

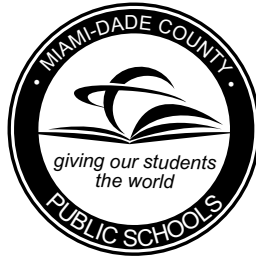
THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA

Comprehensive Annual Financial Report For The Fiscal Year Ended June 30, 2015





**THE SCHOOL BOARD OF
MIAMI-DADE COUNTY, FLORIDA**



**COMPREHENSIVE ANNUAL
FINANCIAL REPORT**
For the Fiscal Year Ended June 30, 2015

**Prepared by:
Office of the Controller
Connie Pou, C.P.A.
Controller**

**1450 Northeast Second Avenue
Miami, Florida 33132**



THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the fiscal year ended June 30, 2015

Table of Contents

I. INTRODUCTORY SECTION (Unaudited)	<u>Exhibit</u>	<u>Page</u>
Letter of Transmittal		I – VIII
Principal Officials – Elected		IX – X
Other Principal Officials – Appointed		XI
District Administrative Organization – Superintendent's Direct Reports		XII
Certificate of Achievement for Excellence in Financial Reporting		XIII
Certificate of Excellence in Financial Reporting		XIV
Certificate of Recognition for Excellence in Financial Management		XV
 II. FINANCIAL SECTION		
 Independent Auditor's Report on Financial Statements		1 – 2
Management's Discussion and Analysis (MD&A) (Required Supplementary Information) (Unaudited)		3 – 15
 BASIC FINANCIAL STATEMENTS		
 Government-wide Financial Statements		
Statement of Net Position	1	18 – 19
Statement of Activities	2	20 – 21
 Fund Financial Statements		
 Governmental Fund Financial Statements		
Balance Sheet – Governmental Funds	3	22 – 23
Reconciliation of the Governmental Funds Balance Sheet to the Government-wide Statement of Net Position	4	25
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	5	26 – 27
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Government-wide Statement of Activities	6	28
 Proprietary Fund Financial Statements		
Statement of Net Position - Proprietary Fund	7	29
Statement of Revenues, Expenses, and Changes in Fund Net Position - Proprietary Fund	8	30
Statement of Cash Flows - Proprietary Fund	9	31
 Fiduciary Fund Financial Statements		
Statement of Fiduciary Net Position	10	32
Statement of Changes in Fiduciary Net Position	11	33

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the fiscal year ended June 30, 2015

Table of Contents

II. FINANCIAL SECTION - Continued	Statement/ <u>Schedule</u>	<u>Page</u>
Notes to the Financial Statements		34 – 89
REQUIRED SUPPLEMENTARY INFORMATION (Unaudited)		
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual - General Fund		92 – 93
Schedule of the District's Proportionate Share of the Net Pension Liability - Florida Retirement System Pension Plan		94
Schedule of District Contributions - Florida Retirement System Pension Plan		95
Schedule of the District's Proportionate Share of the Net Pension Liability - Health Insurance Subsidy Pension Plan		96
Schedule of District Contributions Health Insurance Subsidy Pension Plan		97
Supplemental Early Retirement Pension Trust:		
Schedule of Changes in the Net Pension Liability and Related Ratios		98
Schedule of Investment Returns		99
Schedule of Contributions		100
Other Post Employment Benefits:		
Schedule of Funding Progress		101
Schedule of Employer Contributions		102
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND OTHER SUPPLEMENTARY INFORMATION		
Combining Balance Sheet - Non-major Governmental Funds	A – 1	104 – 105
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances - Non-major Governmental Funds	A – 2	106 – 107
Non-major Special Revenue Funds:		
Combining Balance Sheet	B – 1	110 – 111
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	B – 2	112 – 113
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	B – 3	114 – 117
Non-major Debt Service Funds:		
Combining Balance Sheet	C – 1	120 – 121
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	C – 2	122 – 123
Schedule of Revenues, Expenditures, and Changes in Fund Balances - Budget and Actual	C – 3	124 – 127
Non-major Capital Projects Funds:		
Combining Balance Sheet	D – 1	130 – 131

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA

COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the fiscal year ended June 30, 2015

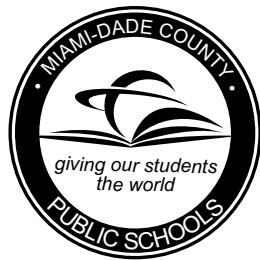
Table of Contents

II. FINANCIAL SECTION - Continued

	<u>Statement/ Schedule</u>	<u>Page</u>
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	D-2	132-133
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budgetary Basis - Budget and Actual	D-3	134
Agency Fund:		
Combining Statement of Changes in Assets and Liabilities Schools' Internal Fund	E-1	136

III. STATISTICAL SECTION (Unaudited)

	<u>Table</u>	<u>Page</u>
Net Position by Component - Primary Government Last Ten Fiscal Years	1	138 – 139
Changes in Net Position - Primary Government Last Ten Fiscal Years	2	140 – 141
Fund Balances - Governmental Funds Last Ten Fiscal Years	3	142 – 143
Changes in Fund Balances - Governmental Funds and Debt Service Ratio Last Ten Fiscal Years	4	144 – 145
Assessed Value of Taxable Property Last Ten Fiscal Years	5	146
Principal Property Tax Payers Current Year and Nine Years Ago	6	147
Direct and Overlapping Property Tax Rates Last Ten Fiscal Years	7	148 – 149
Property Tax Levies and Collections - Primary Government Last Ten Fiscal Years	8	150
Ratios of Outstanding Debt by Type - Primary Government Last Ten Fiscal Years	9	151
Ratios of Net General Bonded Debt Outstanding Last Ten Fiscal Years	10	152 – 153
Legal Debt Margin Information Last Ten Fiscal Years	11	154 – 155
Pledged-Revenue Coverage Last Ten Fiscal Years	12	156
Demographic and Economic Statistics Last Ten Fiscal Years	13	157
Principal Employers Last Year and Nine Years Ago	14	158
Number of Personnel Last Ten Fiscal Years	15	159
Teacher Base Salaries Last Ten Fiscal Years	16	160
Operating Statistics Last Ten Fiscal Years	17	161
Capital Asset Information Last Ten Fiscal Years	18	162 – 163



I. Introductory Section



The School Board of Miami-Dade County, Florida

1450 Northeast Second Avenue
Miami, Florida 33132



December 2, 2015

Members of the School Board and Citizens of Miami-Dade County:

The Comprehensive Annual Financial Report of The School Board of Miami-Dade County, Florida (the "School Board," the "District," "Miami-Dade County Public Schools" or "M-DCPS") for the fiscal year ended June 30, 2015 is hereby submitted. Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the School Board. To the best of our knowledge and belief, the enclosed data is accurate in all material respects and is reported in a manner designed to present fairly the financial position and results of operations of the District. All disclosures necessary to enable the reader to gain an understanding of the District's financial activities have been included.

The Comprehensive Annual Financial Report is presented in sections. The financial section includes the Management's Discussion and Analysis (MD&A), immediately following the independent auditor's report, that provides a narrative introduction, overview, and analysis of the basic financial statements. MD&A compliments this letter of transmittal and should be read in conjunction with it.

The District is the fourth largest school district in the nation. It is responsible for the operation, control, and supervision of all District schools and is considered a primary government for financial reporting purposes. This report includes all funds of the District and the Miami-Dade County School Board Foundation, Inc., which is reported as a blended component unit, comprising the reporting entity. The District provides a full range of educational services appropriate to students in early childhood, grade levels Pre-K through 12, and adult/vocational education programs. These include basic, regular and enriched academic education, special education for handicapped children, vocational education, and many individualized programs, such as special instruction for disadvantaged students and those with limited English proficiency. The District's mission, as a team, is to provide and support the highest quality education for our diverse community of children and adult learners.



Alberto M. Carvalho
Superintendent of Schools

"In addition to the 100,000 devices deployed to our students and a staggering 500 choice programs to choose from, Miami-Dade County Public Schools is taking the approach of treating the whole child. We are eliminating traditional outdoor suspensions, reinforcing character development through core values, expanding our free immunization programs at our school-based HealthConnect clinics and implementing Success Coaches. Above all, the school district is emphasizing the importance of attendance. After all, a child can't learn if he or she is not in school."

Alberto M. Carvalho

ECONOMIC CONDITIONS AND OUTLOOK

Miami-Dade County is known as the “Gateway to the Americas.” Trade is increasingly vital to the economy. Its close proximity to Latin America and the Caribbean make it the center of international trade with those areas. The city’s international trade infrastructure is vast and varied. This infrastructure includes the Port of Miami, which is the busiest port for pleasure cruise ships in the world, coupled with the Miami International Airport, which is the nation’s top airport for international freight and second for international passengers. Miami’s tourism continues to be the principal industry; however, the city’s economy has become more diversified. International banking is another growing segment of the economy. Miami has become a major banking and commerce center in the southeast United States, dominating trade and finance.

Tourism remains a major industry for the area, as well as the state. Its mild climate, miles of beaches and attractions lure vacationers to the Greater Miami area.



Thirty-five municipalities, including the cities of Miami, Miami Beach, Hialeah, and Coral Gables, as well as unincorporated areas, comprise the county of Miami-Dade, which covers approximately 2,000 square miles and is inhabited by nearly 2.5 million citizens. Miami-Dade County Public Schools remains the area’s largest employer and the second in the state, employing over 38,166 full and part-time employees. Full-time employees numbered approximately 33,155 during 2014-15, including over 20,000 instructional professionals. The District’s annual operating budget for fiscal year 2015-16 is in excess of \$3.0 billion to serve an estimated enrollment of 354,590 students. Beginning in 2002, student enrollment gradually decreased by nearly 25,000 students. In 2009-10, it began a slight increase and that trend continued until 2014-15, a slight decrease is expected for 2015-16.

The South Florida economy has the recession and real estate collapse of the late 2000s in its rear-view mirror. There is consensus among business groups that a good business climate, low interest rates and low oil prices will be beneficial for construction, retail and the tourism industry. The temporarily slumped construction industry is showing signs of rapid growth mainly in the upper end of the condo market, though it’s mostly an international phenomenon. The only sector that hasn’t performed very well is international trade, which has been down on a year-over-year basis in 2014 and 2013, primarily due to the economies of Latin America.

Unemployment rate was 5.2% in September 2015 compared to 6.1% in September 2014.

FINANCIAL INFORMATION

Long-Term Financial Planning Providing world class educational opportunities for the children of Miami-Dade County in the face of ongoing economic challenges is reflected in the District’s priorities and values.

General Obligation Bond Referendum A \$1.2 billion General Obligation Bond (GOB) referendum was approved by voters on the November 6, 2012 ballot. Proceeds from the bond issue will be used to modernize and construct schools throughout the District, including technology upgrades at all schools. The District issued the first \$200 million of project funding in July 2013 and launched 69 projects. During 2014 the District issued an additional \$100 million to roll-out 78 new projects.

Internal Control Structure The internal control structure is subject to periodic evaluation by management and the internal audit staff. In accordance with Government Auditing Standards, the independent auditors have issued a report dated November 20, 2015 on their consideration of the District's internal control structure. The purpose of their report is to describe the scope of their testing of internal control and the results of that testing, and not to provide an opinion on internal control.



The administration is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the District are protected from loss, theft or misuse, and to ensure that adequate accounting data is compiled and recorded accurately to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of control should not exceed the benefits likely to be derived; and (2) the evaluation of costs and benefits requires estimates and judgments by the administration.

The accompanying financial statements demonstrate that even under a period of changing operational conditions, the District continues to achieve a policy of sound financial management.

Budgetary Controls The District maintains budgetary controls. The objective of these budgetary controls is to ensure compliance with legal provisions embodied in the annual appropriated budget approved by the School Board. Activities of the General Fund, Special Revenue Funds, Debt Service Funds, Capital Projects Funds, Proprietary Fund, and the Fiduciary Funds, except the schools' Internal Fund, are included in the annual appropriated budget. Project-length financial plans are provided for the Capital Projects Funds, but budgets are adopted for only one year.

Budgetary control is maintained for individual accounts or groups of accounts within each school or department through the use of an encumbrance accounting system. The process uses a test for availability of funds which precludes any requisition for services, equipment, supplies or materials from becoming a purchase order, if the account would be overspent. Encumbrances are reappropriated as part of the following year's budget.





The District issues a publicly available Annual Budget Plan for planning purposes and an Executive Summary for adoption by the School Board. In addition, in order to control salaries effectively, a centralized Position Authorization Control (PAC) system governs salary expenditures, whereby full-time employees are not paid unless they are fully processed and fill a slot in the PAC system that also identifies the account structure to charge.

Independent Audit State law permits an outside independent audit of school districts by a firm of certified public accountants in lieu of an audit performed by the State of Florida, Office of the Auditor General. The auditing firm RSM US LLP was selected by the School Board to perform the annual audit. In keeping with the minority firm utilization program established by the School Board, RSM US LLP was assisted by Rodriguez, Trueba & Company, PA.

As an additional oversight review and control, the School Board Audit and Budget Advisory Committee, which includes individuals from the private sector with extensive knowledge in accounting and municipal finance, monitors the independent audit process. This includes reviewing the scope of the audit and the progress of the audit. Furthermore, the Committee evaluates the financial statements, the auditors' report and the administration's response. The Committee also reviews all internal audit reports and administrative staff responses, placing an emphasis on timely implementation of the recommendations made by the auditors. The Committee meets regularly, at least six times per year, and operates independently of the administration. It oversees the overall audit function and issues an annual report to the School Board.

Relevant Financial Policies The intent of the School Board is to ensure that the District manages its budget and finance in a fiscally prudent and responsible way by establishing financial policies about the Budget, Fund Balance and the maintenance of adequate reserves.

Policies & Procedures

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when the liability is incurred.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues except for certain grant revenues, are recognized when susceptible to accrual, that is when they become measurable and available. Property taxes, interest and certain General Fund revenues are the significant revenue sources considered susceptible to accrual.

MAJOR INITIATIVES

Miami-Dade County Public Schools (M-DCPS) Holds Best Rate of Return Title in the Nation The school district was ranked #1 in the nation for its rate of return according to a study conducted by WalletHub, a national financial website for consumers and small business owners. M-DCPS education spending showed higher efficiency than large cities across the nation.

Bond Project Kick Off Events The District hosted a series of special events taking place across Miami-Dade County to kick-off school bond projects resulting from the overwhelming voter approval of the \$1.2 billion General Obligation Bond. The bond will be used to modernize and construct school buildings throughout the district, expand student capacity, enhance facility safety, and provide technology upgrades at all schools.

OEO Certifies 400th Local Small Business The Office of Economic Opportunity (OEO) has certified a landmark 400 local small businesses. The office began certifying firms in April 2013. The OEO promotes the economic development and growth of Small, Micro and Minority businesses through its certification program, community outreach programs, contract review and monitoring activities.



Digital Convergence Mobile Device Rollout in 2014-15, elementary schools received laptops to aid with the goal of reaching a student to computer ratio of 3:1, middle schools received carts of the HP Elitepad 900 tablets to implement an in-school model in 7th grade Civics classes, and high schools received HP Elitepad 900 tablets for students enrolled in World History as a take-home model.

New Choice/Magnet Programs Fifty-two new choice/magnet programs were created, including iTech at Thomas A. Edison Center, Biotech @ Richmond Heights and more than 80 Cambridge programs that have been added in just three years.

The Dadeschools Mobile App A new mobile application was launched to provide parents, students and employees faster access to up-to-date school information. The official Dadeschool Mobile App is available to download for free for iPhone and Android devices.

One-of-a-Kind Planetarium The newly renovated planetarium is the centerpiece of Booker T. Washington Senior High's Astronomy Magnet program that will offer students a challenging curriculum exposing them to critical thinking, technology, STEM, research opportunities and Advanced Placement, while earning college credit through Florida International University.

PROGRAM HIGHLIGHTS

M-DCPS Outperforms State on School Performance Grades, Graduation Rates Miami-Dade County's public high schools have once again outperformed the state on school performance grades, despite increased accountability measures. For the fourth consecutive school year, M-DCPS has had no "F"-rated schools among its traditional senior high schools. Miami-Dade also surpassed the state's average graduation rate, with 76.6% of students graduating, above the state average of 76.1%.





M-DCPS on The College Board's 5th Annual AP District Honor Roll The District was honored by the College Board with placement on the 5th Annual AP District Honor Roll for increasing access to Advanced Placement (AP) course work, while simultaneously maintaining or increasing the percentage of students earning scores of 3 or higher on AP Exams.

New Employee Health Center The District opened the UHealth Medical Center at Miami Jackson Senior High School. The District has partnered with UHealth-University of Miami Health System to provide a medical home for M-DCPS employees, their dependents and retirees currently enrolled in the school district's insurance plan with quality care at affordable prices.

M-DCPS Outpaces State and Other Large Districts in FCAT Reading and Mathematics There was significant growth for elementary and middle school students on the Spring 2014 FCAT Reading and Mathematics assessments which surpassed that of their counterparts statewide and in other large districts. Not only did the growth of M-DCPS students in Reading outperform that of their counterparts statewide in elementary and middle school; the percent high scores (Levels 3 or above) also met or exceeded that of students statewide in all grades 4 through 8. The mean Reading scale scores of M-DCPS students improved in Grades 3 through 6 from 2013 to 2014, and the percent scoring at Level 3 or above increased at Grades 3, 4, 5, 6, and 8.

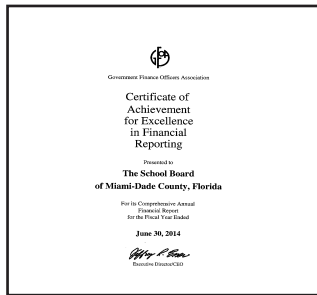
Miami-Dade Online Academy (MDO) is a tuition-free, full-time, accredited, on-line virtual public school program. It is open to all eligible K-12 students who are residents of Miami-Dade County, Florida. MDO provides a student-centered virtual-learning environment to a diverse population of learners, encouraging critical thinking skills, and the development of curious minds, engaged in high quality curriculum. MDO is an interactive learning environment with fully certified Florida teachers that provide students with superior knowledge of subject matter and care about their success.





Financial Awards The Council of the Great City Schools recently recognized Miami-Dade County Public Schools (M-DCPS) for employing the highest standards in financial management, accountability and fiscal control.

