State supplements	333,000	314,540	314,540	-
Total state sources	<u>333,000</u>	<u>314,540</u>	<u>314,540</u>	<u>-</u>
Local sources:				
Interest Income	75,000	187,614	187,614	-
Student lunches	1,800,000	1,805,146	1,805,146	-
Student and adult a la carte	1,625,000	1,661,839	1,661,839	-
Other food service revenues	512,500	650,188	650,188	-
Other local sources	4,000	1,092	1,092	-
Total local sources	<u>4,016,500</u>	<u>4,305,879</u>	<u>4,305,879</u>	<u>-</u>
Total revenues	<u>72,010,564</u>	<u>81,786,699</u>	<u>75,081,979</u>	<u>(6,704,720)</u>
EXPENDITURES				
Current:				
Instruction	17,754,785	24,576,965	21,318,934	3,258,031
Student personnel services	5,202,727	7,100,213	6,367,397	732,816
Instruction and curriculum development services	8,043,348	9,860,156	8,397,752	1,462,404
Instructional staff training services	8,221,701	7,193,989	6,249,643	944,346
Instructional related technology	8,700	10,033	9,386	647
General administration	1,983,648	2,305,949	2,095,801	210,148
School administration	2,053,250	1,973,970	1,926,888	47,082
Food services	31,463,989	28,270,999	27,664,362	606,637
Central services	8,700	46,776	40,787	5,989
Student transportation services	91,352	131,586	106,371	25,215
Operation of plant	21,751	28,763	22,776	5,987
Debt service:				
Principal	-	357,915	357,915	-
Capital outlay:				
Facilities acquisition and construction	3,871,516	1,599,814	1,396,729	203,085
Other capital outlay	739,545	880,678	779,920	100,758
Total expenditures	<u>79,465,012</u>	<u>84,337,806</u>	<u>76,734,661</u>	<u>7,603,145</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(7,454,448)</u>	<u>(2,551,107)</u>	<u>(1,652,682)</u>	<u>898,425</u>
OTHER FINANCING SOURCES (USES)				
Inception of capital lease	-	1,431,780	1,431,780	-
Transfers out	-	(221,635)	(221,635)	-
Total other financing sources (uses)	<u>-</u>	<u>1,210,145</u>	<u>1,210,145</u>	<u>-</u>
Net change in fund balances	<u>(7,454,448)</u>	<u>(1,340,962)</u>	<u>(442,537)</u>	<u>898,425</u>
Fund balances, July 1, 2018	12,763,699	12,763,699	12,763,699	-
Fund balances, June 30, 2019	<u>\$ 5,309,251</u>	<u>\$ 11,422,737</u>	<u>\$ 12,321,162</u>	<u>\$ 898,425</u>

District School Board of Volusia County, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -
Food Service - Special Revenue Fund
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
REVENUES				
Federal through State:				
School lunch reimbursement	\$ 16,000,000	\$ 15,784,902	\$ 15,784,902	\$ -
School breakfast reimbursement	4,800,000	4,923,486	4,923,486	-
USDA donated foods	1,900,000	2,317,829	2,317,829	-
Other Federal through State	1,460,000	1,681,466	1,681,466	-
Total Federal through State	<u>24,160,000</u>	<u>24,707,683</u>	<u>24,707,683</u>	<u>-</u>
State sources:				
State supplements	333,000	314,540	314,540	-
Total state sources	<u>333,000</u>	<u>314,540</u>	<u>314,540</u>	<u>-</u>
Local sources:				
Interest Income	75,000	187,614	187,614	-
Student lunches	1,800,000	1,805,146	1,805,146	-
Student and adult a la carte	1,625,000	1,661,839	1,661,839	-
Other food service revenues	512,500	650,188	650,188	-
Other local sources	4,000	1,092	1,092	-
Total local sources	<u>4,016,500</u>	<u>4,305,879</u>	<u>4,305,879</u>	<u>-</u>
Total revenues	<u>28,509,500</u>	<u>29,328,102</u>	<u>29,328,102</u>	<u>-</u>
EXPENDITURES				
Current:				
Food services	31,463,989	28,270,999	27,664,362	606,637
Capital outlay:				
Facilities acquisition and construction	3,871,516	1,599,814	1,396,729	203,085
Other capital outlay	628,443	798,251	709,548	88,703
Total expenditures	<u>35,963,948</u>	<u>30,669,064</u>	<u>29,770,639</u>	<u>898,425</u>
Deficiency of revenues under expenditures	<u>(7,454,448)</u>	<u>(1,340,962)</u>	<u>(442,537)</u>	<u>898,425</u>
Net change in fund balances	<u>(7,454,448)</u>	<u>(1,340,962)</u>	<u>(442,537)</u>	<u>898,425</u>
Fund balances, July 1, 2018	12,763,699	12,763,699	12,763,699	-
Fund balances, June 30, 2019	<u>\$ 5,309,251</u>	<u>\$ 11,422,737</u>	<u>\$ 12,321,162</u>	<u>\$ 898,425</u>



Debt Service Funds



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District School Board of Volusia County, Florida
Combining Balance Sheet -
Nonmajor Governmental Funds - Debt Service Funds
June 30, 2019

	SBE/COBI Bonds	Sales Tax Revenue Bonds	Certificates of Participation	Total Nonmajor Debt Service Funds
ASSETS				
Cash and cash equivalents	\$ 5,722	\$ 1,399,396	\$ -	\$ 1,405,118
Investments	-	284,990	-	284,990
Interest receivable	-	1,176	-	1,176
Total assets	<u>\$ 5,722</u>	<u>\$ 1,685,562</u>	<u>\$ -</u>	<u>\$ 1,691,284</u>
FUND BALANCES				
Restricted	\$ 5,722	\$ 1,685,562	\$ -	\$ 1,691,284
Total fund balances	<u>\$ 5,722</u>	<u>\$ 1,685,562</u>	<u>\$ -</u>	<u>\$ 1,691,284</u>

District School Board of Volusia County, Florida
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances -
Nonmajor Governmental Funds - Debt Service Funds
For the Fiscal Year Ended June 30, 2019