It presented the Award for Excellence in Financial Management for its financial performance in safeguarding and protecting the financial integrity of the school system. M-DCPS met all of the mandatory and recommended management practices of the 136 practices in the nine areas of financial operations.



The Government Finance Officers Association (GFOA) of the United States and Canada awarded a Certificate of Achievement for Excellence in Financial Reporting to The School Board of Miami-Dade County for the fiscal year ended June 30, 2014. This was the thirtieth consecutive year that the District has received this prestigious award.

The School Board of Miami-Dade County also received the Association of School Business Officials (ASBO) International Certificate of Excellence in Financial Reporting for the Comprehensive Annual Financial Report for the fiscal year ended June 30, 2014. This is the thirty-first consecutive prestigious award that the District has received from ASBO.



These awards are for one year only and signify that the financial report conforms to generally accepted accounting principles, legal requirements and standards of reporting required by the organization granting the award.

We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate Programs' requirements, and we are submitting it to both GFOA and ASBO, to determine its eligibility to receive, once more, their respective prestigious awards.



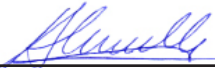
The District also received the GFOA's award for Distinguished Budget Presentation for its annual adopted budget dated July 1, 2014. In order to qualify for the Distinguished Budget Presentation Award, the District's budget has to be proficient in several categories, including policy documentation, financial planning and organization. The award encourages and assists state and local governments in preparing budget documents of the very highest quality that reflect both the guidelines established by the National Advisory Council on State and Local Budgeting and the GFOA's best practices on budgeting.

Acknowledgment The preparation of this report could not have been accomplished without the services of the entire staff of Financial Services, particularly the Office of the Controller, and the support that other bureaus and offices provided.

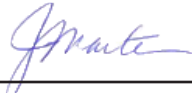
We would like to thank the members of the School Board for their interest and support in planning and conducting the financial operations of the District. We also thank the citizens of Miami-Dade County, whose cooperation, support and assistance have contributed greatly to the operation of this innovative school system.

We look forward to the opportunity, with your guidance and support, of building a better, more effective and efficient school system that provides a learning environment that adapts to the ever changing needs of our students - the citizens of tomorrow.

Respectfully submitted,



Alberto M. Carvalho, Superintendent of Schools



Judith M. Marte, Chief Financial Officer



Connie Pou, C.P.A., Controller



THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA

Principal Officials - Elected

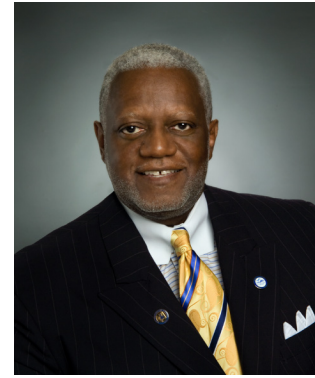
Board Members



Ms. Perla Tabares Hantman
Chair
District 4



Dr. Dorothy Bendross-Mindingall
Vice-Chair
District 2



Dr. Wilbert "Tee" Holloway
District 1



Dr. Martin Karp
District 3



Ms. Susie V. Castillo
District 5



Ms. Raquel A. Regalado
District 6



Ms. Lubby Navarro
District 7



Dr. Marta Pérez Wurtz
District 8



Dr. Lawrence S. Feldman
District 9

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA

Principal Officials - Elected

Board Members - Terms of Office

Dr. Wilbert “Tee” Holloway, Member from District No. 1

Present term began	November 2012
Present term expires	November 2016
Began as a Board Member	November 2007

Dr. Dorothy Bendross-Mindingall, Member from District No. 2

Present term began	November 2014
Present term expires	November 2018
Began as a Board Member	November 2010

Dr. Martin Karp, Member from District No. 3

Present term began	November 2012
Present term expires	November 2016
Began as a Board Member	November 2004

Ms. Perla Tabares Hantman, Member from District No. 4

Present term began	November 2014
Present term expires	November 2018
Began as a Board Member	November 1996

Ms. Susie V. Castillo, Member from District No. 5

Present term began	November 2012
Present term expires	November 2016
Began as a Board Member	November 2012

Ms. Raquel A. Regalado, Member from District No. 6

Present term began	November 2014
Present term expires	November 2018
Began as a Board Member	November 2010

Ms. Lubby Navarro, Member from District No. 7

Present term began	February 2015
Present term expires	November 2016
Began as a Board Member	February 2015

Dr. Marta Pérez Wurtz, Member from District No. 8

Present term began	November 2014
Present term expires	November 2018
Began as a Board Member	November 1998

Dr. Lawrence S. Feldman, Member from District No. 9

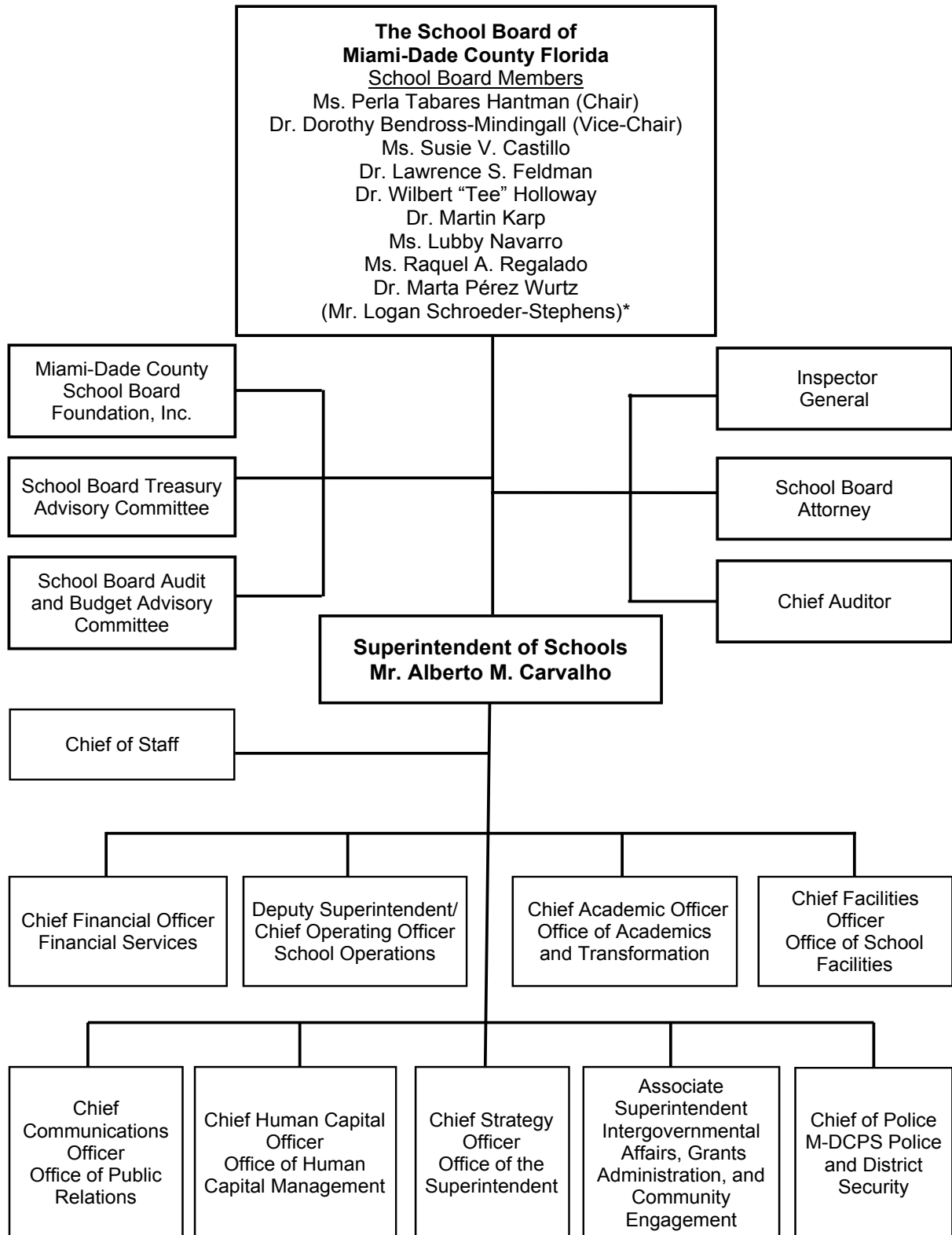
Present term began	November 2012
Present term expires	November 2016
Began as a Board Member	November 2008

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA

Other Principal Officials - Appointed

Mr. Alberto M. Carvalho	Superintendent of Schools
Mr. Jose L. Dotres	Chief Human Capital Officer, Office of Human Capital Management
Mrs. Judith M. Marte	Chief Financial Officer, Financial Services
Mrs. Valtena G. Brown	Deputy Superintendent/Chief Operating Officer, School Operations
Ms. Daisy Gonzalez-Diego	Chief Communications Officer, Office of Public Information
Ms. Maria L. Izquierdo	Chief Academic Officer, Office of Academics and Transformation
Ms. Lisa M. Martinez	Chief Strategy Officer, Office of the Superintendent
Ms. Iraida R. Mendez-Cartaya	Associate Superintendent, Intergovernmental Affairs, Grants Administration, and Community Engagement
Mr. Ian A. Moffett	Chief of Police and District Security
Mr. Jaime G. Torrens	Chief Facilities Officer, Office of School Facilities

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
DISTRICT ADMINISTRATIVE ORGANIZATION
SUPERINTENDENT'S DIRECT REPORTS**



* M-DCPS Student who sits on the board in an advisory capacity



Government Finance Officers Association

Certificate of
Achievement
for Excellence
in Financial
Reporting

Presented to

**The School Board
of Miami-Dade County, Florida**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

June 30, 2014

Executive Director/CEO

Association of School Business Officials International



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

School Board of Miami-Dade County, Florida

*For Its Comprehensive Annual Financial Report (CAFR)
For the Fiscal Year Ended June 30, 2014*

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



A handwritten signature in black ink, appearing to read "M. Pepera", written over a horizontal line.

Mark C. Pepera, MBA, RSBO, SFO
President

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

John D. Musso, CAE, RSBA
Executive Director



The Council of the Great City Schools

presents this

**CERTIFICATE OF RECOGNITION FOR EXCELLENCE
IN FINANCIAL MANAGEMENT**

to the

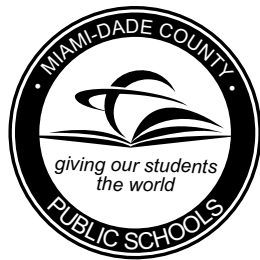
**Office of the Chief Financial Officer
Miami-Dade County Public Schools**

The Certificate of Recognition for Excellence in Financial Management is presented by the Council of the Great City Schools to the department which has been instrumental in the district's achieving the Award for Excellence in Financial Management. The Award for Excellence in Financial Management is the only national award that recognizes a school district for supporting the highest standards in financial accountability and controls that are needed to safeguard and protect the financial integrity of the district.

Executive Director

A handwritten signature in black ink, appearing to read "Michael A. Gandy", written over a horizontal line.

Date: January 18, 2012



II. Financial Section



Independent Auditor's Report

Chairperson and Members of
The School Board of Miami-Dade County, Florida

RSM US LLP

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of The School Board of Miami-Dade County, Florida (the School Board), as of and for the year ended June 30, 2015, and the related notes to the financial statements, which collectively comprise the School Board'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 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, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of The School Board of Miami-Dade County, Florida, as of June 30, 2015, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the accompanying financial statements, the School Board adopted the recognition and disclosure requirements of Governmental Accounting Standards Board Statements No. 68, *Accounting and Financial Reporting for Pensions*, an Amendment of GASB Statement No. 27 and Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date*, an amendment of GASB Statement No. 68, effective July 1, 2014. The net position balance of the governmental activities as of July 1, 2014 has been restated. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *management's discussion and analysis, budgetary comparison schedules, schedules of the proportionate share of net pension liability, schedule of changes in the net pension liability and related ratios, schedule of investment returns, schedules of contributions, schedule of funding progress, and schedule of employer contributions*, 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 School Board's basic financial statements. The *introductory section, combining and individual fund financial statements and other supplementary information, and statistical section* are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The *combining and individual fund financial statements and other supplementary information* is the responsibility of management and was derived from and relates 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. In our opinion, the *combining and individual fund financial statements and other supplementary information* is fairly stated, in all material respects, in relation to the basic financial statements taken 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, under separate cover, our report dated November 20, 2015 on our consideration of the School Board's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the School Board's internal control over financial reporting and compliance.

RSM US LLP

Miami, Florida
November 20, 2015

MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)



THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
MANAGEMENT'S DISCUSSION AND ANALYSIS (MD&A)
JUNE 30, 2015
(Unaudited)



The Management's Discussion and Analysis (MD&A) of The School Board of Miami-Dade County, Florida (the District), is intended to provide an overview of the District's financial position and changes in financial position for the fiscal year ended June 30, 2015.

Since the focus of the Management's Discussion and Analysis (MD&A) is on the current year activities, resulting changes and currently known facts, it should be read in conjunction with the District's financial statements, including the accompanying notes. Additionally, as a required part of the MD&A, comparative information for the current year and the prior year is presented for financial analysis to enhance the understanding of the District's financial performance.

Financial Highlights

At June 30, 2015, the General Fund had a total fund balance of \$124.6 million. This fund balance was comprised of \$6.2 million of non-spendable funds, \$5.4 million of restricted funds, \$19.2 million of assigned funds and \$93.8 million of unassigned funds.

General Fund balance increased by \$68.0 million or 120.3% from the previous year primarily due to an increase in tax collections, a reduction in fringe benefits as a result of favorable actuarial projections for health benefits, as well as the continued effort to curtail expenditures.

Special Revenue funds ended the year with a fund balance of \$22.2 million, an increase of \$1.3 million or 6.1% from the previous year primarily due to a slight reduction in revenues as well as costs.

Debt Service funds ended the year with a fund balance of \$40.2 million, a decrease of \$(31.6) million or (44.0)% from the previous year primarily due to the savings achieved during the District's refunding of some of the outstanding Certificates of Participation.

Capital Projects funds ended the year with a fund balance of \$214.2 million, a decrease of \$(112.7) million or (34.5)% from the previous year primarily due to the accelerated pace in the implementation of the GOB program.

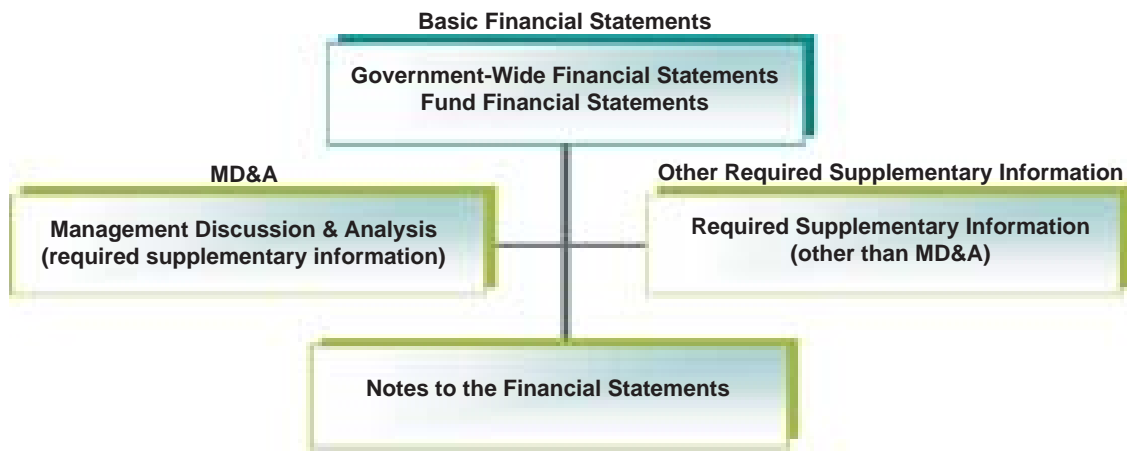
The Governmental Accounting Standards Board (GASB) issued Statement No. 68, Accounting and Financial Reporting for Pensions in June 2012 and GASB Statement No. 71, Pension Transition for Contributions Made Subsequent to the Measurement Date—an amendment of GASB Statement No. 68 in November 2013. These Statements are effective for fiscal years beginning after June 14, 2014. The adoption of GASB 68 and 71 are reflected in the 2014-15 fiscal year financial statements. These Statements require a new approach to recording an employer's pension liability. This new approach reflects the underlying notion that pensions are a form of compensation provided to employees in exchange for the services they provide to a government over the employees' career. The implementation of GASB 68 and 71 resulted in a material increase in the District's liabilities and a material impact on the District's Net Position.

During the 2014-15 fiscal year, the District's General Obligation Bonds (GOBs) projects increased substantially with over 300 projects at various stages of completion. The School Board, at its May 13, 2015 meeting authorized the issuance of an additional \$200 million in GOBs to be issued in fiscal year 2016 based on project expenditures and cash flow projections.

Moody's investors Service and Standard & Poor's (S&P) rating agencies maintained an assignment of "A1 and "A" rating, respectively for the Certificates of Participation outstanding issues, and also affirmed the General Obligation outstanding bonds ratings of "Aa3" and "A+" respectively. S&P reaffirmed a stable outlook for the District. On November 4, 2015 Moody's changed the negative outlook assigned to the District since 2014 to stable citing the District demonstrated willingness to make budget adjustments to meet funding levels and that the District's management team is strong, tenured and implements industry-wide best practices. The change to stable outlook reflects the likelihood that the District will maintain its narrow reserve position in the near to mid-term, and management's conservative budgeting practices that support the likelihood of long-term financial stability.

USING THIS COMPREHENSIVE ANNUAL FINANCIAL REPORT

This Comprehensive Annual Financial report is comprised of different sections. The following graphic is provided to facilitate the understanding of the format and its components:



OVERVIEW OF THE FINANCIAL STATEMENTS

The District's Comprehensive Annual Financial Report consists of a series of financial statements and accompanying notes, with the primary focus being on the District as a whole. The Statement of Net Position and the Statement of Activities are government-wide financial statements that provide both short-term and long-term information about the District's overall financial position. The fund financial statements report the District's operations in more detail by providing information as to how services are financed in the short-term, as well as the remaining available resources for future spending. Additionally, the fund financial statements focus on Major Funds rather than fund types. The proprietary fund statements offer short-term and long-term financial information about the activities of the District as it relates to the group health insurance program. The remaining statements, the Fiduciary Funds Statements, provide financial information for those activities in which the District acts solely as a trustee or agent for the benefit of others. The accompanying notes provide essential information that is not disclosed on the face of the financial statements. Consequently, the notes are an integral part of the basic financial statements.