	SBE/COBI Bonds	Sales Tax Revenue Bonds	Certificates of Participation	Total Nonmajor Debt Service Funds
REVENUES				
State sources	\$ 333,299	\$ -	\$ -	\$ 333,299
Local sources:				
Other local sources	-	26,884	-	26,884
Total local sources	-	26,884	-	26,884
Total revenues	333,299	26,884	-	360,183
EXPENDITURES				
Debt service:				
Principal	324,000	1,655,000	11,065,000	13,044,000
Interest and fiscal charges	26,271	1,582,700	10,320,059	11,929,030
Total expenditures	350,271	3,237,700	21,385,059	24,973,030
Deficiency of revenues under expenditures	(16,972)	(3,210,816)	(21,385,059)	(24,612,847)
OTHER FINANCING SOURCES				
Transfers in	-	3,250,128	21,385,059	24,635,187
Total other financing sources	-	3,250,128	21,385,059	24,635,187
Net change in fund balances	(16,972)	39,312	-	22,340
Fund balances, July 1, 2018	22,694	1,646,250	-	1,668,944
Fund balances, June 30, 2019	\$ 5,722	\$ 1,685,562	\$ -	\$ 1,691,284

District School Board of Volusia County, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual -
All Debt Service Funds
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
REVENUES				
State sources:				
CO&DS withheld for SBE/COBI bonds	\$ 350,120	\$ 332,583	\$ 332,583	\$ -
SBE/COBI bond interest	-	716	716	-
Total State sources	350,120	333,299	333,299	-
Local sources:				
Interest income and other	-	26,884	26,884	-
Total local sources	-	26,884	26,884	-
Total revenues	350,120	360,183	360,183	-
EXPENDITURES				
Debt Service:				
Principal	13,044,000	13,044,000	13,044,000	-
Interest and fiscal charges	11,944,145	11,929,030	11,929,030	-
Total expenditures	24,988,145	24,973,030	24,973,030	-
Deficiency of revenues under expenditures	(24,638,025)	(24,612,847)	(24,612,847)	-
OTHER FINANCING SOURCES				
Transfers in	24,677,338	24,635,187	24,635,187	-
Total other financing sources	24,677,338	24,635,187	24,635,187	-
Net change in fund balances	39,313	22,340	22,340	-
Fund balances, July 1, 2018	1,668,944	1,668,944	1,668,944	-
Fund balances, June 30, 2019	\$ 1,708,257	\$ 1,691,284	\$ 1,691,284	\$ -

District School Board of Volusia County, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -
SBE/COBI Bonds - Debt Service Fund
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
REVENUES				
State sources:				
CO&DS withheld for SBE/COBI bonds	\$ 350,120	\$ 332,583	\$ 332,583	\$ -
SBE/COBI bond interest	-	716	716	-
Total State sources	350,120	333,299	333,299	-
Total revenues	350,120	333,299	333,299	-
EXPENDITURES				
Debt service:				
Principal	324,000	324,000	324,000	-
Interest and fiscal charges	26,120	26,271	26,271	-
Total expenditures	350,120	350,271	350,271	-
Deficiency of revenues under expenditures	-	(16,972)	(16,972)	-
Net change in fund balances	-	(16,972)	(16,972)	-
Fund balances, July 1, 2018	22,694	22,694	22,694	-
Fund balances, June 30, 2019	\$ 22,694	\$ 5,722	\$ 5,722	\$ -

District School Board of Volusia County, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -
Sales Tax Revenue Bonds - Debt Service Fund
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
REVENUES				
Local sources:				
Interest income	\$ -	\$ 26,884	\$ 26,884	\$ -
Total local sources	-	26,884	26,884	-
Total revenues	-	26,884	26,884	-
EXPENDITURES				
Debt Service:				
Principal	1,655,000	1,655,000	1,655,000	-
Interest and fiscal charges	1,578,625	1,582,700	1,582,700	-
Total expenditures	3,233,625	3,237,700	3,237,700	-
Deficiency of revenues under expenditures	(3,233,625)	(3,210,816)	(3,210,816)	-
OTHER FINANCING SOURCES				
Transfers in	3,272,938	3,250,128	3,250,128	-
Total other financing sources	3,272,938	3,250,128	3,250,128	-
Net change in fund balances	39,313	39,312	39,312	-
Fund balances, July 1, 2018	1,646,250	1,646,250	1,646,250	-
Fund balances, June 30, 2019	\$ 1,685,563	\$ 1,685,562	\$ 1,685,562	\$ -

District School Board of Volusia County, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -
Certificates of Participation - Debt Service Fund
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
EXPENDITURES				
Debt Service:				
Principal	\$ 11,065,000	\$ 11,065,000	\$ 11,065,000	\$ -
Interest and fiscal charges	10,339,400	10,320,059	10,320,059	-
Total expenditures	<u>21,404,400</u>	<u>21,385,059</u>	<u>21,385,059</u>	<u>-</u>
OTHER FINANCING SOURCES				
Transfers in	21,404,400	21,385,059	21,385,059	-
Total other financing sources	<u>21,404,400</u>	<u>21,385,059</u>	<u>21,385,059</u>	<u>-</u>
Net change in fund balances	-	-	-	-
Fund balances, July 1, 2018	-	-	-	-
Fund balances, June 30, 2019	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>



Capital Projects Funds



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District School Board of Volusia County, Florida
Combining Balance Sheet -
Nonmajor Capital Projects Funds
June 30, 2019

	Capital Outlay and Debt Service	Impact Fees	State and Local Miscellaneous	Charter Schools' Capital Outlay	Public Education Capital Outlay	Total Nonmajor Capital Projects Funds
ASSETS						
Cash and cash equivalents	\$ 2,545,414	\$ 2,192,807	\$ 3,537,721	\$ -	\$ -	\$ 8,275,942
Investments	-	13,258,294	4,119,817	-	-	17,378,111
Interest receivable	-	34,246	5,665	-	-	39,911
Due from other agencies	40,811	426,280	-	-	-	467,091
Total assets	<u>\$ 2,586,225</u>	<u>\$ 15,911,627</u>	<u>\$ 7,663,203</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,161,055</u>
LIABILITIES AND FUND BALANCES						
Liabilities:						
Accounts payable	\$ -	\$ 492	\$ 86,700	\$ -	\$ -	\$ 87,192
Construction contracts payable - retainage	-	172,282	-	-	-	172,282
Total liabilities:	<u>-</u>	<u>172,774</u>	<u>86,700</u>	<u>-</u>	<u>-</u>	<u>259,474</u>
Fund balances:						
Restricted	2,586,225	15,738,853	7,576,503	-	-	25,901,581
Total fund balances	<u>2,586,225</u>	<u>15,738,853</u>	<u>7,576,503</u>	<u>-</u>	<u>-</u>	<u>25,901,581</u>
Total liabilities and fund balances	<u>\$ 2,586,225</u>	<u>\$ 15,911,627</u>	<u>\$ 7,663,203</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 26,161,055</u>

District School Board of Volusia County, Florida
Combining Statement of Revenues, Expenditures,
and Changes in Fund Balances -
Nonmajor Capital Projects Funds
For the Fiscal Year Ended June 30, 2019

	Capital Outlay and Debt Service	Impact Fees	State and Local Miscellaneous	Charter Schools' Capital Outlay	Public Education Capital Outlay	Total Nonmajor Capital Projects Funds
REVENUES						
State sources:						
Public Education Capital Outlay (PECO)	\$ -	\$ -	\$ -	\$ -	\$ 1,089,986	\$ 1,089,986
Other state revenues	1,997,855	-	2,290,967	1,181,774	-	5,470,596
Total state sources	1,997,855	-	2,290,967	1,181,774	1,089,986	6,560,582
Local sources:						
Impact fees	-	8,659,017	-	-	-	8,659,017
Other local revenues	-	406,637	241,091	-	-	647,728
Total local sources	-	9,065,654	241,091	-	-	9,306,745
Total revenues	1,997,855	9,065,654	2,532,058	1,181,774	1,089,986	15,867,327
EXPENDITURES						
Current:						
Facilities services - non-capitalized	-	-	107,096	-	-	107,096
Debt Service:						
Interest and fiscal charges	2,228	-	-	-	-	2,228
Capital outlay:						
Facilities acquisition and construction	229,911	6,926,360	411,919	-	-	7,568,190
Other capital outlay	-	-	572	-	-	572
Total expenditures	232,139	6,926,360	519,587	-	-	7,678,086
Excess of revenues over expenditures	1,765,716	2,139,294	2,012,471	1,181,774	1,089,986	8,189,241
OTHER FINANCING SOURCES (USES)						
Proceeds from sale of capital assets	-	-	2,648,682	-	-	2,648,682
Transfers out	-	(2,407,783)	(13,533)	(1,181,774)	(1,089,986)	(4,693,076)
Total other financing sources (uses)	-	(2,407,783)	2,635,149	(1,181,774)	(1,089,986)	(2,044,394)
Net change in fund balances	1,765,716	(268,489)	4,647,620	-	-	6,144,847
Fund balances, July 1, 2018	820,509	16,007,342	2,928,883	-	-	19,756,734
Fund balances, June 30, 2019	\$ 2,586,225	\$ 15,738,853	\$ 7,576,503	\$ -	\$ -	\$ 25,901,581

District School Board of Volusia County, Florida
Combining Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual -
All Capital Project Funds
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
REVENUES				
State sources:				
CO&DS distributed	\$ 494,812	\$ 1,954,816	\$ 1,954,816	-
Interest on undistributed CO&DS	18,411	43,039	43,039	-
Public Education Capital Outlay	1,089,986	1,089,986	1,089,986	-
Charter school capital outlay funding	-	1,181,774	1,181,774	-
Other State sources	-	2,290,967	2,290,967	-
Total State sources	1,603,209	6,560,582	6,560,582	-
Local sources:				
Ad valorem taxes	54,895,769	55,131,999	55,131,999	-
Local sales tax	41,740,656	44,814,724	44,814,724	-
Impact fees	4,000,000	8,659,017	8,659,017	-
Interest income	100,000	2,945,069	2,945,069	-
Other local sources	-	237,233	237,233	-
Total local sources	100,736,425	111,788,042	111,788,042	-
Total revenues	102,339,634	118,348,624	118,348,624	-
EXPENDITURES				
Current:				
Facilities services - non-capitalized	4,114,888	13,188,574	8,817,647	4,370,927
Debt service:				
Interest and fiscal charges	-	2,228	2,228	-
Capital outlay:				
Facilities acquisition and construction	109,721,778	114,933,300	63,676,964	51,256,336
Other capital outlay	28,037,665	22,025,431	13,829,022	8,196,409
Total expenditures	141,874,331	150,149,533	86,325,861	63,823,672
Excess (deficiency) of revenues over (under) expenditures	(39,534,697)	(31,800,909)	32,022,763	63,823,672
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	-	2,648,682	2,648,682	-
Loss recoveries	-	427,746	427,746	-
Transfers in	-	122,161	122,161	-
Transfers out	(32,923,169)	(34,081,443)	(34,081,443)	-
Total other financing sources (uses)	(32,923,169)	(30,882,854)	(30,882,854)	-
Net change in fund balances	(72,457,866)	(62,683,763)	1,139,909	63,823,672
Fund balances, July 1, 2018	117,853,637	117,853,637	117,853,637	-
Fund balances, June 30, 2019	\$ 45,395,771	\$ 55,169,874	\$ 118,993,546	\$ 63,823,672

District School Board of Volusia County, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -
Local Capital Improvement - Capital Projects Fund
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
REVENUES				
Local sources:				
Ad valorem taxes	\$ 54,895,769	\$ 55,131,999	\$ 55,131,999	\$ -
Interest income	35,000	1,303,507	1,303,507	-
Other local sources	-	81,636	81,636	-
Total local sources	54,930,769	56,517,142	56,517,142	-
Total revenues	54,930,769	56,517,142	56,517,142	-
EXPENDITURES				
Current:				
Facilities services - non-capitalized	1,375,133	2,995,038	1,222,302	1,772,736
Capital outlay:				
Facilities acquisition and construction	55,470,410	56,554,995	35,205,357	21,349,638
Other capital outlay	6,523,657	6,407,724	4,765,444	1,642,280
Total expenditures	63,369,200	65,957,757	41,193,103	24,764,654
Excess (deficiency) of revenues over (under) expenditures	(8,438,431)	(9,440,615)	15,324,039	24,764,654
OTHER FINANCING SOURCES (USES)				
Loss recoveries	-	412,391	412,391	-
Transfers in	-	122,161	122,161	-
Transfers out	(25,182,872)	(24,990,927)	(24,990,927)	-
Total other financing sources (uses)	(25,182,872)	(24,456,375)	(24,456,375)	-
Net change in fund balances	(33,621,303)	(33,896,990)	(9,132,336)	24,764,654
Fund balances, July 1, 2018	48,514,982	48,514,982	48,514,982	-
Fund balances, June 30, 2019	\$ 14,893,679	\$ 14,617,992	\$ 39,382,646	\$ 24,764,654