Government-Wide Financial Statements

The Statement of Net Position and the Statement of Activities - Most of the activities of the District are reported in these statements, including instruction, instructional support services, operations and maintenance, school administration, general administration, pupil transportation, and food service. Additionally, all state and federal grants, as well as capital and debt financing activities are reported in these statements.

The Statement of Net Position and the Statement of Activities present a view of the District's financial operations as a whole, reflect all financial transactions and provide information helpful in determining whether the District's financial position has improved or deteriorated as a result of the current year's activities. The implementation of GASB Statements Nos. 68 and 71 had a significant impact on the reporting of the District's liabilities as it relates to pensions and consequently a material impact to the District's Net Position. Both of these statements are prepared using the accrual basis of accounting similar to that used by most private-sector companies. The Statement of Net Position includes assets plus deferred outflows of resources, and liabilities, less deferred inflows of resources, both short and long term.

The Statement of Activities reports all of the current year's revenues and expenses regardless of when cash is received or paid. The two government-wide statements report the District's Net Position and the changes that resulted from the District's operations. The relationship between revenues and expenses indicates the District's operating results. Over time, increases and decreases in the District's Net Position are an indicator of whether the District's financial position is improving or deteriorating. However, as a governmental entity, the District's activities are not geared towards generating profits as are the activities of commercial entities. Other factors, such as the safety of schools and quality of education, must be considered in order to reasonably assess the District's overall performance, particularly because of the limited resources available.

Fund Financial Statements

The District's fund financial statements provide a detailed short-term view of the District's operations, focusing on its most significant or "major" funds. Certain funds are required by law while others are created by legal agreements, such as bond covenants. The District establishes other funds to ensure and demonstrate compliance with finance-related legal requirements and prudent fiscal management. The District has three kinds of funds - governmental funds, a proprietary fund and fiduciary funds.

Governmental Funds - The accounting for most of the District's basic services is included in the governmental funds. The measurement focus and basis of accounting continue to be reported using the modified accrual basis of accounting, which measures inflows and outflows of current financial resources and the remaining balances at year-end that are available for spending. Furthermore, under this basis of accounting, changes in net spendable assets normally are recognized only to the extent that they are expected to have a near-term impact. Inflows of financial resources are recognized only if they are available to liquidate liabilities of the current period. Similarly, future outflows are typically recognized only if they represent a depletion of current financial resources. The District's major governmental funds are the General Fund, General Obligation Bonds Funds, and Capital Improvement-Local Optional Millage Levy (LOML) Funds. The differences in the amounts reported between the fund statements and the government-wide financial statements are explained in the reconciliations provided on Pages 25 and 28.

Proprietary Fund - The District maintains an Internal Service Fund as its only proprietary fund. Internal service funds are an accounting device used to accumulate and allocate costs internally among the District's various functions. The District uses the internal service fund to report the activities of the group health self-insurance program. Since these services predominantly benefit governmental rather than business-type functions, the internal service fund has been included within governmental activities in the government-wide financial statements. The District's proprietary fund activity is reported in the Statement of Net Position, the Statement of Revenues Expenses and Changes in Net Position, and the Statement of Cash Flows - Proprietary Funds on Pages 29 through 31.

Fiduciary Funds - The District is the trustee, or fiduciary, for resources held for the benefit of others, such as the student activities fund and the pension trust fund. The District's fiduciary activities are reported in the Statement of Fiduciary Net Position on Page 32 and the Statement of Changes in Fiduciary Net Position on Page 33. The resources accounted for in these funds are excluded from the government-wide financial statements because these funds are not available to finance the District's operations. Consequently, the District is responsible for ensuring that these resources are used only for their intended purposes.

Notes to the Financial Statements

The notes provide disclosures and additional information that are essential to a full understanding of the financial information presented in the government-wide and fund financial statements.

Other Information

In addition to the basic financial statements and accompanying notes, this report also provides certain required supplementary information, as well as combining and individual fund statements and schedules beginning on Page 104.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Statement of Net Position

The following table provides a comparative analysis of the District's Net Position for the fiscal years ended June 30, 2015 and 2014.

CONDENSED STATEMENT OF NET POSITION - GOVERNMENTAL ACTIVITIES June 30, 2015 and 2014 (\$ in millions)

Categories	2014/15	2013/14	Difference Increase (Decrease)	% Increase (Decrease)
Current and Other Assets	\$ 728.7	\$ 719.5	\$ 9.2	1.3 %
Capital Assets, Net	4,503.8	4,546.1	(42.3)	(0.9) %
Total Assets	<u>\$ 5,232.5</u>	<u>\$ 5,265.6</u>	<u>\$ (33.1)</u>	(0.6) %
Deferred Outflows of Resources				
Accumulated decrease in fair value hedging derivatives	\$ 26.6	\$ 27.5	\$ (0.9)	(3.3) %
Deferred Loss on Refundings, net	55.2	21.5	33.7	156.7 %
Pension	199.5	-	199.5	-
Total Assets and Deferred Outflows of Resources	<u>\$ 5,513.8</u>	<u>\$ 5,314.6</u>	<u>\$ 199.2</u>	3.7 %
Current Liabilities	\$ 488.2	\$ 423.3	\$ 64.9	15.3 %
Long-term Liabilities	4,411.7	3,662.7	749.0	20.4 %
Total Liabilities	<u>4,899.9</u>	<u>4,086.0</u>	<u>813.9</u>	19.9 %
Deferred Inflows of Resources				
Pension	498.6	-	498.6	-
Total Liabilities and Deferred Inflows of Resources	<u>5,398.5</u>	<u>4,086.0</u>	<u>1,312.5</u>	32.1 %
Net Position				
Net Investment in Capital Assets	1,444.1	1,480.1	(36.0)	(2.4) %
Restricted	55.3	69.5	(14.2)	(20.4) %
Unrestricted (deficit)	<u>(1,384.1)</u>	<u>(321.0)</u>	<u>(1,063.1)</u>	(331.2) %
Total Net Position	<u>\$ 115.3</u>	<u>\$ 1,228.6</u>	<u>\$ (1,113.3)</u>	(90.6) %

The District's total assets plus deferred outflows of resources were \$5.5 billion and total liabilities and deferred inflows of resources were \$5.4 billion at the end of the current fiscal year.

The District's net position totaled \$115.3 million at June 30, 2015. The largest portion of the District's net position, \$1,444.1 billion reflects its investment in capital assets (land, buildings, furniture, fixtures & equipment), net of depreciation and less any outstanding debt used to construct or acquire those assets. Restricted net position in the amount of \$55.3 million is reported separately to show legal constraints, from debt covenants and enabling legislation. The \$(1,384.1) billion unrestricted deficit in net position reflects the shortfall the District would face in the event it would have to liquidate all of its non-capital liabilities, including insurance claims payable, compensated absences, pensions and other post-employment benefits, at June 30, 2015. Consequently, these long term considerations have a significant impact on the resulting net position. The significant increase in the unrestricted deficit of \$(1.4) billion resulted primarily from the implementation of GASB Statements Nos. 68 and 71. These GASB Statements required the District to record its proportionate share of pension liabilities as reported by the Florida Department of Retirement. A deficit in unrestricted net position should not be considered, solely, as evidence of economic financial difficulties.

The District is required to include all of its capital assets, net of accumulated depreciation, and of related debt, as well as all of its long term liabilities. Consequently, these long term considerations have a significant impact on the resulting Net Position.

Statement of Activities

The following table summarizes the changes in the District's Net Position from its activities for the fiscal years ended June 30, 2015 and 2014.

CHANGES IN NET POSITION - GOVERNMENTAL ACTIVITIES For Fiscal Years Ended June 30, 2015 and 2014 (\$ in millions)

	2014/15	2013/14	Difference Increase (Decrease)	% Increase (Decrease)	
Revenues					
Program Revenues:					
Charges for Services	\$ 50.2	\$ 53.2	\$ (3.0)	(5.6)	%
Operating Grants & Contributions	147.0	147.5	(0.5)	(0.3)	%
Capital Grants & Contributions	75.7	60.1	15.6	26.0	%
Total Program Revenues	\$ 272.9	\$ 260.8	\$ 12.1	4.6	%
General Revenues:					
Ad Valorem Taxes	1,778.4	1,585.9	192.5	12.1	%
Grants & Contributions Not Restricted to Specific Programs	1,476.3	1,605.6	(129.3)	(8.1)	%
Investment Earnings	2.5	2.9	(0.4)	(13.8)	%
Miscellaneous Revenues	54.0	43.8	10.2	23.3	%
Total General Revenues	3,311.2	3,238.2	73.0	2.3	%
Total Revenues	3,584.1	3,499.0	85.1	2.4	%
Expenses					
Instructional Services	1,954.2	2,098.5	(144.3)	(6.9)	%
Instructional Support Services	280.0	294.3	(14.3)	(4.9)	%
Pupil Transportation	76.7	81.5	(4.8)	(5.9)	%
Operations & Maintenance of Plant	357.8	359.1	(1.3)	(0.4)	%
Food Service	159.5	159.7	(0.2)	(0.1)	%
School Administration	154.2	158.3	(4.1)	(2.6)	%
General Administration	12.6	11.7	0.9	7.7	%
Business/Central Services	66.7	67.1	(0.4)	(0.6)	%
Facilities Acquisition and Construction	101.0	69.5	31.5	45.3	%
Administrative Technology Services	2.8	2.8	-	0.0	%
Interest on Long-Term Debt	137.1	149.9	(12.8)	(8.5)	%
Community Services	30.2	29.9	0.3	1.0	%
Unallocated Depreciation	160.1	158.9	1.2	0.8	%
Total Expenses	3,492.9	3,641.2	(148.3)	(4.1)	%
Increase (Decrease) in Net Position	91.2	(142.2)	233.4	164.1	%
Net Position, Beginning	\$ 1,228.6	\$ 1,395.4	\$ (166.8)	(12.0)	%
Prior year restatement (Note 1T)	(1,204.5)	(24.6)	(1,179.9)		
Net Position Ending	\$ 115.3	\$ 1,228.6	\$ (1,113.3)	(90.6)	%

Beginning Net Position has been restated due to the implementation of GASB Statements Nos. 68 and 71, that required the District to restate Net Position in the government-wide statements to report the District's net pension liability and related pension amounts for the defined benefit plans.

Governmental Activities



The Statement of Activities reports gross expenses, offsetting program revenues and the resulting net expense (cost) by functions for the current year. The net cost of each of the District's functions represents the expenses that must be subsidized by general revenues, including tax dollars. As reflected in the Statement of Activities, total expenses for governmental activities excluding unallocated depreciation expense totaled \$3,332.8 million, of which \$272.9 million were financed by charges for services and other program revenues. The resulting net costs of \$3,059.9 million, excluding unallocated depreciation expense, were financed primarily by Florida Education Finance Program (FEFP) dollars and property taxes.

The table below, presents a comparative analysis of the cost and the net cost of each of the District's functions: School Level Services include Instruction, Student Services (counselors, psychologists, and visiting teachers), Transportation, Custodial and Maintenance (including utilities), School Administration and Community Services; Instructional Support Services include Curriculum Development and Staff Training; Business/Central Services include Accounting, Budget, Payroll, Accounts Payable, Cash and Debt Management, Purchasing, Personnel, Data Processing, Risk Management, and Warehousing; General Administration; and Facilities Acquisition & Construction.

NET COST OF GOVERNMENTAL ACTIVITIES For Fiscal Years Ended June 30, 2015 and 2014 (\$ in millions)

	2014/15	2013/14	Difference Increase (Decrease)	% Increase (Decrease)
Total Cost of Services				
School Level Services	\$ 2,732.5	\$ 2,887.0	\$ (154.5)	(5.4) %
Instructional Support Services	280.0	294.3	(14.3)	(4.9) %
Business/Central Services	206.7	219.9	(13.2)	(6.0) %
General Administration	12.6	11.7	0.9	7.7 %
Facilities Acquisition & Construction	101.0	69.5	31.5	45.3 %
Total Cost of Services *	\$ 3,332.8	\$ 3,482.4	\$ (149.6)	(4.3) %
Net Cost of Services				
School Level Services	\$ 2,510.1	\$ 2,662.6	\$ (152.5)	(5.7) %
Instructional Support Services	280.0	294.3	(14.3)	(4.9) %
Business/Central Services	193.2	206.2	(13.0)	(6.3) %
General Administration	12.6	11.7	0.9	7.7 %
Facilities Acquisition & Construction	64.0	46.8	17.2	36.8 %
Net Cost of Services *	\$ 3,059.9	\$ 3,221.6	\$ (161.7)	(5.0) %

* Excluding unallocated depreciation expense

FINANCIAL ANALYSIS OF THE DISTRICT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. Financial information is presented separately in the Balance Sheet, and in the Statement of Revenues, Expenditures, and Changes in Fund Balances for the District's major funds: General Fund, General Obligation Bonds Funds and Capital Improvement-Local Optional Millage Levy (LOML) Funds, and Certificates of Participation (COPs) funds. Financial information for the non-major governmental funds is aggregated and presented in a single column. Individual fund data for each of the non-major governmental funds is presented in the combining statements beginning on Page 104.

GENERAL FUND

The General Fund is the primary operating fund for the District. Presented below is an overall analysis of the General Fund as compared to the prior year.

CHANGES IN GENERAL FUND ACTIVITY For Fiscal Years 2014/15 and 2013/14 (\$ in thousands)

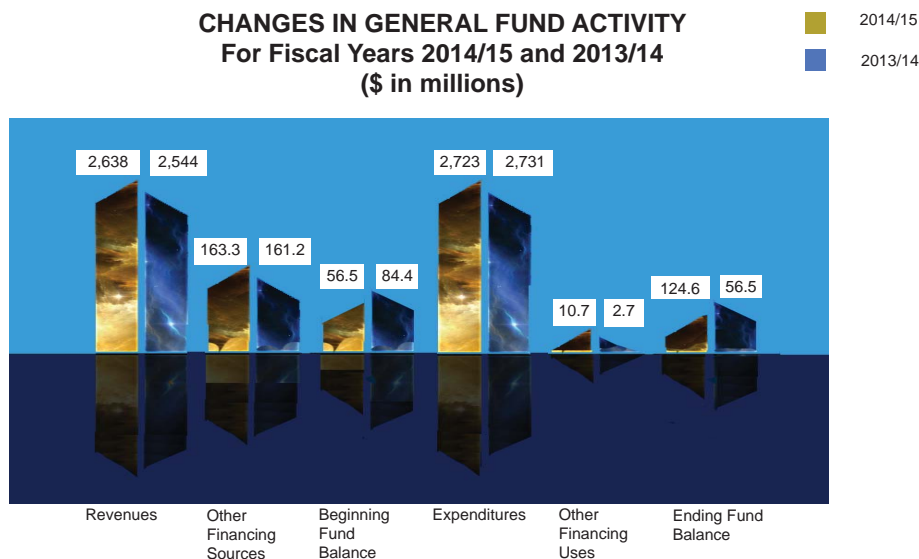
Categories	2014/15	2013/14	Difference Increase (Decrease)	% Increase (Decrease)	
Revenues	\$ 2,638,468	\$ 2,544,429	\$ 94,039	3.7	%
Other Financing Sources	163,253	161,178	2,075	1.3	%
Beginning Fund Balance	56,532	84,350	(27,818)	(33.0)	%
Total	\$ 2,858,253	\$ 2,789,957	\$ 68,296	2.4	%
Expenditures	\$ 2,723,009	\$ 2,730,738	\$ (7,729)	(0.3)	%
Other Financing Uses	10,690	2,687	8,003	297.8	%
Ending Fund Balance	124,554	56,532	68,022	120.3	%
Total	\$ 2,858,253	\$ 2,789,957	\$ 68,296	2.4	%

The General Fund is the chief operating fund of the District. Revenues increased by \$94.0 million or 3.7% from the previous year. The increase is primarily due to an increase in the collection of property taxes.

Expenditures decreased by \$(7.7) million or (0.3)% from the previous year. The decrease is primarily attributed to a decrease in salaries as well as decreases in fringe benefits due to lower health benefits costs as reflected in the actuarial projections.

Ending Fund Balance increased by \$68.0 million or 120.3% primarily due to the increase in tax collections and an overall reduction of expenditures.

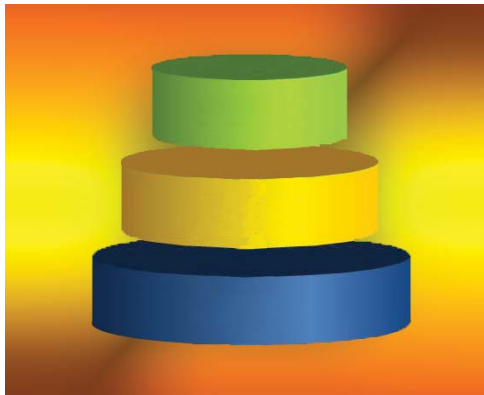
CHANGES IN GENERAL FUND ACTIVITY For Fiscal Years 2014/15 and 2013/14 (\$ in millions)



GENERAL FUND (continued)

Revenues By Source

Revenues - Overall revenues increased by \$94.0 million or 3.7% as follows:



■ Federal
 ■ State
 ■ Local

REVENUES BY SOURCE
For Fiscal Years 2014/15 and 2013/14
(\$ in thousands)

Sources	2014/15	2013/14	Difference Increase (Decrease)	% Increase (Decrease)	
Federal	\$ 20,799	\$ 20,166	\$ 633	3.1	%
State	1,174,172	1,225,135	(50,963)	(4.2)	%
Local	1,443,497	1,299,128	144,369	11.1	%
Total	\$ 2,638,468	\$ 2,544,429	\$ 94,039	3.7	%

Federal sources increased slightly by \$0.6 million or 3.1% from the prior year. This increase was primarily due to an increase in Medicaid reimbursement.

State sources decreased by \$(51.0) million or (4.2)% from the prior year. This decreased was primarily due to a reduction in FEFP funding.

Local sources increased by \$144.4 million or 11.1% from the prior year. This increase is primarily due to an increase in the collection of taxes offset by reductions in other local revenues.

Expenditures By Function

Expenditures - Overall expenditures decreased by \$(7.7) million or (0.3)% as follows:

EXPENDITURES BY FUNCTION
For Fiscal Years 2014/15 and 2013/14
(\$ in thousands)

Functions	2014/15	2013/14	Difference Increase (Decrease)	% Increase (Decrease)	
School Level Services	\$ 2,580,182	\$ 2,462,787	\$ 117,395	4.8	%
Instructional Support Services	59,372	184,880	(125,508)	(67.9)	%
Business Services/ Central Adm.	68,937	68,042	895	1.3	%
School Board	7,273	6,686	587	8.8	%
General Administration	5,419	4,852	567	11.7	%
Facilities & Other Capital Outlay	1,826	3,491	(1,665)	(47.7)	%
Total	\$ 2,723,009	\$ 2,730,738	\$ (7,729)	(0.3)	%



■ School Level Services
 ■ School Board
■ Instructional Support Services
 ■ General Administration
■ Business Svcs./ Central Adm.
 ■ Facilities & Other Capital Outlay

Salaries and fringe benefits represent the most significant expenditures of the District specifically as it relates to school level expenditures. During the 2014-15 fiscal year, the administration continued its efforts to meet the financial challenges of revenue losses and increased costs by creating efficiencies that reduced administration costs, and continued the moratorium on the purchases of items deemed non-essential.

On November 6, 2012, Miami-Dade County voters authorized the issuance of \$1.2 billion of General Obligation Bonds (GOBs) for the modernization and construction of public school facilities, including educational technology upgrades. In the 2013-14 fiscal year, \$190 million of Series 2013 GOBs and \$96.5 million of 2014A GOBs were sold with premiums that provided \$200 million for capital projects and approximately \$100 million for technology project funding. The GOBs program continues at an accelerated pace with over 300 projects at different stages of completion. It is anticipated that up to \$200 million in additional GOBs will be issued during the 2015-16 fiscal year as approved by the School Board at its May 13, 2015 meeting. Total fund balance of \$125.3 million represents a decrease of \$(127.6) million from the prior year. This decrease is due to the accelerated pace of the implementation of the GOBs program.

Capital Improvement - Local Optional Millage Levy (LOML) funds constitute the primary source of revenue in the Capital Budget. The Florida Legislature decreased the maximum allowable millage to be used for capital purposes from 1.75 mills to 1.50 mills in the 2009-10 fiscal year with the flexibility of shifting 0.25 mills back from the operating budget. For the 2014-15 fiscal year, the District availed itself of .061 of the 0.25 mills flexibility provided by law. Total fund balance of \$32.3 million represents an increase of \$10.8 million or 50% from the previous year. The increase can be attributed primarily to an increase in the collection of taxes and an overall reduction of expenditures. The total \$32.3 million fund balance is restricted for capital projects.



BUDGETARY HIGHLIGHTS

Most District operations are funded in the General Fund. The majority of the General Fund revenues are distributed to the District through the Florida Education Finance Program (FEFP), which uses formulas to distribute state funds and an amount of local property taxes (i.e., required local effort) established each year by the Florida Legislature. The purpose is to substantially equalize educational funding among the sixty-seven school districts in Florida, irrespective of differences in wealth among the districts.

Each school district retains its local property taxes, which are reported as local revenues. However, the required local effort portion is deducted from the district revenue generated by the State FEFP formulas. The resulting net revenue is reported as state revenue.

Total General Fund revenues and other financing sources during 2014-15 were \$66.5 million less than the originally adopted budget as follows:

Federal funds were \$2.1 million higher than anticipated due primarily to an increase in the Medicaid reimbursements of \$2.2 million, with small increases/decreases in Impact Aid, R.O.T.C. and Other Federal through State.

State funds were \$56.3 million less than the originally adopted budget primarily due to the elimination of McKay Scholarships of \$39.7 million, a decrease in the FEFP funds received due to changes in enrollment of \$1.1 million, a statewide proration further reducing FEFP by \$12.9 million, and miscellaneous small adjustments totalling a decrease of \$2.6 million.

Local revenues were \$14.1 million lower than the originally adopted budget. The decrease in local revenues from the originally adopted budget is primarily due to reductions in net property taxes of \$(25.6) million, increase in indirect costs of \$0.7 million, increases in Community School Programs of \$2.0 million, and increases in other accounts of \$8.8 million.

Other Financing Sources increased \$1.8 million due to the increase in transfers from other funds of \$0.6 million and other non-revenue sources of \$1.2 million.

Ending fund balance as of June 30, 2015 was \$124.6 million comprised of nonspendable fund balances totaling \$6.2 million, representing inventories and prepaid items, restricted fund balance totaling \$5.4 million in state categorical programs, assigned fund balance \$19.2 million, which included rebudgets and outstanding purchase orders and unassigned fund balance totaling \$93.8 million.

In the fiscal year 2014-15 tentative budget, the District made budgetary reductions to manage increases in costs that exceed \$40.0 million. In the future the District will continue to review the budget, focusing on maintaining essential educational services as it anticipates continuing revenue shortfalls and cost increases.



CAPITAL ASSETS AND DEBT ADMINISTRATION

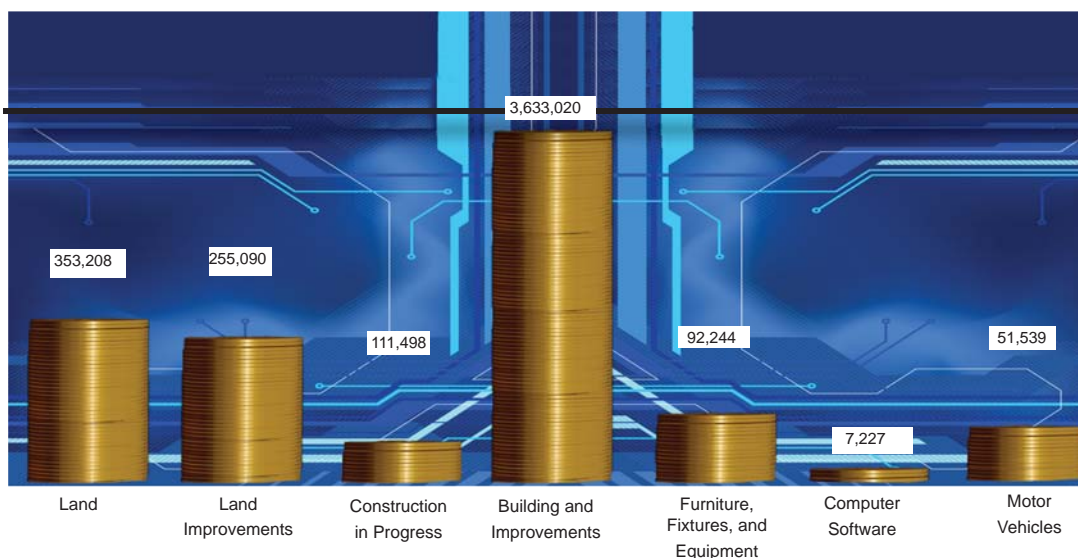
Capital Assets - At June 30, 2015, the District had \$4.5 billion invested in different categories of capital assets, net of accumulated depreciation, as shown in the table below.

CAPITAL ASSET ACTIVITY At June 30, 2015 and 2014 (\$ in thousands)

Categories	2014/15	2013/14	Difference Increase (Decrease)	% Increase (Decrease)
Land	\$ 353,208	\$ 346,150	\$ 7,058	2.0 %
Land Improvements	255,090	253,867	1,223	0.5 %
Construction in Progress	111,498	39,765	71,733	180.4 %
Building and Improvements	3,633,020	3,737,160	(104,140)	(2.8) %
Furniture, Fixtures & Equipment	92,244	91,370	874	1.0 %
Computer Software	7,227	17,972	(10,745)	(59.8) %
Motor Vehicles	51,539	59,834	(8,295)	(13.9) %
Total	\$ 4,503,826	\$ 4,546,118	\$ (42,292)	(0.9) %

Detailed information reflecting the District's capital asset balances and activity for the fiscal year ended June 30, 2015 is provided in Note 4 to the Financial Statements.

CAPITAL ASSET ACTIVITY At June 30, 2015 (\$ in thousands)



CAPITAL ASSETS AND DEBT ADMINISTRATION (continued)

Debt Administration - The following table represents the changes in the District's outstanding long-term liabilities at fiscal year end.

CHANGES IN LONG TERM LIABILITIES At June 30, 2015 and 2014 (\$ in thousands)

Categories	2014/15	2013/14	Difference Increase (Decrease)	% Increase (Decrease)
Bonds Payable	\$ 365,012	\$ 423,738	\$ (58,726)	(13.9) %
Certificates of Participation Payable by the Foundation	2,819,537	2,855,557	(36,020)	(1.3) %
Derivative Instrument Liability	26,576	27,472	(896)	(3.3) %
Capital Leases	106,390	103,555	2,835	2.7 %
Insurance Claims Payable	178,747	179,160	(413)	(0.2) %
Retirement Incentive Benefits	1,522	1,515	7	0.5 %
Compensated Absences Payable	275,489	277,091	(1,602)	(0.6) %
Other Post Employment Benefits	26,441	19,976	6,465	32.4 %
Interlocal Construction Contract Agreement	2,000	2,000	-	0.0
Total	\$ 3,801,714	\$ 3,890,064	\$ (88,350)	(2.3) %

Overall liabilities decreased by \$(88.4) million or (2.3)% from the prior year. The most significant decreases are reflected in Bonds Payable of \$(58.7) million and Certificates of Participation Payables of \$(36.0) million. These decreases are primarily due to repayment of debt and refunding of Certificates of Participation.

Detailed information relating to changes in long-term liabilities for the fiscal year ended June 30, 2015 is provided in Note 14 to the Financial Statements.

LONG TERM LIABILITIES At June 30, 2015 (\$ in millions)



ECONOMIC FACTORS

The State of Florida, by constitution, does not have a state personal income tax and therefore, the state operates primarily using sales, gasoline and corporate income taxes. Despite a slow economic recovery and continued funding challenges, the District, through prudent fiscal management, maintains a healthy financial position to provide the quality education deserved by every child.

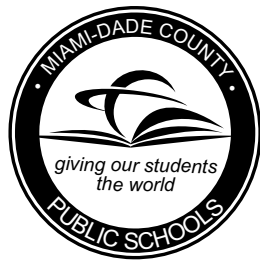
CONTACTING MANAGEMENT

The District's financial statements are designed to present citizens, taxpayers, investors, and creditors with a general overview of the District's finances and to show the District's accountability for the money it receives. Additional information can be requested at:

The School Board of Miami-Dade County
School Board Administration Building
Office of the Controller
1450 N.E. 2nd Avenue
Room 664
Miami, Florida 33132
or visit our website at:

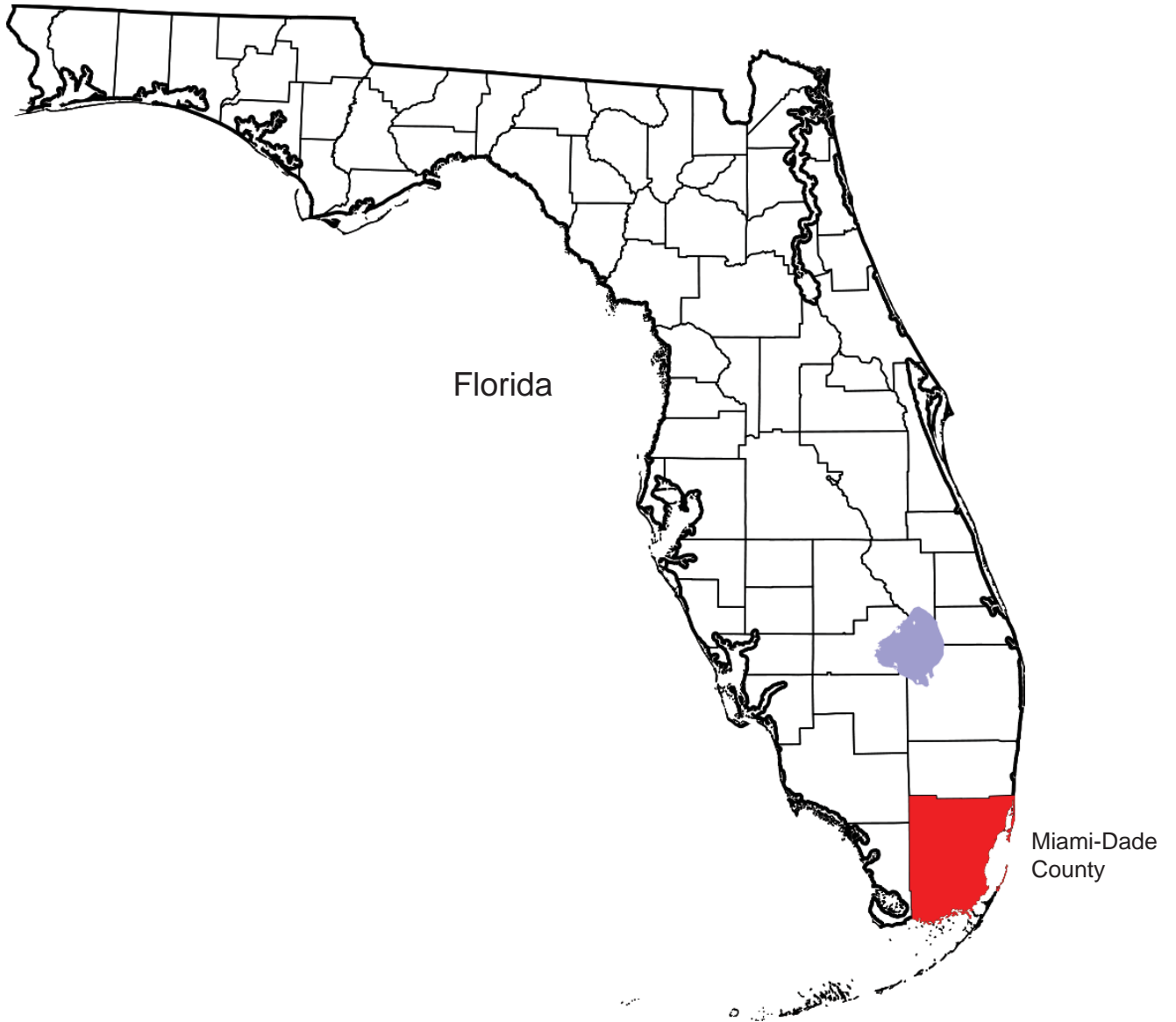
<http://www.dadeschools.net>





BASIC FINANCIAL STATEMENTS





THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
STATEMENT OF NET POSITION
JUNE 30, 2015
(amounts expressed in thousands)

	Primary Government Total Governmental Activities
ASSETS	
Current assets:	
Cash and cash equivalents	\$ 242,846
Investments	209,929
Cash and investments with fiscal agents	695
Restricted cash and investments	583
Total cash, cash equivalents, and investments (Note 3)	<u>454,053</u>
Taxes receivable, net (Note 16)	14,737
Accounts and interest receivable	1,061
Due from other governments or agencies (Note 6)	53,225
Inventories	8,504
Prepaid and other current assets	22,463
Total current assets	<u>554,043</u>
Non-current assets:	
Restricted cash and investments (Note 3)	174,685
Capital assets (Note 4):	
Non-depreciable capital assets	719,796
Depreciable capital assets	6,189,416
Less accumulated depreciation	<u>(2,405,386)</u>
Total capital assets, net	<u>4,503,826</u>
Total non-current assets	4,678,511
Total assets	<u>5,232,554</u>
DEFERRED OUTFLOWS OF RESOURCES	
Accumulated decrease in fair value of hedging derivatives	26,576
Deferred loss on refunding of debt, net	55,232
Pensions (Note 17)	199,507
Total deferred outflows of resources	<u>\$ 281,315</u>

See accompanying notes to the basic financial statements

	Primary Government
	Total Governmental Activities
LIABILITIES	
Current liabilities:	
Accounts and contracts payable and accrued expenses	\$ 68,341
Accrued payroll payable	141,499
Due to other governments or agencies (Note 6)	4,537
Unearned revenue	4,893
Accrued interest payable	31,691
Retainage payable on contracts	7,754
Current portion of long-term liabilities (Note 14)	229,482
Total current liabilities	<u>488,197</u>
Non-current liabilities:	
Accrued interest payable	283
Non-current portion of long-term liabilities (Note 14)	3,572,232
Net pension liability	839,207
Total non-current liabilities	<u>4,411,722</u>
Total liabilities	<u>4,899,919</u>
DEFERRED INFLOWS OF RESOURCES	
Pensions (Note 17)	498,614
Total deferred inflows of resources	<u>498,614</u>
NET POSITION	
Net investment in capital assets	1,444,145
Restricted for:	
State required carryover programs	5,358
Food service	21,798
Debt service	7,809
Capital projects	18,159
Other purposes	2,154
Unrestricted (deficit)	(1,384,087)
Total net position	<u><u>\$ 115,336</u></u>

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(amounts expressed in thousands)

		<u>Program Revenues</u>	
	<u>Expenses</u>	<u>Charges for Services</u>	<u>Operating Grants and Contributions</u>
Primary government:			
Governmental Activities:			
Instructional services	\$ 1,954,230	\$ 32,491	\$ -
Instructional support services	280,020	-	-
Pupil transportation services	76,737	365	-
Operation and maintenance of plant	357,679	-	-
School administration	154,222	-	-
General administration	12,635	-	-
Business/central services	66,661	-	-
Administrative technology services	2,841	-	-
Food services	159,473	17,314	146,975
Community services	30,232	-	-
Facilities acquisition and construction	100,896	-	-
Interest on long-term debt	137,143	-	-
Unallocated depreciation/amortization (Note 4)	160,143	-	-
Total governmental activities	<u>\$ 3,492,912</u>	<u>\$ 50,170</u>	<u>\$ 146,975</u>

See accompanying notes to the basic financial statements

<u>Program Revenues</u>	<u>Net (Expenses) Revenues and Changes in Net Position</u>
<u>Capital Grants and Contributions</u>	<u>Primary Government Total Governmental Activities</u>
\$ -	\$ (1,921,739)
-	(280,020)
-	(76,372)
25,429	(332,250)
-	(154,222)
-	(12,635)
-	(66,661)
-	(2,841)
-	4,816
-	(30,232)
36,866	(64,030)
13,448	(123,695)
-	(160,143)
<u>\$ 75,743</u>	<u>(3,220,024)</u>

General Revenues:

Taxes (Note 16):