District School Board of Volusia County, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -
Capital Outlay and Debt Service - Capital Projects Fund
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
REVENUES				
State sources:				
CO&DS distributed	\$ 494,812	\$ 1,954,816	\$ 1,954,816	\$ -
Interest on undistributed CO&DS	18,411	43,039	43,039	-
Total State sources	<u>513,223</u>	<u>1,997,855</u>	<u>1,997,855</u>	<u>-</u>
Total revenues	<u>513,223</u>	<u>1,997,855</u>	<u>1,997,855</u>	<u>-</u>
EXPENDITURES				
Debt service:				
Interest and fiscal charges	-	2,228	2,228	-
Capital outlay:				
Facilities acquisition and construction	<u>186,753</u>	<u>239,096</u>	<u>229,911</u>	<u>9,185</u>
Total expenditures	<u>186,753</u>	<u>241,324</u>	<u>232,139</u>	<u>9,185</u>
Excess of revenues over expenditures	<u>326,470</u>	<u>1,756,531</u>	<u>1,765,716</u>	<u>9,185</u>
Net change in fund balances	<u>326,470</u>	<u>1,756,531</u>	<u>1,765,716</u>	<u>9,185</u>
Fund balances, July 1, 2018	<u>820,509</u>	<u>820,509</u>	<u>820,509</u>	<u>-</u>
Fund balances, June 30, 2019	<u>\$ 1,146,979</u>	<u>\$ 2,577,040</u>	<u>\$ 2,586,225</u>	<u>\$ 9,185</u>

District School Board of Volusia County, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -
Impact Fees - Capital Projects Fund
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
REVENUES				
Local sources:				
Impact fees	\$ 4,000,000	\$ 8,659,017	\$ 8,659,017	\$ -
Interest income	10,000	406,637	406,637	-
Total local sources	4,010,000	9,065,654	9,065,654	-
Total revenues	4,010,000	9,065,654	9,065,654	-
EXPENDITURES				
Capital outlay:				
Facilities acquisition and construction	9,056,891	10,565,925	6,926,360	3,639,565
Total expenditures	9,056,891	10,565,925	6,926,360	3,639,565
Excess (deficiency) of revenues over (under) expenditures	(5,046,891)	(1,500,271)	2,139,294	(3,639,565)
OTHER FINANCING USES				
Transfers out	(2,410,810)	(2,407,783)	(2,407,783)	-
Total other financing uses	(2,410,810)	(2,407,783)	(2,407,783)	-
Net change in fund balances	(7,457,701)	(3,908,054)	(268,489)	-
Fund balances, July 1, 2018	16,007,342	16,007,342	16,007,342	-
Fund balances, June 30, 2019	\$ 8,549,641	\$ 12,099,288	\$ 15,738,853	\$ -

District School Board of Volusia County, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -
Local Sales Tax - Capital Projects Fund
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
REVENUES				
Local sources:				
Local sales tax	\$ 41,740,656	\$ 44,814,724	\$ 44,814,724	\$ -
Interest income	45,000	1,148,814	1,148,814	-
Other local sources	-	617	617	-
Total local sources	41,785,656	45,964,155	45,964,155	-
Total revenues	41,785,656	45,964,155	45,964,155	-
EXPENDITURES				
Current:				
Facilities services - non-capitalized	2,529,699	9,983,480	7,488,249	2,495,231
Capital outlay:				
Facilities acquisition and construction	44,687,619	44,961,146	20,903,417	24,057,729
Other capital outlay	21,514,008	15,536,935	9,063,006	6,473,929
Total expenditures	68,731,326	70,481,561	37,454,672	33,026,889
Excess (deficiency) of revenues				
over (under) expenditures	(26,945,670)	(24,517,406)	8,509,483	(33,026,889)
OTHER FINANCING SOURCES (USES)				
Loss recoveries	-	15,355	15,355	-
Transfers out	(4,239,501)	(4,397,440)	(4,397,440)	-
Total other financing uses	(4,239,501)	(4,382,085)	(4,382,085)	-
Net change in fund balances	(31,185,171)	(28,899,491)	4,127,398	(33,026,889)
Fund balances, July 1, 2018	49,581,921	49,581,921	49,581,921	-
Fund balances, June 30, 2019	\$ 18,396,750	\$ 20,682,430	\$ 53,709,319	\$ (33,026,889)

District School Board of Volusia County, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -
State and Local Miscellaneous - Capital Projects Fund
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
REVENUES				
State sources:				
Other State sources	\$ -	\$ 2,290,967	\$ 2,290,967	\$ -
Total State sources	-	2,290,967	2,290,967	-
Local sources:				
Interest income	10,000	86,111	86,111	-
Other local sources	-	154,980	154,980	-
Total local sources	10,000	241,091	241,091	-
Total revenues	10,000	2,532,058	2,532,058	-
EXPENDITURES				
Current:				
Facilities services - non-capitalized	210,056	210,056	107,096	102,960
Capital outlay:				
Facilities acquisition and construction	320,105	2,612,138	411,919	2,200,219
Other capital outlay	-	80,772	572	80,200
Total expenditures	530,161	2,902,966	519,587	2,383,379
Excess (deficiency) of revenues over (under) expenditures	(520,161)	(370,908)	2,012,471	2,383,379
OTHER FINANCING SOURCES (USES)				
Proceeds from sale of capital assets	-	2,648,682	2,648,682	-
Transfers out	-	(13,533)	(13,533)	-
Total other financing sources	-	2,635,149	2,635,149	-
Net change in fund balances	(520,161)	2,264,241	4,647,620	2,383,379
Fund balances, July 1, 2018	2,928,883	2,928,883	2,928,883	-
Fund balances, June 30, 2019	\$ 2,408,722	\$ 5,193,124	\$ 7,576,503	\$ 2,383,379