Property Taxes, Levied for Operational Purposes	1,385,924
Property Taxes, Levied for Debt Service	44,303
Property Taxes, Levied for Capital Projects	348,164
Grants and Contributions Not Restricted to Specific Programs	1,476,346
Investment Earnings	2,561
Other	53,970
Total General Revenues	<u>3,311,268</u>

Change in Net Position	91,244
Net Position - Beginning of Year as restated (see note 1T)	24,092
Net Position - End of Year	<u>\$ 115,336</u>

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2015
(amounts expressed in thousands)

	<u>General</u>
ASSETS	
Cash and cash equivalents	\$ 144,999
Equity in pooled cash and investments	119,229
Cash and investments with fiscal agents (Note 12)	-
Total cash, cash equivalents, and investments (Note 3)	<u>264,228</u>
Taxes receivable, net (Note 16)	11,709
Accounts and interest receivable	948
Due from other governments or agencies (Note 6)	30,948
Due from other funds (Note 5)	3,700
Inventories	5,674
Prepaid and other assets	954
Total assets	<u>\$ 318,161</u>
LIABILITIES	
Accounts and contracts payable and accrued expenditures	\$ 31,847
Accrued payroll and compensated absences (Notes 8 and 14)	144,578
Due to other funds (Note 5)	-
Due to other governments or agencies (Note 6)	2,668
Unearned revenue	375
Estimated liability for insurance risks and pending claims (Notes 13 and 18)	2,431
Retainage payable on contracts	-
Total liabilities	<u>181,899</u>
DEFERRED INFLOWS OF RESOURCES	
Unavailable revenue	11,708
Total deferred inflows of resources	<u>11,708</u>
FUND BALANCES	
Nonspendable	6,163
Restricted	5,358
Assigned	19,217
Unassigned	93,816
Total fund balances	<u>124,554</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u><u>\$ 318,161</u></u>

See accompanying notes to the basic financial statements

General Obligation School Bonds Funds	Capital Improvement LOML Funds	Non-major Governmental Funds	Total Governmental Funds
\$ 24,095	\$ -	\$ 44,194	\$ 213,288
118,761	13,852	84,038	335,880
-	-	695	695
142,856	13,852	128,927	549,863
-	2,904	124	14,737
7	24	47	1,026
-	-	22,277	53,225
-	-	-	3,700
-	-	2,830	8,504
-	20,843	666	22,463
\$ 142,863	\$ 37,623	\$ 154,871	\$ 653,518
\$ 13,015	\$ 811	\$ 21,392	\$ 67,065
-	-	2,480	147,058
-	-	3,700	3,700
-	-	1,869	4,537
-	-	4,431	4,806
-	-	-	2,431
4,595	1,578	1,581	7,754
17,610	2,389	35,453	237,351
-	2,904	356	14,968
-	2,904	356	14,968
-	20,843	3,496	30,502
125,253	11,487	114,175	256,273
-	-	1,391	20,608
-	-	-	93,816
125,253	32,330	119,062	401,199
\$ 142,863	\$ 37,623	\$ 154,871	\$ 653,518



THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET
TO THE STATEMENT OF NET POSITION
JUNE 30, 2015
(amounts expressed in thousands)

Total Fund Balances – Governmental Funds **\$ 401,199**

Amounts reported for governmental activities in the statement of net position are different as a result of:

Capital assets used in governmental activities are not financial resources and therefore are not reported as assets in the governmental funds.

Capital assets	\$ 6,909,212	
Accumulated depreciation	<u>(2,405,386)</u>	4,503,826

Property taxes receivable not collected within 60 days of fiscal year-end are not available soon enough to pay for the current period's expenditures, and therefore are not recorded as revenue in the governmental funds.		14,737
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Receivables due from other governments or agencies are not available soon enough to pay for the current period's expenditures, and therefore are not recorded as revenue in the governmental funds.		231
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An internal service fund is used by the District to charge the costs of health premiums to individual funds. The assets and liabilities of the internal service fund are included in governmental activities in the statement of net position

Assets	78,910	
Liabilities	<u>(27,244)</u>	
Net Position		51,666

Current liabilities which are accrued as a liability in the government-wide statements but are not recognized in the governmental funds until due:

Benefits payable	(1,600)	
Interest payable	<u>(31,691)</u>	(33,291)

Long-term liabilities are not due and payable in the current period and therefore are not reported as liabilities in the governmental funds.

Long-term liabilities at year-end consist of the following:

Bonds payable	(365,012)	
Capital leases	(106,390)	
Compensated absences	(268,497)	
Retirement incentive benefits	(1,354)	
Other post-employment benefits obligation	(26,441)	
Interest payable	(283)	
Certificates of participation	(2,819,537)	
Derivative instruments liability	(26,576)	
Net pension liability	(839,207)	
Other long-term liabilities	(2,000)	
Claims payable	<u>(150,436)</u>	(4,605,733)

Deferred outflows (inflows) of resources are reported in the statement of net position:

Accumulated decreases in fair value of hedging derivative instruments	26,576	
Net loss on debt refunding	55,232	
Net deferred inflow - pensions	<u>(299,107)</u>	(217,299)

Total Net Position – Governmental Activities **\$ 115,336**

See accompanying notes to the basic financial statements

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(amounts expressed in thousands)

	<u>General</u>
Revenues:	
Local sources:	
Ad valorem taxes (Note 16)	\$ 1,375,067
Food service sales	-
Interest income	762
Net increase (decrease) in fair value of investments	3
Local grants and other	67,665
Total local sources	<u>1,443,497</u>
State sources (Note 15):	
Florida education finance program	661,800
Public education capital outlay	-
Food services	-
State grants and other	512,372
Total state sources	<u>1,174,172</u>
Federal sources:	
Federal grants and other	20,799
Food services	-
Total federal sources	<u>20,799</u>
Total revenues	<u>2,638,468</u>
Expenditures:	
Current:	
Instructional services	
Basic programs	1,435,192
Exceptional child programs	319,096
Adult and vocational-technical programs	78,453
Total instructional services	<u>1,832,741</u>
Instructional support services	181,971
Pupil transportation services	73,322
Operation and maintenance of plant	360,188
School administration	157,042
General administration	80,374
Food services	-
Community services	29,335
Capital outlay	7,271
Debt service (Notes 9, 10, 11 and 12):	
Principal retirement	457
Interest and fiscal charges	308
Total expenditures	<u>2,723,009</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(84,541)</u>
Other financing sources (uses):	
Transfers in (Note 5)	162,068
Transfers out (Note 5)	(10,690)
Issuance of debt for refunding (Notes 10 and 11)	-
Premium on refunding of debt	-
Payments to refunded bond escrow agent	-
Proceeds from sale of capital assets	434
Proceeds from loans/leases/construction agreements	751
Total other financing sources (uses)	<u>152,563</u>
Net change in fund balances	68,022
Fund balances - beginning of year	56,532
Fund balances - end of year	<u>\$ 124,554</u>

See accompanying notes to the basic financial statements

General Obligation School Bonds Funds	Capital Improvement LOML Funds	Non-major Governmental Funds	Total Governmental Funds
\$ -	\$ 345,774	\$ 44,326	\$ 1,765,167
-	-	17,314	17,314
381	114	1,306	2,563
(7)	1	1	(2)
-	-	64,858	132,523
<u>374</u>	<u>345,889</u>	<u>127,805</u>	<u>1,917,565</u>
-	-	-	661,800
-	-	5,987	5,987
-	-	2,210	2,210
-	-	34,965	547,337
-	-	43,162	1,217,334
-	-	290,527	311,326
-	-	135,242	135,242
-	-	425,769	446,568
<u>374</u>	<u>345,889</u>	<u>596,736</u>	<u>3,581,467</u>
-	-	106,132	1,541,324
-	-	42,401	361,497
-	-	11,271	89,724
-	-	159,804	1,992,545
-	-	98,452	280,423
-	-	2,664	75,986
-	-	431	360,619
-	-	131	157,173
-	-	9,412	89,786
-	-	160,056	160,056
-	-	1,095	30,430
127,981	19,645	89,147	244,044
-	-	156,107	156,564
37	107	142,865	143,317
<u>128,018</u>	<u>19,752</u>	<u>820,164</u>	<u>3,690,943</u>
<u>(127,644)</u>	<u>326,137</u>	<u>(223,428)</u>	<u>(109,476)</u>
-	-	207,824	369,892
-	(315,325)	(43,877)	(369,892)
-	-	634,472	634,472
-	-	100,778	100,778
-	-	(733,725)	(733,725)
-	-	-	434
-	-	31,819	32,570
-	(315,325)	197,291	34,529
(127,644)	10,812	(26,137)	(74,947)
252,897	21,518	145,199	476,146
<u>\$ 125,253</u>	<u>\$ 32,330</u>	<u>\$ 119,062</u>	<u>\$ 401,199</u>

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(amounts expressed in thousands)

Total Net Change in Fund Balances - Governmental Funds **\$ (74,947)**

Amounts reported for governmental activities in the Statement of Activities are different as a result of:

Property taxes not collected within 60 days of fiscal year-end are not considered available and therefore are not recorded as revenues in the fund level statements. However, for the government-wide statements property tax revenues are recorded when there is an enforceable lien. Additionally, the governmental funds reflect revenues that correspond to the prior year.

Prior year revenues recorded this year at the fund level	\$ (1,513)	
Revenues not recorded this year in the fund level statements are recorded as revenue in the government-wide statements	<u>14,737</u>	13,224

Revenues that do not provide current financial resources are not recorded in the governmental funds. However, for the government-wide statements revenues are recorded when earned.		231
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An internal service fund is used by the District to charge the costs of health premiums to individual funds. The increase in net position of the internal service fund is reported with governmental activities.		10,804
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The net effect of pension and retirement contribution expenses is to increase net position.		66,195
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The net effect of various miscellaneous transactions involving capital assets (i.e., sales, disposals, recoveries, and donations) is to decrease net position.		(2,691)
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Capital outlay disbursements to purchase or build capital assets are reported as expenditures in the governmental funds. In the Statement of Net Position, these costs are capitalized and depreciated over their estimated useful lives. In the Statement of Activities the depreciation is reflected as an expense for the period.

Capital outlay expenditures for the fiscal year	155,279	
Depreciation expense for the fiscal year	<u>(194,879)</u>	(39,600)

Proceeds from issuance of debt instruments are recorded as other financing sources in the governmental funds, however, in the government-wide statements they are recorded as additions to long-term liabilities. Proceeds from debt instruments were as follows:

Proceeds from refunding of State Board of Education Capital Outlay Bonds	(12,527)	
Premium on refunding of State Board of Education Capital Outlay Bonds	(824)	
Proceeds from refunding of Certificates of Participation	(621,945)	
Premium on refunding of Certificates of Participation	(99,955)	
Proceeds from Loans and Leases	<u>(32,570)</u>	(767,821)

The governmental funds only include those liabilities that will be paid with current financial resources. Expenses recorded in the Statement of Activities exceed the amount recorded in the governmental funds due to the different measurement focus used.

Increase in other post-employment benefits liability	(6,465)	
Amount of compensated absences paid in excess of the amount earned	2,093	
Decrease in accrued salaries and benefits	30	
Increase in claims payable	<u>(6,272)</u>	(10,614)

Repayment of debt principal is reflected as an expenditure in the governmental funds, however, in the Statement of Net Position it is reflected as a reduction of liabilities and does not affect the Statement of Activities.

Repayment of debt principal for Certificates of Participation	53,905	
Repayment of debt principal for Qualified Zone Academy Bonds	15,000	
Repayment of debt principal for General Obligation Bonds	45,970	
Repayment of debt principal for Capital Leases	29,735	
Repayment of debt principal for State Board of Education Bonds	<u>11,954</u>	156,564

Repayment to refund debt is reflected as an other financing use in the governmental funds, however, in the Statement of Net Position it is reflected as a reduction of liabilities and does not affect the Statement of Activities.		733,725
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Interest on long-term debt differs from the amount reported in the governmental funds. In the governmental funds, interest on long-term debt is recorded as an expenditure when due and payable. In the Statement of Activities, interest is recorded as it accrues. In addition, premiums are amortized over the life of the debt, and are recorded as a decrease to interest expense on the Statement of Activities. Losses incurred as a result of advance refundings are also amortized over the life of the debt and are recorded as an increase to interest expense on the Statement of Activities.

Accrued interest payable	(31,974)	
Amortization of premium on State Board of Education Capital Outlay Bonds (SBEs)	116	
Amortization of premium on Certificates of Participation (COPs)	6,901	
Amortization of premium on General Obligation School Bonds (GOBs)	892	
Amortization of gain related to advance refunding of COPS	11	
Amortization of loss related to advance refunding of SBEs	(27)	
Amortization of loss related to advance refunding of COPs	(4,605)	
Amortization of loss related to advance refunding of GOBs	(72)	
Prior year accrued interest paid during current fiscal year	<u>34,932</u>	6,174

Total Change in Net Position of Governmental Activities **\$ 91,244**

See accompanying notes to the basic financial statements

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
STATEMENT OF NET POSITION
PROPRIETARY FUND
JUNE 30, 2015
(amounts expressed in thousands)

	<u>Health Insurance Fund</u>
ASSETS	
Cash and cash equivalents	\$ 44,161
Investments	34,714
Accounts and interest receivable	35
Total assets	<u>\$ 78,910</u>
LIABILITIES	
Accounts payable	\$ 1,276
Unearned revenue	87
Estimated unpaid health claims	25,881
Total liabilities	<u>27,244</u>
NET POSITION	
Unrestricted	<u>\$ 51,666</u>
Total net position	<u><u>\$ 51,666</u></u>

See accompanying notes to the basic financial statements

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN FUND NET POSITION
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(amounts expressed in thousands)

	Health Insurance Fund
	<hr/>
OPERATING REVENUES	
Charges for services	\$ 360,818
Other operating revenues	4,777
Total operating revenues	<hr/> 365,595 <hr/>
OPERATING EXPENSES	
Salaries	164
Employee benefits	53
Purchased services	706
Claims	343,197
Administrative fees and other	10,756
Total operating expenses	<hr/> 354,876 <hr/>
OPERATING INCOME	10,719
NONOPERATING REVENUES	
Interest revenue	85
Total nonoperating revenues	<hr/> 85 <hr/>
CHANGE IN NET POSITION	10,804
NET POSITION - Beginning of year	<hr/> 40,862 <hr/>
NET POSITION - End of year	<hr/> \$ 51,666 <hr/>

See accompanying notes to the basic financial statements

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
STATEMENT OF CASH FLOWS
PROPRIETARY FUND
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(amounts expressed in thousands)

	Health Insurance Fund
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers and interfund services provided	\$ 360,831
Payments for claims	(350,124)
Payments to suppliers for goods and services	(10,284)
Payments to employees	(216)
Other receipts	6,277
Net cash provided by operating activities	<u>6,484</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Receipts from interest	62
Purchase of investments	(17,697)
Net cash used by investing activities	<u>(17,635)</u>
Change in cash and cash equivalents	(11,151)
Cash and cash equivalents, beginning of year	<u>55,312</u>
Cash and cash equivalents, end of year	<u><u>\$ 44,161</u></u>
RECONCILIATION OF OPERATING INCOME TO	
NET CASH PROVIDED BY OPERATING ACTIVITIES:	
Operating income	\$ 10,719
Adjustments to reconcile operating income to net cash provided by operating activities:	
(Increase) decrease in accounts receivable	1,501
Increase (decrease) in accounts payable	1,178
Increase (decrease) in unearned revenues	12
Increase (decrease) in estimated unpaid claims	(6,926)
Total adjustments	<u>(4,235)</u>
Net cash provided by operating activities	<u><u>\$ 6,484</u></u>

See accompanying notes to the basic financial statements

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
FIDUCIARY FUNDS
STATEMENT OF FIDUCIARY NET POSITION
JUNE 30, 2015
(amounts expressed in thousands)

	Pension Trust Fund	Agency Fund Schools' Internal Fund
ASSETS		
Cash and cash equivalents	\$ -	\$ 6,110
Investments		
Certificates of deposit	-	3,500
Fixed income mutual funds	8,310	12,923
Equity mutual funds	17,120	-
Money market mutual funds	720	324
Total cash, cash equivalents, and investments	<u>26,150</u>	<u>22,857</u>
Accounts receivable	-	1,283
Interest receivable	<u>-</u>	<u>10</u>
Total assets	<u><u>\$ 26,150</u></u>	<u><u>\$ 24,150</u></u>
LIABILITIES		
Accounts payable	\$ -	\$ 99
Due to other governments or agencies	-	4,355
Due to student organizations	-	19,696
Total liabilities	<u>\$ -</u>	<u>\$ 24,150</u>
NET POSITION		
Held in trust for pension benefits	<u>26,150</u>	
Total net position	<u><u>\$ 26,150</u></u>	

See accompanying notes to the basic financial statements

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
FIDUCIARY FUND
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(amounts expressed in thousands)

	Pension Trust Fund
ADDITIONS:	
Employer contributions (Note 17)	\$ 2,276
Interest on investments	754
Net increase in the fair value of investments	137
Less investment expenses	(5)
Total additions	<u>3,162</u>
DEDUCTIONS:	
Retirement benefit payments	4,095
Trustee services	101
Total deductions	<u>4,196</u>
Change in net position	(1,034)
Net position held in trust for pension benefits at beginning of year	<u>27,184</u>
Net position held in trust for pension benefits at end of year	<u><u>\$ 26,150</u></u>

See accompanying notes to the basic financial statements

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

A. Reporting Entity

The School Board of Miami-Dade County, Florida (the "School Board," "Board," or the "District") is composed of nine members elected from single-member districts within the legal boundary of Miami-Dade County, Florida (the "County"). The appointed Superintendent of Schools is the executive officer of the Board. The School Board is part of the state system of public education under the general direction of the State Board of Education and is financially dependent on state support. However, the Board is considered a primary government for financial reporting purposes because it is directly responsible for the operation and control of District schools within the framework of applicable state law and State Board of Education rules and it is not considered to be an agency or component unit of the State of Florida.

The general operating authority of the School Board and the Superintendent is contained in Chapters 1000 through 1013, Florida Statutes. Pursuant to Section 1010.01, Florida Statutes, the Superintendent of Schools is responsible for keeping records and accounts of all financial transactions in the manner prescribed by the State Board of Education.

The accompanying financial statements include those of the District (the primary government) and those of its component units. Component units are legally separate organizations which should be included in the District's financial statements because of the nature and significance of their relationship with the primary government.

The Governmental Accounting Standards Board (GASB) issued Statement No. 61, *The Financial Reporting Entity: Omnibus, an amendment of GASB Statement No. 14 and No. 34*. The Statement modifies the existing criteria for reporting component units. The Statement provides guidance on the inclusion of a legally separate entity to be included as a component unit under the misleading to exclude criterion and the financial accountability concept, which requires that in addition to meeting the fiscal dependency criterion, a financial benefit or burden relationship be present in order for a potential component unit to be included in the financial reporting entity.

Based on the application of GASB Statement No. 61, the District determined that charter schools do not meet the criteria to qualify as component units of the District; therefore they are not included in the District's Comprehensive Annual Financial Report (CAFR). Audits of the Charter Schools are conducted by independent certified public accountants and are filed in the Charter Schools Support office located at 1450 N.E. 2nd Avenue, Room 806, Miami, Florida 33132.

The 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 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 Board are such that exclusions would cause the District's basic financial statements to be misleading or incomplete.

Based on the application of GASB Statement No. 61, and GASB Codification Sections 2100 and 2600, the following component unit is included within the District's reporting entity:

Blended Component Unit

The Miami-Dade County School Board Foundation, Inc., a Florida not-for-profit corporation, was created solely to facilitate financing for the acquisition and construction of District school facilities and related costs. The members of the School Board serve as the Board of the Foundation, therefore, the School Board is considered financially accountable for the Foundation. The financial activities of the Foundation have been blended (reported as if it were part of the District) with those of the District.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued:

B. Basis of Presentation

The District's accounting policies conform with accounting principles generally accepted in the United States applicable to state and local governmental units. Accordingly, the basic financial statements include both the government-wide and fund financial statements.

Government-Wide Financial Statements – The Statement of Net Position and the Statement of Activities present information about the financial activities of the District as a whole, and its component unit, excluding fiduciary activities. Eliminations have been made from the statements to remove the “doubling-up” effect of interfund activity.

The Statement of Activities reports expenses identified by specific functions, offset by program revenues, resulting in a measurement of “net (expense) revenue” for each of the District's functions. Program revenues that are used to offset these expenses include charges for services, such as food service and tuition fees; operating grants, such as the National School Lunch Program, Federal Grants, and other state allocations; and capital grants specific to capital outlay. In addition, revenues not classified as program revenues are shown as general revenues, which include Florida Education Finance Program (FEFP) revenues and other state allocations.

Fund Financial Statements – The fund financial statements provide information about the District's funds, including proprietary and fiduciary funds. Separate statements for governmental, proprietary and fiduciary funds are presented. The emphasis of the fund financial statements is on the major funds which are presented in a separate column with all non-major funds aggregated in a single column.

The District reports the following major governmental funds:

General Fund is the District's primary operating fund and accounts for all financial resources of the District, except those required to be accounted for in another fund.

General Obligation Bonds Funds account for and report on resources from the issuance of GOBs approved by the Miami-Dade County voters on November 6, 2012, for the modernization, construction, expansion or otherwise improvement of school buildings, including technology upgrades.

Capital Improvement – Local Optional Millage Levy (LOML) Funds account for and report on funds levied by the school district, as authorized by Capital Improvement, Section 1011.71, Florida Statutes mainly for capital outlay purposes. This fund did not meet the minimum criteria for major fund determination during fiscal year 2015. However, it will continue to be presented as a major fund for public interest purposes.

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

Internal Service Fund accounts for and reports on the activities of the District's group health self-insurance program.

Agency Fund – School's Internal Fund accounts for resources of the schools' Internal Fund which is used to administer monies collected at the schools in connection with school, student athletics, class, and club activities.

Pension Trust Fund accounts for resources used to finance the District's Supplemental Early Retirement Plan.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued:

C. Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The 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 measurement made, regardless of the measurement focus applied.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when the liability is incurred, regardless of the timing of related cash flows. Revenues from non-exchange transactions are reported in accordance with GASB Statement No. 33, *Accounting and Financial Reporting for Non-Exchange Transactions*, as amended by GASB Statement No. 36, *Recipient Reporting for Certain Shared Non-Exchange Revenues*, which include, taxes, grants and donations. On the accrual basis, revenue from property taxes is recognized in the fiscal year for which the taxes are levied. Revenues from grants and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, that is, when they become measurable and available. "Measurable" means the amount of the transaction can be determined; "available" means collectible within the current period or soon thereafter to be used to pay liabilities of the current period.

Property taxes, when levied for, and intergovernmental revenues when eligibility requirements have been met, are the significant revenue sources considered susceptible to accrual. The School Board considers property taxes, when levied for, as available if they are collected within 60 days after fiscal year-end. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Charges for services and fees are recognized when cash is collected as amounts are not measurable. Under the modified accrual basis of accounting, expenditures are generally recognized when the related fund liability is incurred. The principal exceptions to this general rule are: (1) interest on general long-term debt is recognized as expenditures when due/paid; and (2) expenditures related to liabilities reported as general long-term obligations are recognized when due, such as compensated absences, Other Post Employment Benefits (OPEB), pensions, claims payables, bonds, loans and leases.

Proprietary Fund – Proprietary funds are accounted for in accordance with the Governmental Accounting Standards Board (GASB). During the fiscal year 2009-10, the District established an Internal Service Fund to account for the group health self-insurance program. The Internal Service Fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Proprietary funds distinguish operating revenues and expenses from non-operating items.

The principal operating revenues of the District's Internal Service Fund for self-insurance are charges to the District's other funds for health insurance. The principal operating expenses include claims, administrative expenses and fees. All revenues and expenses not meeting these definitions are reported as non-operating revenues and expenses.

The Fiduciary Funds are reported using the economic resources measurement focus and the accrual basis of accounting. With this measurement focus, all assets and deferred outflows, and all liabilities and deferred inflows, associated with the operation of the funds are included on the Statement of Fiduciary Net Position. The Statement of Changes in Fiduciary Net Position presents additions and deductions in fund equity (total net position).

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued:

D. New Pronouncements – Adopted and Unadopted

The GASB issued Statement No. 68, *Accounting and Financial Reporting for Pensions (an amendment of GASB Statement No. 27)* in June 2012. This Statement is effective for fiscal years beginning after June 15, 2014. The District adopted GASB 68 in the current fiscal year financial statements. The adoption of GASB 68 is reflected in the government-wide financial statements, in Note 17, to the Financial Statements, as well as in the Required Supplementary Information Section.

The GASB issued Statement No. 69, *Government Combinations and Disposals of Government Operations* in January 2013. The District adopted GASB 69 in the current fiscal year financial statements. The adoption of GASB 69 did not impact the District's financial position or results of operations.

The GASB issued Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date-an amendment of GASB Statement No. 68* in November 2013. The District adopted GASB 71 in the current fiscal year financial statements. The adoption of GASB 71 is reflected in the government-wide financial statements, in Note 17, to the Financial Statements, as well as in the Required Supplementary Information Section.

The GASB issued Statement No. 72, *Fair Value Measurement and Application* in February 2015. This statement is effective for fiscal years beginning after June 15, 2015.

The GASB issued Statement No. 73, *Accounting and Financial Reporting for Pensions and Related Assets That Are Not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statements 67 and 68* in June 2015. This Statement is effective for fiscal years beginning after June 15, 2015 – except those provisions that address employers and governmental non-employer contributing entities for pensions that are not within the scope of Statement 68, which are effective for fiscal years beginning after June 15, 2016.

The GASB issued Statement No. 74, *Financial Reporting for Postemployment Benefit Plans Other Than Pension Plans* in June 2015. This statement is effective for financial statements for fiscal years beginning after June 15, 2016.

The GASB issued Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefit Other Than Pensions* in June 2015. This statement is effective for fiscal years beginning after June 15, 2017.

The GASB issued Statement No. 76, *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments* in June 2015. The requirements of this statement are effective for reporting periods beginning after June 15, 2015.

The GASB issued Statement No. 77, *Tax Abatement Disclosures* in August 2015. The requirements of this Statement are effective for financial statements for periods beginning after December 15, 2015.

The impact on the District's financial position or results of operations has not yet been determined for the unadopted standards.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued:

E. Cash, Cash Equivalents, and Investments

The District maintains an accounting system in which substantially all general School Board cash, investments, and accrued interest are recorded and maintained in a separate group of accounts. Investment income is allocated based on the proportionate balances of each fund's equity in pooled cash and investments. The cash and investment pool is available for all funds, except the State Board of Education Bonds, Certificates of Participation and other debt related funds requiring separate accounts.

Cash deposits are held by banks qualified as public depositories under Florida law. All deposits are insured by federal depository insurance and/or collateralized with securities held in Florida's multiple financial institution collateral pool as required by Florida Statutes, Chapter 280. Cash and cash equivalents are considered to be cash on hand, demand deposits, non-marketable time deposits with maturities of three months or less when purchased, and money market/saving accounts.

Investments carried at fair value based on quoted market prices include U.S. Agency obligations, Commercial Paper, and Money Market Mutual Funds. Guaranteed Investment Contracts are recorded at the amount specified by the contracts at each year end. Pension Trust Fund investments are recorded at fair value based on quoted market prices and include: money market funds, and fixed income/equity mutual funds.

F. Inventory

Inventories consist of expendable supplies held for consumption in the course of the District's operations. Inventories are stated at cost, principally on a weighted average cost basis. Commodities from the United States Department of Agriculture are stated at their fair value as determined at the time of donation by the Florida Department of Agriculture and Consumer Services. Commodities inventory is accounted for using the "purchases" method that expense inventory when acquired and inventories on hand at fiscal year end are reported as an asset and nonspendable fund balance, net of amounts in Accounts Payable. Non-commodity inventory is accounted for under the consumption method and as such is recorded as an expenditure when used. Since inventories of commodities also involve purpose restrictions they are presented as restricted in the government-wide statement of net position.

G. Due From Other Governments or Agencies

Amounts due to the District by other governments or agencies relate to grants or programs for which the services have been provided to students of the District.

H. Other Assets

Other assets consist mainly of prepaid expenses which are recognized upon the receipt of the goods or services that were received but not consumed at year-end. The expenditure will be recorded when the asset is used. Accordingly, prepaid expenses are equally offset by a nonspendable fund balance classification.

I. Restricted Net Position

Amounts that are restricted to specific purposes either by: a) constraints placed on the use of resources by creditors, grantors, contributors, or laws or regulations of other governments, or b) imposed by law through constitutional provisions or enabling legislation are classified as Restricted Net Position.

When both restricted and unrestricted resources are available for a specific purpose, it is the District's policy to use restricted assets first, until exhausted, before using unrestricted resources.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued:

J. Capital Assets

Capital assets which include, land, land improvements, construction in progress, buildings, building improvements, furniture, fixtures and equipment, computer software, and motor vehicles are reported in the Statement of Net Position in the government-wide statements. The District's capitalization thresholds are \$1,000 or greater for furniture, fixtures and equipment and \$50,000 for building improvements, additions, and other capital outlays that significantly extend the useful life of an asset. Other costs incurred for repairs and maintenance are expensed as incurred. Assets are recorded at historical cost. Assets purchased under capital leases are recorded at cost, which approximates fair value at acquisition date and does not exceed the present value of future minimum lease payments. Donated assets are recorded at the fair value at the time of receipt.

Certain costs incurred in connection with the development of internal use software are capitalized and amortized in accordance with GASB Statement No. 51, Accounting and Financial Reporting for Intangible Assets and are reflected in the government-wide financial statements.

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

	<u>Useful Life (Years)</u>
Buildings and Improvements	20 – 50
Furniture, Fixtures and Equipment	5 – 20
Vehicles	7 – 18
Computer Software	5

When capital assets are sold or disposed of, the related cost and accumulated depreciation are removed from the accounts, and the resulting gain or loss is recorded in the government-wide statements. Proceeds received from the sale or disposal of capital assets are recorded as Other Financing Sources in the governmental funds.

K. Long-Term Obligations

The government-wide financial statements report long-term liabilities or obligations that are expected to be paid in the future. Long-term liabilities reported include bonds, Certificates of Participation (COPs), derivative instrument liabilities, capital leases, insurance claims payable, retirement incentive benefits, compensated absences, other post employment benefits, interlocal construction contract liabilities, and net pension liabilities. Bond premiums are amortized over the life of the bonds using the effective-interest method.

In the fund financial statements, debt premiums and discounts are recognized in the period the related debt is issued. Proceeds, premiums, and discounts are reported as other financing sources and uses. Principal payments and Issuance costs are reported as debt service expenditures.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued:

L. Risk Management

The District is self-insured for portions of its general and automobile liability insurance and workers' compensation. Claim activity (expenditures for general and automobile liability and workers' compensation) is recorded in the general fund as payments become due each period. The estimated liability for self-insured risks represents an estimate of the amount to be paid on claims reported and on claims incurred but not reported (See note 13). For the governmental funds, in the fund financial statements, the liability for self-insured risks is considered long-term and therefore, is not a fund liability (except for any amounts due and payable at year end) and represents a reconciling item between the governmental fund level and government-wide presentations.

The District provides medical and health coverage benefits for its employees and eligible dependents. The District has a self-insured plan, with individual, as well as aggregate stop loss coverage to protect the District against catastrophic claims in a calendar year. The District accounts for self-insured health insurance activity in an internal service fund established for this purpose. In the proprietary fund financial statements, the liability for self-insured health risks is recorded under the accrual basis of accounting.

M. State and Federal Revenue Sources

Revenues from state sources for current operations are primarily from the Florida Education Finance Program (FEFP), administered by the Florida Department of Education (FDOE), under the provisions of Section 1011.62, Florida Statutes. The District files reports on full-time equivalent (FTE) student membership with the FDOE. The FDOE accumulates information from these reports and calculates the allocation of FEFP funds to the District. Such revenues are recognized when first available. After review and verification of FTE reports and supporting documentation, the FDOE may adjust subsequent fiscal period allocations of FEFP funding for prior year errors disclosed by its reviews, as well as to prevent statewide allocations from exceeding the amount authorized by the Legislature. Normally, such adjustments are treated as adjustments of revenue in the year the adjustment is made by the Florida Department of Education.

The District receives revenue from the state and federal agencies to administer certain educational programs. Revenues earmarked for these programs are 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. Revenue is recognized when all eligibility requirements have been met.

The state allocates gross receipt taxes, generally known as Public Education Capital Outlay (PECO) money, to the District on an annual basis for capital and other projects. The District is authorized to expend these funds only upon applying for and receiving an encumbrance authorization from the FDOE.

N. Property Taxes – Revenue Recognition

In the government-wide financial statements, property tax revenue is recognized in the fiscal year when levied for. The receivable is recorded net of an estimated uncollectible amount, which is based on past collection experience. In the fund financial statements, property tax revenue is recognized in the fiscal year when levied for. Taxes are susceptible to accrual that is when they are measurable and available. Taxes collected by the County Tax Collector and received by the District within 60 days subsequent to fiscal year-end are considered to be available and recognized as revenue.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued:

O. Unearned Revenues

The unearned revenues relates to the lease of Educational Broadband Service (EBS) licenses that are amortized on a straight line basis over the life of the lease agreement and other lease payments received in advance that are being amortized over the applicable lease term.

P. Use of Estimates

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

Q. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position will sometimes report a separate section for deferred outflows of resources. This separate financial statement section, deferred outflows of resources, represents a consumption of net position that applies to future period(s) and so will not be recognized as an outflow of resources (expenses/expenditure) until that time. The District currently reports accumulated decrease in fair value of hedging derivatives, the net deferred loss on refunding of debt, and deferred outflows related to pensions in this category.

In addition to liabilities, the statement of financial position will sometimes report a separate section for deferred inflows of resources. This separate financial statement section, deferred inflows of resources, represents an acquisition of net position that applies to a future period and so will not be recognized as an inflow of resources (revenue) until that time. The District currently reports deferred inflows related to pensions in the government-wide statements and unavailable revenue primarily related to taxes in the governmental funds.

R. Fund Balances

GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, establishes accounting and financial reporting standards for governmental funds. It establishes criteria for classifying fund balances into specifically defined classifications and clarifies definitions for governmental fund types. Fund balances for governmental funds are reported in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the uses of those resources.

GASB Statement No. 54 requires the fund balance to be properly reported within one of the fund balance categories listed below:

Nonspendable – Fund balance amounts that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to be maintained intact. Examples of this classification are prepaid items, inventories, and the principal of an endowment fund.

Spendable Fund Balance

Restricted – Fund balance amounts on which constraints have been placed by creditors, grantors, contributors, laws or regulations of other governments, constitutional provisions or enabling legislation.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued:

R. Fund Balances - continued

Committed – Fund balance amounts that can only be used for specific purposes pursuant to constraints imposed by the formal action (Board Resolution) of the highest level of decision-making authority (The School Board). The amounts cannot be used for any other purpose unless the School Board removes or changes the specified use by taking the same formal action (Board Resolution) it employed to commit the amounts.

Assigned – Fund balance amounts intended to be used for specific purposes but are neither restricted nor committed. Assigned amounts include those that have been set aside for a specific purpose by actions of the School Board or Superintendent as stated in School Board Policy 6220.01-Fund Balance Reserve.

Unassigned – Includes residual positive fund balance within the General Fund which has not been classified within the other above mentioned categories. Unassigned fund balance may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed, or assigned for those specific purposes.

S. Pensions

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), Health Insurance Subsidy (HIS) deferred benefit plans, and the Supplementary Early Retirement Plan (SERP) additions to/deductions from both Plans fiduciary net position have been determined on the same basis as they are reported by the Plans and are recorded in the government-wide financial statements. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

T. Restatement – Implementation of GASB Statements Nos. 68 and 71

The District implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions (an amendment of GASB Statement No. 27)* and GASB Statement No. 71, *Pension Transition for Contributions Made Subsequent to the Measurement Date-an amendment of GASB Statement No. 68*, effective for the 2014-15 fiscal year. The District participates in the Florida Retirement System (FRS) defined benefit pension plan and the Health Insurance Subsidy (HIS) defined benefit plan administered by the Florida Division of Retirement. As a participating employer, GASB 68 requires employers participating in cost-sharing multiple-employer defined benefit pension plans to report the employer's proportionate share of the net pension liabilities and related pension amounts of the defined benefit pension plan.