District School Board of Volusia County, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -
Charter Schools' Capital Outlay - Capital Projects Fund
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
REVENUES				
State sources:				
Charter school capital outlay funding	\$ -	\$ 1,181,774	\$ 1,181,774	\$ -
Total State sources	-	1,181,774	1,181,774	-
Total revenues	-	1,181,774	1,181,774	-
Excess of revenues over expenditures	-	1,181,774	1,181,774	-
OTHER FINANCING USES				
Transfers out	-	(1,181,774)	(1,181,774)	-
Total other financing uses	-	(1,181,774)	(1,181,774)	-
Net change in fund balances	-	-	-	-
Fund balances, July 1, 2018	-	-	-	-
Fund balances, June 30, 2019	\$ -	\$ -	\$ -	\$ -

District School Board of Volusia County, Florida
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual -
Public Education Capital Outlay - Capital Projects Fund
For the Fiscal Year Ended June 30, 2019

	Budgeted Amounts		Actual	Variance with
	Original	Final	Amounts	Final Budget -
				Positive
				(Negative)
REVENUES				
State sources:				
Public Education Capital Outlay (PECO)	\$ 1,089,986	\$ 1,089,986	\$ 1,089,986	\$ -
Excess of revenues over expenditures	1,089,986	1,089,986	1,089,986	-
OTHER FINANCING USES				
Transfers out	(1,089,986)	(1,089,986)	(1,089,986)	-
Total other financing uses	(1,089,986)	(1,089,986)	(1,089,986)	-
Net change in fund balances	-	-	-	-
Fund balances, July 1, 2018	-	-	-	-
Fund balances, June 30, 2019	\$ -	\$ -	\$ -	\$ -



Internal Service Funds

Internal Service Funds

Internal Service Funds are used to account for the financing of goods and services provided by one department to other departments within the school district on a cost reimbursement basis.

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

Property Insurance - Used to account for the financial activities of the District's property insurance coverages.

General Liability - Used to account for the financial activities of the District's self-insured general liability coverages.

Fleet Insurance - Used to account for the financial activities of the District's self-insured fleet coverages.

District School Board of Volusia County, Florida
Combining Statement of Fund Net Position -
Internal Service Funds
June 30, 2019

	Workers'	Property	General	Fleet	Total
	Compensation	Insurance	Liability	Insurance	Internal Service Funds
ASSETS					
Current assets:					
Cash and cash equivalents	\$ 1,471,588	\$ 803,725	\$ 1,103,071	\$ 534,645	\$ 3,913,029
Investments	1,610,534	2,413,117	2,055,095	2,218,237	8,296,983
Receivables	305,379	-	-	-	305,379
Interest receivable	9,934	14,045	10,766	8,997	43,742
Total assets	<u>3,397,435</u>	<u>3,230,887</u>	<u>3,168,932</u>	<u>2,761,879</u>	<u>12,559,133</u>
LIABILITIES					
Current liabilities:					
Salaries and benefits payable	\$ 1,056	\$ -	\$ -	\$ -	\$ 1,056
Accounts payable	64	87	80	17	248
Estimated insurance					
claims payable	1,423,807	-	596,032	811,767	2,831,606
Total current liabilities	<u>1,424,927</u>	<u>87</u>	<u>596,112</u>	<u>811,784</u>	<u>2,832,910</u>
Noncurrent liabilities:					
Estimated insurance					
claims payable	1,406,480	-	879,780	950,095	3,236,355
Total noncurrent liabilities	<u>1,406,480</u>	<u>-</u>	<u>879,780</u>	<u>950,095</u>	<u>3,236,355</u>
Total liabilities	<u>2,831,407</u>	<u>87</u>	<u>1,475,892</u>	<u>1,761,879</u>	<u>6,069,265</u>
NET POSITION					
Unrestricted	566,028	3,230,800	1,693,040	1,000,000	6,489,868
Total net position	<u>\$ 566,028</u>	<u>\$ 3,230,800</u>	<u>\$ 1,693,040</u>	<u>\$ 1,000,000</u>	<u>\$ 6,489,868</u>

District School Board of Volusia County, Florida
Combining Statement of Revenues, Expenses, and Changes in Fund Net Position -
Internal Service Funds
For the Fiscal Year Ended June 30, 2019

	Workers' Compensation	Property Insurance	General Liability	Fleet Insurance	Total Internal Service Funds
OPERATING REVENUES					
Premium revenue	\$ 2,637,068	\$ 2,970,488	\$ 716,825	\$ 560,223	\$ 6,884,604
Total operating revenues	<u>2,637,068</u>	<u>2,970,488</u>	<u>716,825</u>	<u>560,223</u>	<u>6,884,604</u>
OPERATING EXPENSES					
Salaries	81,353	-	-	-	81,353
Employee benefits	20,664	-	700	-	21,364
Purchased services	500,654	3,067,303	331,370	230,975	4,130,302
Materials and supplies	50	4,242	-	-	4,292
Capital outlay	-	690	-	-	690
Insurance claims and related costs	2,137,749	-	486,555	399,534	3,023,838
Total operating expenses	<u>2,740,470</u>	<u>3,072,235</u>	<u>818,625</u>	<u>630,509</u>	<u>7,261,839</u>
Operating loss	<u>(103,402)</u>	<u>(101,747)</u>	<u>(101,800)</u>	<u>(70,286)</u>	<u>(377,235)</u>
NONOPERATING REVENUES					
Interest	103,402	101,747	101,800	70,286	377,235
Total nonoperating revenues	<u>103,402</u>	<u>101,747</u>	<u>101,800</u>	<u>70,286</u>	<u>377,235</u>
Transfers in	-	99,474	-	-	99,474
Change in net position	-	99,474	-	-	99,474
Net position- July 1, 2018	566,028	3,131,326	1,693,040	1,000,000	6,390,394
Net position - June 30, 2019	<u>\$ 566,028</u>	<u>\$ 3,230,800</u>	<u>\$ 1,693,040</u>	<u>\$ 1,000,000</u>	<u>\$ 6,489,868</u>