Additionally, the District established the Supplemental Early Retirement Plan on July 1, 1984. The Plan is a single employer, non-contributory defined benefit plan administered through a trust and included as a pension trust fund in the District's financial statements. GASB Statements Nos. 68 and 71 require the employer to report the employers net pension liability and related pension amounts of the defined benefit pension plans.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES, Continued:

T. Restatement – Implementation of GASB Statements Nos. 68 and 71 – continued

This implementation of GASB Statement Nos. 68 and 71 described above, required the District to restate Net Position in the government-wide statements to report the District's net pension liability and related pension amounts for the defined benefit plans. Accordingly, Beginning Net Position has been restated as follows (in thousands):

	<u>Government-Wide Financial Statements</u>
Total Net Position, July 1, 2014, as reported	\$ 1, 228,601
Cumulative effect of GASB, Statements Nos. 68 and 71 implementation	(1,204,509)
Total Net Position, July 1, 2014, as restated	<u>\$ 24,092</u>

The implementation of GASB Statements Nos. 68 and 71 resulted in the District recording deferred outflows of \$123,742, deferred inflows of \$3,205, and a net pension liability of \$1,325,046 as of July 1, 2014, related to their pension plans.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

2. BUDGETS COMPLIANCE AND ACCOUNTABILITY:

A. Legal Compliance

The annual budget is submitted to the Florida Commissioner of Education by major functional levels such as instructional, instructional support, general administration, maintenance of plant, etc. Expenditures may not exceed appropriations without prior approval of the School Board in the General Fund and Special Revenue Funds at the function level. Budgetary control is exercised at the fund level for all other funds.

Florida Statutes, Section 1013.61, requires that the capital outlay budget designate the proposed capital outlay expenditures by project for the year from all fund sources. Accordingly, annual budgets for the Capital Project Funds are adopted on a combined basis only.

Budgeted amounts may be amended by resolution of the Board at any Board meeting prior to the due date for the Annual Financial Report (State Report). General Fund budgetary disclosure in the accompanying financial statements reflects the final budget including all amendments approved at the School Board meeting of September 9, 2015 for the fiscal year ended June 30, 2015.

Appropriations lapse at fiscal year-end, except for unexpended appropriations of state educational grants, outstanding purchase orders, contracts, and certain available balances. These balances are reflected at year-end either as restricted or assigned fund balance, and are re-appropriated in the new fiscal year.

Encumbrance accounting is employed in governmental funds. Encumbrances (e.g., purchase orders, contracts) outstanding at year-end are reported as restricted or assigned fund balance and do not constitute expenditures or liabilities because the commitments will be reappropriated and honored during the subsequent year.

B. Comparison of Budget to Actual Results

The budgets for each of the Governmental Funds are accounted for on the modified accrual basis of accounting.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

3. CASH, CASH EQUIVALENTS, AND INVESTMENTS:

Deposits and Investments

The District's surplus funds are invested directly by the District's Office of Treasury Management. The District's State Board of Education (SBE) bond proceeds are held and administered by the SBE with any related investments made by the State Board of Administration.

As authorized under State Statutes the School Board has adopted Board Policy 6144 - Investments as its formal Investment Policy for all surplus funds, including the Supplemental Early Retirement Funds that are part of Board Policy 6535 - Supplemental Early Retirement Plan. Board Policy 6144, Investments policies permit the following investments and are structured to place the highest priority on the safety of principal and liquidity of funds:

- Time Deposits – School Board and State approved designated depository
- U.S. Government direct obligations
- Revolving Repurchase Agreements or similar investment vehicles for the investment of funds awaiting clearance with financial institutions
- Commercial Paper rated A1/P1/F1 or better
- Bankers Acceptances with the 100 largest banks in the world
- State Board of Administration Local Government Investment Pool
- Obligations of the Federal Farm Credit Bank
- Obligations of the Federal Home Loan Bank
- Obligations of the Federal Home Loan Mortgage Corporation
- Obligations of the Federal National Mortgage Association
- Obligations guaranteed by the Government National Mortgage Association
- Securities of any investment company of investment trust registered under the Investment Company Act of 1940, 15 U.S.C.
- Corporate or Taxable Government Bonds rated investment grade
- Equity/Fixed Income Securities including index and actively managed mutual funds
- Guaranteed Investment Contracts as allowed by bond/lease purchase covenants.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

3. CASH, CASH EQUIVALENTS, AND INVESTMENTS, Continued:

Cash, cash equivalents, and investments for governmental, fiduciary and proprietary funds of the District as of June 30, 2015 are as follows:

<u>Investment Type</u>	<u>Amount (\$ in thousands)</u>	<u>Weighted Average Maturity (Years)</u>
Commercial Paper	\$ 147,392	0.12
Guaranteed Investment Contract (GIC)	7,871	4.08
Money Market Mutual Funds	24,885	0.11
State Board of Education – COBI*	696	-
Time Deposits	3,500	0.77
U.S. Government Agency	200,497	0.23
U.S. Treasury Strip	3,915	14.14
Total Debt Investments	388,756	0.40
Fixed Income/Equity Mutual Funds – Pension Trust Fund	25,430	
Total Investments	414,186	
Cash and Cash Equivalents	263,559	
Total Cash, Cash Equivalents, and Investments	\$ 677,745	

* Weighted average maturity information is not available from State Board of Education as of fiscal year end.

At June 30, 2015, \$201.4 million in cash and investments relate to unspent debt proceeds pertaining to various financings including General Obligation Bonds, Certificates of Participation (COPs), and Master Equipment Lease which are restricted assets whose use is limited to projects primarily related to the acquisition and construction of school facilities and equipment as authorized by Board Resolutions and Debt Covenants.

The Total Cash, Cash Equivalents and Investments of \$677.7 million at June 30, 2015, was comprised of \$549.9 million in Governmental Funds, \$78.9 million in Proprietary Fund - Health Insurance Fund, \$26.1 million in Fiduciary Funds - Pension Trust Fund and \$22.8 million in Fiduciary Fund - Agency Fund (Schools' internal Fund).

The School Board of Miami-Dade County currently has 2 GIC's associated with its Qualified Zone Academy Bonds (QZAB's). These contracts total approximately \$7.87 million with internal rates of return ranging from 3.53% to 4.25% and maturity dates from December 2018 through December 2022.

Interest Rate Risk: In accordance with its investment policy under Board Policy 6144, Investments, the School Board manages its exposure to declines in fair values by substantially limiting the weighted average maturity on all investments to one year or less. U.S. Government Agency Securities include \$33.7 million in callable bonds that are assumed to be called on the next call date, and as such the weighted average maturity reflect the call date as the maturity date for these securities. The calculated weighted average maturity for all callable U.S. Government Agency Securities is 87 days.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

3. CASH, CASH EQUIVALENTS, AND INVESTMENTS, Continued:

Credit Risk: In accordance with Board Policy 6144, the School Board manages its exposure to credit risk by limiting investments to the highest rated government backed securities such as Government Agencies and Treasury Notes. The policy also requires Commercial Paper to be rated A-1 or better, and Money Market Mutual Funds rated AAAm.

Investment Type	Rating *	Percentage of Investments
Commercial Paper	A-1	4.22%
Commercial Paper	A-1+	31.36%
Federal Farm Credit Bank Agency	AA+	4.46%
Federal Home Loan Bank Agency	AA+	24.66%
Federal Home Loan Mortgage Corporation Agency	AA+	19.22%
Federal National Mortgage Association	AA+	0.07%
Guaranteed Investment Contract	Not Rated	1.9%
Money Market Mutual Funds	AAAm	6.01%
State Board of Education – COBI	Not Rated	0.17%
Time Deposits	Not Rated	0.85%
U.S. Treasury Strip	AAA	0.95%

* Standards & Poor's ratings as of June 30, 2015.

Concentration of Credit Risk: Concentration of credit risk is the risk of loss attributed to the magnitude of investments in a single issuer. In accordance with Board Policy 6144, the District permits investments of up to 7.5% of the total portfolio in Commercial Paper with a single issuer and 60% in total, 30% in Federal Farm Credit Bank, 30% in Federal Home Loan Bank, 30% in Federal Home Loan Mortgage Corporation, 30% in Federal National Mortgage Association, 10% in Time Deposits with a single issuer, and unlimited U.S. Treasury Notes as well as Government Obligations Money Market Mutual Funds. The above listed concentration percentages are based on the total investments excluding all cash equivalent investments such as time deposits and savings accounts, although the District's policy permits investments concentration maximum threshold percentages to be calculated including all cash equivalent investments. All the commercial paper held as of June 30, 2015 met the maximum 7.5% thresholds per issuer, except for Nestle, which exceeded the threshold by 3.08% using the final investment total percentage computation method. However, the actual percentage for Nestle was within the authorized limits at 7.06% as calculated at time of purchase on April 15, 2015, using the total portfolio investments method including cash equivalents. The above investment type list excludes 6.13% of investments in mutual funds related to the Supplemental Early Retirement Plan (SERP) reflected in Note 17.

Custodial Credit Risk: Custodial credit risk is the risk of losses due to the failure of a counterparty that is in possession of investment or collateral securities. All securities in accordance with the District's investment policy under Board Policy 6144, with the exception of time deposits and guaranteed investment contracts, are held by a third party custodian in an account separate and apart from the assets of the custodian and designated as assets of the District.

Cash/Deposits

The District's cash deposits include money market savings, demand deposits and petty cash. All bank balances of the District are fully insured or collateralized as required by Florida Statutes, Chapter 280. At June 30, 2015, the deposit's book balances were \$263,559 (in thousands).

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

4. CAPITAL ASSETS:

Capital asset balances and activity for the fiscal year ended June 30, 2015 are as follows (in thousands):

	Balance July 1, 2014	Additions/ Transfers	Deletions/ Transfers	Balance June 30, 2015
Non-Depreciable Capital Assets:				
Land	\$ 346,150	\$ 7,058	\$ -	\$ 353,208
Land Improvements	253,867	1,223	-	255,090
Construction-in-Progress	39,765	126,938	55,205	111,498
Total Non-Depreciable Capital Assets	<u>639,782</u>	<u>135,219</u>	<u>55,205</u>	<u>719,796</u>
Depreciable Capital Assets:				
Buildings and Improvements	5,600,090	53,085	1,168	5,652,007
Furniture, Fixtures, and Equipment	324,150	21,491	18,677	326,964
Computer Software	83,362	-	-	83,362
Motor Vehicles	134,679	174	7,770	127,083
Total Depreciable Capital Assets	<u>6,142,281</u>	<u>74,750</u>	<u>27,615</u>	<u>6,189,416</u>
Less Accumulated Depreciation/ Amortization for:				
Building and Improvements	1,862,930	157,225	1,168	2,018,987
Furniture, Fixtures, and Equipment	232,780	19,300	17,360	234,720
Computer Software	65,390	10,745	-	76,135
Motor Vehicles	74,845	7,609	6,910	75,544
Total Accumulated Depreciation/ Amortization	<u>2,235,945</u>	<u>194,879</u>	<u>25,438</u>	<u>2,405,386</u>
Net Capital Assets	<u><u>\$ 4,546,118</u></u>	<u><u>\$ 15,090</u></u>	<u><u>\$ 57,382</u></u>	<u><u>\$ 4,503,826</u></u>

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

4. CAPITAL ASSETS, Continued:

For fiscal year ended June 30, 2015, depreciation/amortization by function is as follows:

Functions	Amount (\$ in thousands)
Instructional Services	\$ 1,798
Instructional Support Services	1,388
Pupil Transportation Services	6,483
Operation and Maintenance of Plant	1,173
School Administration	156
General Administration	11
Business/Central Services	200
Administrative Technology Services	1
Food Services	1,227
Community Services	106
Facilities Acquisition and Construction	22,193
Unallocated to a specific function	160,143
Total Depreciation/Amortization	\$ 194,879

Construction-in-progress, as of June 30, 2015, is comprised of the following (in thousands):

Locations	Incurred To Date
Elementary Schools	\$ 54,542
Middle Schools	4,633
Senior High Schools	42,825
Special Schools	1,657
Administration/Other	7,841
TOTAL	\$ 111,498

As part of its capital outlay program, the District has entered into various construction contracts. At June 30, 2015, the District had construction commitments of approximately \$110.2 million.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

5. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS:

Interfund receivables and payables consisted of the following balances as of June 30, 2015 (in thousands):

	<u>Due From Other Funds</u>	<u>Due To Other Funds</u>
Major Funds:		
General Fund	\$ 3,700	\$ -
Non-major Funds	-	3,700
Total Governmental Funds	<u><u>\$ 3,700</u></u>	<u><u>\$ 3,700</u></u>

Interfund receivables/payables are short-term balances that represent reimbursements between funds for payments made by one fund on behalf of another fund.

A summary of transfers for the year ended June 30, 2015 are as follows (in thousands):

	Transfers to:		
Transfers from:	<u>General Fund</u>	<u>Non-major Funds</u>	<u>Total</u>
Major Funds:			
General Fund	\$ -	\$ 10,690	\$ 10,690
Capital Improvement LOML	137,238	178,087	315,325
Non-major Funds	24,830	19,047	43,877
Total Governmental Activities	<u><u>\$ 162,068</u></u>	<u><u>\$ 207,824</u></u>	<u><u>\$ 369,892</u></u>

Transfers to the General Fund relate primarily to funding for the maintenance, renovation and/or repair of school facilities, pursuant to Section 1011.71 of the Florida Statutes. Transfers to other non-major funds relate primarily to amounts transferred to make debt service payments.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

6. DUE FROM/TO OTHER GOVERNMENTS OR AGENCIES:

Due from other governments or agencies at June 30, 2015, are as follows (in thousands):

	<u>General Fund</u>	<u>Non-major Governmental Funds</u>	<u>Total Governmental Funds</u>
Federal:			
Medicaid Federal	\$ 12,474	\$ -	\$ 12,474
Food Service Reimbursement	-	2,646	2,646
Early Head Start/Head Start	-	4,295	4,295
Race to the Top	-	2,468	2,468
Miscellaneous Federal	174	640	814
State:			
Dept. of Education SBE CO&DS	-	1,703	1,703
Title II	-	794	794
SAVES	-	843	843
Voluntary Prekindergarten Programs	2,990	-	2,990
Miscellaneous State	893	632	1,525
Local:			
Miscellaneous Local	4,665	1,437	6,102
Miami-Dade County	-	6,819	6,819
E-Rate	1,726	-	1,726
Clearwire Educational Broadband Service	5,848	-	5,848
Driver's Education Program	2,178	-	2,178
Total	\$ 30,948	\$ 22,277	\$ 53,225

Due to other governments or agencies at June 30, 2015, are as follows (in thousands):

	<u>General Fund</u>	<u>Non-major Governmental Funds</u>	<u>Total Governmental Funds</u>
Federal:			
Miscellaneous Federal	\$ -	\$ 191	\$ 191
Local:			
Charter Schools	2,668	-	2,668
Miscellaneous Local	-	1,678	1,678
Total	\$ 2,668	\$ 1,869	\$ 4,537

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

7. SHORT-TERM DEBT

Short-term debt activity for the fiscal year ended June 30, 2015, is as follows (in thousands):

	<u>Balance July 1, 2014</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance June 30, 2015</u>
Tax Anticipation Note (TAN), Series 2014, issued on July 31, 2014, effective yield of 0.07%, with a maturity date of February 25, 2015.	\$ -	\$ 310,000	\$ 310,000	\$ -
Total	\$ -	\$ 310,000	\$ 310,000	\$ -

Proceeds from the TAN were used as a working capital reserve in the General Fund as permitted under State and Federal tax laws.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

8. COMPENSATED ABSENCES:

The District's employee vacation and sick leave policies provide for the granting of a specific number of days of vacation based on years of service governed by applicable labor contracts and one day of sick leave with pay per each month of employment. Active employees, excluding administrators, may request payment of 80% of their unused sick leave which has accumulated during the fiscal year, provided they have not used more than three sick/personal days during that time and have a remaining balance, after payment, of twenty-one days. These policies also provide for paying most employees unused vacation up to 60 days upon termination, and up to 100% of unused sick leave after thirteen years of service; 50% after ten years; 45% after six years; 40% after three years and 35% during the first three years of qualified service upon retirement, death or resignation. Vacation accrual is limited to 60 days for twelve-month active employees.

The School Board approved the adoption of the Miami-Dade County Public Schools Terminal Leave Retirement Program (TLRP) at its May 14, 2003 Board meeting. The TLRP Program consists of a tax-favored retirement plan, which allows the Board to direct accrued annual (vacation) leave or terminal sick leave (accrued sick days) for employees who are separating from service as a result of retirement, or entering into or continuing DROP, to a tax-sheltered annuity program, or other qualified plan, in lieu of a taxable cash payment to the employee, upon separation from service.

The program is mandatory as a result of Board action which became effective on May 15, 2003, for all personnel (except AFSCME employees) who will have their annual (vacation) leave and terminal sick leave automatically contributed to either the Board's Tax Sheltered Annuity 403(b) or 401(a) Programs. Contributions into this program will not be subject to either Federal Income Tax (estimated 27%) or Social Security Tax (FICA) of 7.65%. Any amount of accrued terminal leave in excess of the amounts authorized by the Internal Revenue Service will be paid out to the retiring employee and will be subject to applicable taxes.

The current portion (the amount expected to be liquidated with current available resources) of the accumulated vested vacation and anticipated sick leave payments is recorded in the General Fund and is included in accrued payroll and compensated absences. The liabilities recorded include provisions for the employer's portion of pension contributions, FICA and other fringe benefits due on the vested vacation and sick leave balances as applicable. At June 30, 2015, the accrued liability for compensated absences in the General Fund was \$7.2 million.

GASB Statement No. 16, *Accounting for Compensated Absences*, requires governmental agencies to record as a liability the vested and future rights to sick and/or vacation leave. Accordingly, the probability of partially vested employees becoming fully vested and actual past termination payment experience was considered in the determination of this liability.

The statement of net position reflects both the current and long-term portions of compensated absences including retirement incentive benefits. At June 30, 2015, the current and long-term portions were \$16,106 and \$260,905 respectively (in thousands).

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

9. CAPITAL LEASES:

The District has entered into various capital lease agreements for the acquisition of certain property, vehicles, and equipment which are stated at acquisition cost and reported as Capital Assets. At June 30, 2015 the cost of leased equipment recorded in Capital Assets was \$176.2 million, with accumulated depreciation of \$125.0 million, for a net book value of \$51.2 million. Additionally, \$31.7 million of unspent proceeds relating to Master Equipment Lease Agreements is disclosed as restricted cash and investments at June 30, 2015 in Note 3.