District School Board of Volusia County, Florida
Combining Statement of Cash Flows -
Internal Service Funds
For the Fiscal Year Ended June 30, 2019

	Workers'	Property	General	Fleet	Total
	Compensation	Insurance	Liability	Insurance	Internal Service Funds
CASH FLOWS FROM OPERATING ACTIVITIES					
Receipts from premium revenue	\$ 2,637,068	\$ 2,970,488	\$ 716,825	\$ 560,223	\$ 6,884,604
Payments to suppliers for goods and services	(500,713)	(3,072,249)	(332,088)	(230,973)	(4,136,023)
Payments to employees	(102,548)	-	-	-	(102,548)
Payments for insurance claims	(2,163,993)	-	(371,128)	(228,854)	(2,763,975)
Net cash provided (used) by operating activities	<u>(130,186)</u>	<u>(101,761)</u>	<u>13,609</u>	<u>100,396</u>	<u>(117,942)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES					
Capital grant	-	99,474	-	-	99,474
Net cash provided by capital and related financing activities	<u>-</u>	<u>99,474</u>	<u>-</u>	<u>-</u>	<u>99,474</u>
CASH FLOWS FROM INVESTING ACTIVITIES					
Proceeds from sales and maturities of investments	269,580	47,406	477,917	-	794,903
Interest	100,236	96,758	104,185	69,105	370,284
Purchase of investments	-	-	-	(54,912)	(54,912)
Net cash provided by investing activities	<u>369,816</u>	<u>144,164</u>	<u>582,102</u>	<u>14,193</u>	<u>1,110,275</u>
Net change in cash and cash equivalents	239,630	141,877	595,711	114,589	1,091,807
Cash and cash equivalents - July 1, 2018	1,231,958	661,848	507,360	420,056	2,821,222
Cash and cash equivalents - June 30, 2019	<u>\$ 1,471,588</u>	<u>\$ 803,725</u>	<u>\$ 1,103,071</u>	<u>\$ 534,645</u>	<u>\$ 3,913,029</u>
Reconciliation of operating loss to net cash provided (used) by operating activities:					
Operating loss	<u>\$ (103,402)</u>	<u>\$ (101,747)</u>	<u>\$ (101,800)</u>	<u>\$ (70,286)</u>	<u>\$ (377,235)</u>
Adjustments to reconcile operating loss to net cash provided (used) by operating activities:					
Change in Assets and Liabilities:					
(Increase) in accounts receivable	(305,379)	-	-	-	(305,379)
(Decrease) in salaries and benefits payable	(531)	-	-	-	(531)
Increase (decrease) in accounts payable	(9)	(14)	(18)	2	(39)
Increase in estimated insurance claims payable	279,135	-	115,427	170,680	565,242
Net cash provided (used) by operating activities	<u>\$ (130,186)</u>	<u>\$ (101,761)</u>	<u>\$ 13,609</u>	<u>\$ 100,396</u>	<u>\$ (117,942)</u>
Noncash investing activities:					
Net increase in the fair value of investments	<u>\$ 27,593</u>	<u>\$ 32,629</u>	<u>\$ 41,181</u>	<u>\$ 6,813</u>	<u>\$ 108,216</u>



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Fiduciary Funds

Fiduciary Funds

Fiduciary Funds are used to report resources held by a governmental unit in a trustee or agency capacity for others and therefore, cannot be used to support the government's own programs.

Private-Purpose Trust Funds - Used to account for the resources of the District's trust and endowment funds for Spruce Creek High, Seabreeze High, and Samsula Scholars.

Agency Funds - Used to account for resources of the school internal funds which are used to administer monies collected at the schools for student, athletic, class, and club activities and to account for resources that are held for a voluntary employee benefits program.

District School Board of Volusia County, Florida
Combining Statement of Fiduciary Net Position -
Private-Purpose Trust Funds
June 30, 2019

	Spruce Creek High	Seabreeze High	Samsula Scholars	Total Private-Purpose Trust Funds
ASSETS				
Cash and cash equivalents	\$ 29,449	\$ 182,023	\$ 24,045	\$ 235,517
Investments	-	620,822	-	620,822
Interest receivable	-	222	-	222
Total assets	<u>\$ 29,449</u>	<u>\$ 803,067</u>	<u>\$ 24,045</u>	<u>\$ 856,561</u>
NET POSITION				
Held in trust for scholarships and other purposes	<u>\$ 29,449</u>	<u>\$ 803,067</u>	<u>\$ 24,045</u>	<u>\$ 856,561</u>

District School Board of Volusia County, Florida
Combining Statement of Changes in Fiduciary Net Position -
Private-Purpose Trust Funds
For the Fiscal Year Ended June 30, 2019

	Spruce Creek High	Seabreeze High	Samsula Scholars	Total Private-Purpose Trust Funds
ADDITIONS				
Interest earnings	\$ 741	\$ 20,101	\$ 617	\$ 21,459
Total additions	<u>741</u>	<u>20,101</u>	<u>617</u>	<u>21,459</u>
DEDUCTIONS				
Scholarship payments	-	4,962	1,200	6,162
Total deductions	<u>-</u>	<u>4,962</u>	<u>1,200</u>	<u>6,162</u>
Change in net position	741	15,139	(583)	15,297
Net position - July 1, 2018	<u>28,708</u>	<u>787,928</u>	<u>24,628</u>	<u>841,264</u>
Net position - June 30, 2019	<u><u>\$ 29,449</u></u>	<u><u>\$ 803,067</u></u>	<u><u>\$ 24,045</u></u>	<u><u>\$ 856,561</u></u>

District School Board of Volusia County, Florida
Combining Statement of Assets and Liabilities -
Agency Funds
June 30, 2019

	<u>School Internal Funds</u>	<u>Employee Benefits Program</u>	<u>Total Agency Funds</u>
ASSETS			
Cash and cash equivalents	\$ 3,911,566	\$ 9,272	\$ 3,920,838
Investments	2,379,178	-	2,379,178
Receivables	11,000	-	11,000
Total assets	<u>\$ 6,301,744</u>	<u>\$ 9,272</u>	<u>\$ 6,311,016</u>
LIABILITIES			
Accounts payable	\$ 222,702	\$ 9,272	\$ 231,974
Deposits held for others	6,079,042	-	6,079,042
Total liabilities	<u>\$ 6,301,744</u>	<u>\$ 9,272</u>	<u>\$ 6,311,016</u>

District School Board of Volusia County, Florida
Combining Statement of Changes in Assets and Liabilities -
Agency Funds
For the Fiscal Year Ended June 30, 2019

SCHOOL INTERNAL FUNDS

	Balance July 1, 2018	Additions	Deductions	Balance June 30, 2019
ASSETS				
Cash and cash equivalents	\$ 3,690,125	\$ 14,061,027	\$ 13,839,586	\$ 3,911,566
Investments	2,365,933	188,379	175,134	2,379,178
Receivables	11,000	-	-	11,000
Total assets	<u>\$ 6,067,058</u>	<u>\$ 14,249,406</u>	<u>\$ 14,014,720</u>	<u>\$ 6,301,744</u>
LIABILITIES				
Accounts payable	\$ 213,526	\$ 222,702	\$ 213,526	\$ 222,702
Deposits held for others	5,853,532	14,026,704	13,801,194	6,079,042
Total liabilities	<u>\$ 6,067,058</u>	<u>\$ 14,249,406</u>	<u>\$ 14,014,720</u>	<u>\$ 6,301,744</u>

EMPLOYEE BENEFITS PROGRAM

	Balance July 1, 2018	Additions	Deductions	Balance June 30, 2019
ASSETS				
Cash and cash equivalents	\$ 9,272	\$ -	\$ -	\$ 9,272
Total assets	<u>\$ 9,272</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,272</u>
LIABILITIES				
Accounts payable	\$ 9,272	\$ -	\$ -	\$ 9,272
Total liabilities	<u>\$ 9,272</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 9,272</u>

TOTAL AGENCY FUNDS

	Balance July 1, 2018	Additions	Deductions	Balance June 30, 2019
ASSETS				
Cash and cash equivalents	\$ 3,699,397	\$ 14,061,027	\$ 13,839,586	\$ 3,920,838
Investments	2,365,933	188,379	175,134	2,379,178
Receivables	11,000	-	-	11,000
Total assets	<u>\$ 6,076,330</u>	<u>\$ 14,249,406</u>	<u>\$ 14,014,720</u>	<u>\$ 6,311,016</u>
LIABILITIES				
Accounts payable	\$ 222,798	\$ 222,702	\$ 213,526	\$ 231,974
Deposits held for others	5,853,532	14,026,704	13,801,194	6,079,042
Total liabilities	<u>\$ 6,076,330</u>	<u>\$ 14,249,406</u>	<u>\$ 14,014,720</u>	<u>\$ 6,311,016</u>



Nonmajor Discretely Presented

Component Units



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Nonmajor Discretely Presented Component Units

The component units columns in the basic financial statements include the financial data of the District's nonmajor discretely presented component units.

Reading Edge Academy, Inc.; Samsula Academy; The Chiles Academy, Inc.; Richard Milburn Academy of Volusia County; Ivy Hawn Charter School of the Arts; and Burns Science and Technology Charter School, Inc., Charter Schools - are separate not for profit corporations organized pursuant to Chapter 617, Florida Statutes, the Florida Not For Profit Corporation Act, and Section 1002.33, Florida Statutes. The charter schools operate under charters approved by their sponsor, the Board, and are considered to be component units of the District since they are fiscally dependent on the District and create a financial burden on the District.

Futures, Inc. - is a not for profit corporation organized and operated as a direct-support organization under Section 1001.453, Florida Statutes, to raise funds, receive, hold, invest, and administer property and to make expenditures for the benefit of the District. Section 1001.453, Florida Statutes, requires Futures to be authorized and approved by the District. It is considered to be a component unit of the District since the District must approve all members of Futures' Board and the District has the ability to impose its will on the organization. It is considered to be a discretely presented component unit, because the two boards are not the same and Futures does not provide services entirely or nearly entirely to the District.

District School Board of Volusia County, Florida
Combining Statement of Net Position -
Nonmajor Discretely Presented Component Units
June 30, 2019

	Charter Schools			
	Reading Edge Academy, Inc.	Samsula Academy	The Chiles Academy, Inc.	Richard Milburn Academy of Volusia County
ASSETS				
Cash and cash equivalents	\$ 994,645	\$ 546,742	\$ 160,267	\$ 864,315
Investments	-	-	-	-
Receivables	10,091	10,045	54,681	-
Due from other agencies	-	2,500	-	71,226
Inventories	7,071	3,188	2,952	-
Prepaid items	24,170	24,170	5,945	-
Other assets	1,000	7,250	16,476	39,214
Capital assets:				
Land	503,616	200,000	-	-
Leasehold improvements	-	-	42,419	3,206
Buildings and fixed equipment, net	3,377,986	1,059,582	61,129	-
Furniture, fixtures and equipment, net	25,508	49,682	28,998	12,423
Property under capital lease, net	-	-	-	-
Computer software, net	-	-	-	-
Total assets	<u>4,944,087</u>	<u>1,903,159</u>	<u>372,867</u>	<u>990,384</u>
LIABILITIES AND NET POSITION				
LIABILITIES				
Salaries and benefits payable	-	-	-	-
Accounts payable	11,369	20,290	34,360	150,030
Accrued liabilities	16,848	12,303	38,985	-
Accrued interest payable	4,435	-	-	-
Due to other agencies	2,500	-	-	103,910
Compensated absences payable	70,787	52,247	3,886	-
Long-term liabilities:				
Portion due within one year:				
Obligations under capital leases	-	-	-	-
Notes payable	115,555	-	-	-
Portion due in more than one year:				
Obligations under capital leases	-	-	-	-
Notes payable	1,893,005	-	-	-
Bonds payable	-	-	-	-
Total liabilities	<u>2,114,499</u>	<u>84,840</u>	<u>77,231</u>	<u>253,940</u>
NET POSITION				
Net investment in capital assets	1,898,550	1,309,264	132,546	15,629
Restricted for:				
Capital projects	11,878	168,569	5,010	-
Debt service	-	-	-	-
Other purposes	-	-	12,608	-
Unrestricted	919,160	340,486	145,472	720,815
Total net position	<u>\$ 2,829,588</u>	<u>\$ 1,818,319</u>	<u>\$ 295,636</u>	<u>\$ 736,444</u>

Charter Schools			
Ivy Hawn Charter School of the Arts	Burns Science and Technology Charter School, Inc.	Futures, Inc.	Total Component Units
\$ 2,656,247	\$ 832,103	\$ 181,426	\$ 6,235,745
-	-	933,881	933,881
-	-	26,760	101,577
-	17,236	-	90,962
-	-	-	13,211
56,486	8,940	923,149	1,042,860
-	43,050	11,297	118,287
1,009,620	-	-	1,713,236
-	393,634	-	439,259
14,687,992	-	-	19,186,689
596,932	9,929	-	723,472
-	87,802	-	87,802
-	-	-	-
19,007,277	1,392,694	2,076,513	30,686,981
303,492	99,860	-	403,352
249,666	55,744	-	521,459
-	-	-	68,136
607,298	-	-	611,733
-	-	-	106,410
-	-	-	126,920
119,138	26,301	-	145,439
-	-	-	115,555
281,051	12,304	-	293,355
-	-	-	1,893,005
17,712,270	-	-	17,712,270
19,272,915	194,209	-	21,997,634
(1,676,976)	452,760	-	2,131,773
-	-	-	-
-	-	-	185,457
1,229,311	-	-	1,229,311
-	-	1,203,628	1,216,236
182,027	745,725	872,885	3,926,570
\$ (265,638)	\$ 1,198,485	\$ 2,076,513	\$ 8,689,347

District School Board of Volusia County, Florida
Combining Statement of Activities -
Nonmajor Discretely Presented Component Units
For the Fiscal Year Ended June 30, 2019

Charter Schools

	Reading Edge Academy, Inc.	Samsula Academy	The Chiles Academy, Inc.	Richard Milburn Academy of Volusia County
EXPENSES:				
Instruction	\$ 1,383,100	\$ 1,257,076	\$ 777,040	\$ 818,013
Student personnel services	-	-	137,176	91,269
Instruction and curriculum development services	-	-	9,272	-
Instructional staff training services	-	-	30,510	-
Instruction related technology	-	-	-	-
Board of education	-	-	-	19,688
General administration	28,608	28,271	3,940	102,699
School administration	397,056	282,627	205,809	594,032
Facilities services - non-capitalized	-	-	-	165,461
Fiscal services	65,796	61,063	122,221	174,143
Food services	167,949	92,367	169,057	-
Central services	-	-	-	-
Student transportation services	20,170	-	34,116	-
Operation of plant	166,116	227,067	195,842	262,063
Maintenance of plant	-	-	7,336	-
Administrative technology services	-	-	-	-
Community services	68,813	104,684	182,967	-
Interest on long-term debt	109,961	-	-	-
Unallocated depreciation expense	-	-	21,795	-
Total expenses	<u>2,407,569</u>	<u>2,053,155</u>	<u>1,897,081</u>	<u>2,227,368</u>
PROGRAM REVENUES				
Charges for services	246,420	243,785	120,986	-
Operating grants and contributions	-	-	861,454	52,959
Capital grants and contributions	-	-	-	202,604
Total program revenues	<u>246,420</u>	<u>243,785</u>	<u>982,440</u>	<u>255,563</u>
Net program expense	<u>(2,161,149)</u>	<u>(1,809,370)</u>	<u>(914,641)</u>	<u>(1,971,805)</u>
GENERAL REVENUES				
Grants and contributions not restricted to specific programs	2,180,685	1,863,746	1,019,358	2,100,317
Investment earnings	-	-	-	-
Miscellaneous	-	-	84	37,005
Total general revenues	<u>2,180,685</u>	<u>1,863,746</u>	<u>1,019,442</u>	<u>2,137,322</u>
CHANGE IN NET POSITION	<u>19,536</u>	<u>54,376</u>	<u>104,801</u>	<u>165,517</u>
Net position - July 1, 2018	<u>2,810,052</u>	<u>1,763,943</u>	<u>190,835</u>	<u>570,927</u>
Net position - June 30, 2019	<u>\$ 2,829,588</u>	<u>\$ 1,818,319</u>	<u>\$ 295,636</u>	<u>\$ 736,444</u>

Charter Schools			
Ivy Hawn Charter School of the Arts	Burns Science and Technology Charter School, Inc.	Futures, Inc.	Total Component Units
\$ 4,266,674	\$ 2,170,495	\$ -	\$ 10,672,398
22,919	23,416	-	274,780
5,845	-	-	15,117
-	-	-	30,510
53,114	-	-	53,114
375,762	63,244	-	458,694
-	-	-	163,518
826,764	408,235	-	2,714,523
331,082	109,722	-	606,265
113,760	58,992	-	595,975
79,384	204,935	-	713,692
-	22,008	-	22,008
88,006	116,451	-	258,743
432,851	261,560	-	1,545,499
53,991	45,904	-	107,231
39,219	-	-	39,219
571,385	252,194	897,697	2,077,740
1,198,380	5,882	-	1,314,223
-	-	-	21,795
<u>8,459,136</u>	<u>3,743,038</u>	<u>897,697</u>	<u>21,685,044</u>
667,824	315,052	13,459	1,607,526
114,660	227,967	878,015	2,135,055
460,918	219,221	-	882,743
<u>1,243,402</u>	<u>762,240</u>	<u>891,474</u>	<u>4,625,324</u>
<u>(7,215,734)</u>	<u>(2,980,798)</u>	<u>(6,223)</u>	<u>(17,059,720)</u>
6,284,830	3,039,245	194,364	16,682,545
-	-	45,329	45,329
96,749	75,184	-	209,022
<u>6,381,579</u>	<u>3,114,429</u>	<u>239,693</u>	<u>16,936,896</u>
(834,155)	133,631	233,470	(122,824)
<u>568,517</u>	<u>1,064,854</u>	<u>1,843,043</u>	<u>8,812,171</u>
<u>\$ (265,638)</u>	<u>\$ 1,198,485</u>	<u>\$ 2,076,513</u>	<u>\$ 8,689,347</u>



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