The following is a summary of the future minimum lease payments, under capital leases together with the present value of the minimum lease payments as of June 30, 2015 (in thousands):

Fiscal Year	Other Leases	Master Equipment	Lease Total
2016	\$ 563	\$ 37,198	\$ 37,761
2017	427	18,970	19,397
2018	223	15,873	16,096
2019	151	15,860	16,011
2020	104	12,326	12,430
2021 - 2023	-	9,875	9,875
	1,468	110,102	111,570
Less Amount Representing Interest *	121	5,059	5,180
Present Value of Minimum Lease Payments	\$ 1,347	\$ 105,043	\$ 106,390

* The amount representing interest was calculated using imputed rates ranging from 0.00% to 16.00%.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

10. LONG-TERM BONDS PAYABLE:

State Board of Education Capital Outlay Bonds

Capital Outlay Bonds are issued by the State Board of Education (SBE) on behalf of the District and are generally referred to as "SBE Bonds." The bonds mature serially and are secured by a portion of the District's state revenues derived from the sale of automobile license plates. 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. At June 30, 2015, amounts withheld and in the custody of the state totaled \$695 (in thousands) and are included as cash and investments with fiscal agent in the District's Statement of Net Position.

General Obligation Bonds

On March 8, 1988, pursuant to Florida Statutes, Sections 1010.40 through 1010.54, voter residents of the District approved a referendum authorizing the School Board to issue General Obligation School Bonds in an aggregate amount not exceeding \$980 million, to be issued as required. The proceeds from the bonds were used to pay for the construction of new educational facilities and improving existing educational facilities. As of June 30, 2015, no bonds remain to be issued. Principal and interest on the bonds is paid from ad valorem school district taxes on all taxable real and personal property, excluding homestead exemption as required by Florida law, without limitation as to rate or amount.

On November 6, 2012, pursuant to Florida Statutes, Sections 1010.40 through 1010.54, voter residents of the County approved a referendum authorizing the School Board to issue additional General Obligation School Bonds in an aggregate amount not to exceed \$1.2 billion. The proceeds of the bonds are to be used to pay for modernizing, constructing, enlarging or otherwise improving school buildings, including educational technology upgrades.

As of June 30, 2015, two separate bond series have been issued pursuant to this referendum. The General Obligation Bond Series 2013 and 2014A were sold on July 10, 2013. The General Obligation Bond Series 2013, for \$190.0 million was issued on July 24, 2013 and the General Obligation Bond Series 2014A, for \$96.5 million, negotiated on a forward settle basis, was issued on February 11, 2014.

Principal and interest on these and any future bond issues will be paid from ad valorem school district taxes on all taxable real and personal property, excluding Homestead Exemption as required by Florida Law, without limitation as to rate or amount.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

10. LONG-TERM BONDS PAYABLE, Continued:

A summary of bonds payable as of June 30, 2015 is as follows (in thousands):

	<u>Authorized</u>	<u>Issued</u>	<u>Outstanding</u>
State Board of Education (SBE) Capital Outlay Bonds – Series 2008A due in varying annual payments through January 1, 2028, with interest rates ranging from 3.25% to 5.00%. Interest is payable semi- annually on January and July 1. Bonds are callable on January 1, 2018 at par plus 1% premium, and thereafter at par.	\$ 8,425	\$ 8,425	\$ 6,620
State Board of Education (SBE) Capital Outlay Bonds – Series 2009A, Refunding due in varying annual payments through January 1, 2019, with interest rates ranging from 2.00% to 5.00%. Interest is payable semi-annually on January and July 1. Bonds are callable on January 1, through December 31, 2019 at par plus 1% premium, and thereafter at par.	\$ 1,710	\$ 1,710	\$ 720
State Board of Education (SBE) Capital Outlay Bonds – Series 2009A, New Portion due in varying annual payments through January 1, 2029, with interest rates ranging from 2.00% to 5.00%. Interest is payable semi-annually on January and July 1. Bonds are callable on January 1, through December 31, 2019 at par plus 1% premium, and thereafter at par.	\$ 1,355	\$ 1,355	\$ 1,110
State Board of Education (SBE) Capital Outlay Bonds – Series 2010A, Refunding due in varying annual payments through January 1, 2022, with interest rates ranging from 4.00% to 5.00%. Interest is payable semi-annually on January and July 1. Bonds are callable on January 1, through December 31, 2020 at par. A portion of the proceeds was used to refund SBE Capital Outlay Bonds Series 2001A & 2002A to achieve debt service savings.	\$ 1,440	\$ 1,440	\$ 1,080

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

10. LONG-TERM BONDS PAYABLE, Continued:

	<u>Authorized</u>	<u>Issued</u>	<u>Outstanding</u>
State Board of Education (SBE) Capital Outlay Bonds – Series 2010A, New Portion due in varying annual payments through January 1, 2030, with interest rates ranging from 3.00% to 5.00%. Interest is payable semi- annually on January and July 1. Bonds are callable on January 1, through December 31, 2020 at par.	\$ 640	\$ 640	\$ 530
State Board of Education (SBE) Capital Outlay Bonds – Series 2011A, Refunding due in varying annual payments through January 1, 2023, with interest rates ranging from 3.00% to 5.00%. Interest is payable semi- annually on January and July 1. Bonds are callable on January 1, through December 31, 2021 at par. A portion of the proceeds was used to refund SBE Capital Outlay Bonds Series 2003A to achieve debt service savings.	\$ 725	\$ 725	\$ 630
State Board of Education (SBE) Capital Outlay Bonds – Series 2014A, Refunding due in varying annual payments through July 1, 2024, with interest rates ranging from 2.00% to 5.00%. Interest is payable semi-annually on January and July 1. Bonds are callable on January 1, through December 31, 2024 at par. A portion of the proceeds was used to refund SBE Capital Outlay Bonds Series 2004A to achieve debt service savings.	\$ 2,963	\$ 2,963	\$ 2,719
State Board of Education (SBE) Capital Outlay Bonds - Series 2014B, Refunding due in varying annual payments through January 1, 2020, with interest rates ranging from 2.00% to 5.00%. Interest is payable semi- annually on January and July 1. A portion of the proceeds was used to refund SBE Capital Outlay Bonds Series 2005A and 2005B to achieve debt service savings.	\$ 12,527	\$ 12,527	\$ 12,527

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

10. LONG-TERM BONDS PAYABLE, Continued:

	<u>Authorized</u>	<u>Issued</u>	<u>Outstanding</u>
General Obligation Refunding School Bonds Series 1997, consisting of Serial Bonds due in varying serial payments through February 15, 2017. Interest, at a rate of 5.00%, is payable February 15 and August 15. The Bonds maturing on February 15, 2008 and thereafter were called on November 1, 2006 at the redemption price of 101%. The Bonds were remarketed at the same maturity dates, rates, and issue date at a true interest cost of 3.83%. The sale resulted in the same cash flow as prior debt service.	\$ 86,785	\$ 86,785	\$ 21,240
General Obligation Refunding School Bonds Series 1998, consisting of Serial Bonds due in varying serial payments through August 1, 2015. Interest rates ranging from 4.0% to 5.38%, is payable February 1 and August 1. The Bonds are not subject to redemption prior to maturity.	\$ 154,580	\$ 154,580	\$ 18,570
General Obligation School Bonds, Series 2013, consisting of Serial and Term Bonds, due in varying payments through March 15, 2043. Interest rates ranging from 4.0% to 5.0%, is payable March 15 and September 15. True Interest Cost is 4.54%. Bonds maturing on March 15, 2024 and thereafter are callable.	First in a series not to exceed \$ 1,200,000	\$ 190,005	\$ 186,930
General Obligation School Bonds, Series 2014A, consisting of Serial and Term Bonds, due in varying payments through March 15, 2044. Interest, at a rate of 5.0%, is payable March 15 and September 15. True Interest Cost is 4.68%. Bonds maturing on March 15, 2025 and thereafter are callable.	Second in a series not to exceed \$ 1,200,000	\$ 96,475	\$ 96,475
Total Long-Term Bonds Payable			<u>\$ 349,151</u>

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

10. LONG-TERM BONDS PAYABLE, Continued:

Several of the SBE long-term bonds are callable prior to maturity during the years 2019 through 2024. The GOB and SBE debt service requirements to maturity, assuming none of the SBE bonds are called prior to their scheduled maturity date, are as follows (in thousands):

Year Ending June 30	Principal	Interest	Total Debt Service Requirements
2016	\$ 43,272	\$ 17,045	\$ 60,317
2017	20,272	15,265	35,537
2018	6,607	14,254	20,861
2019	6,711	13,923	20,634
2020	6,872	13,590	20,462
2021-2025	38,892	62,494	101,386
2026-2030	45,585	52,139	97,724
2031-2035	54,555	40,045	94,600
2036-2040	69,620	24,974	94,594
2041-2045	56,765	6,366	63,131
Total	\$ 349,151	\$ 260,095	\$ 609,246

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

**11. OBLIGATIONS UNDER LEASE PURCHASE AGREEMENT –
CERTIFICATES OF PARTICIPATION AND QUALIFIED ZONE ACADEMY BONDS (QZABs):**

On August 1, 1994, the District entered into a Lease Purchase Agreement, with the Dade County School Board Foundation, Inc., a Florida not-for-profit corporation (the "Foundation") and blended component unit of the District, to finance the acquisition and construction of new schools and appurtenant equipment and other property (the "Facilities") to be operated by the District. The members of the School Board serve as the Board of Directors of The Foundation. The Foundation was formed by the School Board solely for the purpose of acting as the lessor of the Facilities, with the District as lessee. The School Board as lessor entered into Ground Leases with the Foundation for the Facilities sites and all improvements. In conjunction therewith, Certificates of Participation, (the "Certificates") were issued to third parties, evidencing undivided proportionate interests in basic lease payments to be made by the District, as lessee, pursuant to the Lease Purchase Agreement. Fee title to the Facilities and the Facilities site is in the name of the District. The District is responsible for operation, maintenance, use, occupancy, upkeep and insurance of the Facilities.

The Foundation leases the Facilities to the District under the Lease Purchase Agreements, which are automatically renewable annually through May 1, 2037, unless terminated, in accordance with the provisions of the Lease Purchase Agreements, as a result of default or the failure of the School Board to appropriate funds to make lease payments in its final official budget. The remedies on default or upon an event of non-appropriation include the surrender of the Facilities by the District and its re-letting for the remaining Ground Lease term, or the voluntary sale of the Facilities by the School Board, in either case with the proceeds to be applied against the School Board's obligations under the Lease Purchase Agreements.

The Certificates are not separate legal obligations of the School Board, but represent undivided interests in lease payments to be made from appropriated funds budgeted annually by the School Board for such purpose from current or other funds authorized by law and regulations of the Department of Education, including the local optional millage levy. However, neither the School Board, the District, the State of Florida, nor any political subdivision thereof, are obligated to pay, except from appropriated funds, any sums due under the Lease Purchase Agreement from any source of taxation. The full faith and credit of the School Board and the District is not pledged for payment of such sums due under the Lease Purchase Agreements and such sums do not constitute an indebtedness of the School Board or the District within the meaning of any constitutional or statutory provision or limitation. The District plans to make the Series 2006C, 2006D, 2012B-1, 2012B-2, and 2014B lease payments from the impact fees collected on new residential construction by Miami-Dade County and remitted to the School Board, and from Local Optional Millage Levy.

Basic lease payments are deposited with the Trustee semi-annually. For accounting purposes, due to the consolidation of the Foundation within the financial statements, basic lease payments are reflected as debt service expenditures when payable to Certificate holders. A trust fund was established with the Trustee to facilitate payments in accordance with the Lease Purchase Agreements and the Trust Agreements. Various accounts are maintained by the Trustee in accordance with the trust indenture. All funds held in the various accounts, are invested by the Trustee, as directed by the School Board. Interest earned on funds in the Acquisition Account is transferred to the Lease Payment Account.

Under the American Recovery and Reinvestment Act of 2009, Qualified School Construction Bonds (QSCBs) and Build America Bonds (BABs) were established to provide for taxable obligations to be issued by the School District with a federal subsidy for interest. The Series 2009B and 2010A were issued under the Qualified School Construction Bond program and Series 2010B were issued under the Build America Bond program. The 2009B Series provides federal tax credits in lieu of interest payments to the Certificate holder, which is similar to the Series 2003, and 2006 Qualified Zone Academy Bonds (QZAB) program. The Series 2010A and 2010B, along with the Series 2010 QZAB, were issued as direct pay bonds whereby the interest subsidy is paid directly to the School District by the U.S. Treasury.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

11. OBLIGATIONS UNDER LEASE PURCHASE AGREEMENT –
CERTIFICATES OF PARTICIPATION AND QUALIFIED ZONE ACADEMY BONDS (QZABs).
Continued:

The Internal Revenue Services (IRS) announced on March 4, 2013, that payments to issuers of these bonds were subject to a reduction of 8.7% of the amount budgeted for such payment. This sequester reduction rate has been modified annually, and all refund payments processed on or after October 1, 2014 and on or before September 30, 2015, will be reduced by the fiscal year 2015 sequestration rate of 7.3%. Accordingly, unless Congress acts to again change the sequester percentage or otherwise changes the application of the cuts, the School Board anticipates its aggregate expected QSCB Issuer Subsidy, BAB Issuer Subsidy and QZAB Issuer Subsidy of \$7,258 (in thousands) to be reduced by 7.3% which equates to a reduction of approximately \$528 (in thousands), for fiscal year 2015, resulting in a corresponding increase in interest costs for the District that must be paid from other revenue sources.

A summary of Certificates of Participation and QZABs payable as of June 30, 2015 is as follows (in thousands):

<u>Debt Series</u>	<u>Issue Date</u>	<u>Final Maturity</u>	<u>Interest Rate(s)</u>	<u>Issued</u>	<u>Outstanding</u>
2003 Qualified Zone Academy Bonds – Interest is paid by U.S. Government through issuance of federal income tax credits.	12/18/03	12/18/18	N/A	\$ 9,744	\$ 9,744
2006 Qualified Zone Academy Bonds – Interest is paid by U.S. Government through issuance of federal income tax credits.	12/15/06	12/15/22	N/A	2,599	2,599
2010 Qualified Zone Academy Bonds – 5.10% Tax Credit paid by U.S. Government to the District.	11/10/10	11/01/29	True Interest Cost 0.15% 5.25% (without 5.10% U.S. Subsidy)	24,480	24,480
2001B Series – Auction Rate Certificates converted to variable rate mode based on LIBOR plus 0.75% under a Private Placement with predetermined reset terms.	06/19/01	05/01/31	Variable Interest 0.93% @ June 30, 2015	54,650	40,375
2002A Series – Auction Rate Certificates converted to variable rate mode based on SIFMA plus 0.75% under a Private Placement with predetermined reset terms.	12/13/02	08/01/27	Variable Interest 0.82% @ June 30, 2015	75,000	51,680
2002B Series – Auction Rate Certificates converted to variable rate mode based on SIFMA plus 0.75% under a Private Placement with predetermined reset terms.	12/13/02	08/01/27	Variable Interest 0.82% @ June 30, 2015	75,000	51,680
2006A Series – Serial & Term Certificates.	03/15/06	11/01/31	True Interest Cost 4.49% 3.375% to 5.00%	201,080	7,750
2006B Series – Serial & Term Certificates.	04/11/06	11/01/31	True Interest Cost 4.54% 3.50% to 5.00%	208,150	6,800
2006C Series – Serial & Term Certificates.	05/10/06	10/01/21	True Interest Cost 4.41% 3.875% to 5.00%	53,665	29,660
2006D Series – Serial Certificates. Partially refunded 2001C Series.	12/21/06	10/01/21	True Interest Cost 4.098% 3.625% to 5.00%	10,570	9,160
2007A Series – Serial & Term Certificates.	05/10/07	05/01/32	True Interest Cost 4.52% 3.75% to 5.00%	316,515	21,495
2007B Series – Serial & Term Certificates.	05/24/07	05/01/32	True Interest Cost 4.47% 4.00% to 5.00%	101,265	7,595

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

11. OBLIGATIONS UNDER LEASE PURCHASE AGREEMENT –
CERTIFICATES OF PARTICIPATION AND QUALIFIED ZONE ACADEMY BONDS (QZABS).
Continued:

A summary of Certificates of Participation payable as of June 30, 2015 is as follows (in thousands):

<u>Debt Series</u>	<u>Issue Date</u>	<u>Final Maturity</u>	<u>Interest Rate(s)</u>	<u>Issued</u>	<u>Outstanding</u>
2007C Series – Auction Rate Certificates converted to variable rate mode based on LIBOR plus 0.75% under a Private Placement with predetermined reset terms.	05/24/07	05/01/37	Variable Interest 0.93% @ June 30, 2015	\$ 90,825	\$ 90,825
2008A Series – Serial Certificates. Forward cash refunded 1998A & 1998C Series.	06/19/08	08/01/26	True Interest Cost 4.327% 5%	233,400	155,225
2008B Series – Serial & Term Certificates.	05/28/08	05/01/33	True Interest Cost 4.869% 3.5% to 5.25%	538,305	507,985
2008C Series – Variable Rate Demand Notes converted to a five year Floating Rate Note effective May 16, 2012 based on 70% of LIBOR plus 0.80%. If cannot be remarketed, interest shall accrue at Base Rate plus 1%, and from the 31 st day, interest shall accrue at Base Rate plus 5%.	08/01/08	07/15/27	Variable Interest 0.93% @ June 30, 2015	57,770	55,280
2009A Series – Serial & Term Certificates.	02/26/09	02/01/34	True Interest Cost 5.28% 3.00% to 5.375%	310,055	263,520
2009B Series – Qualified School Construction Bonds. Interest is paid by U.S. Government through issuance of federal income tax credits (sold at a discount price of 73.673% resulting in a True Interest Cost of 1.859%).	12/15/09	12/15/26	N/A	104,000	104,000
2010A Series – Qualified School Construction Bonds, 5.54% Tax Credit paid by U.S. Government to the District.	06/24/10	06/15/27	True Interest Cost 0.852% 6.24% to 6.49% (without 5.54% U.S. Subsidy)	96,290	96,290
2010B Series – Build America Bonds, 35% Tax Credit paid by U.S. Government to the District.	06/24/10	06/15/32	True Interest Cost 4.523% 6.84% to 6.94% (without 35% U.S. Subsidy)	27,990	27,990
2011A Series – Include fixed rate certificates refunded of Series 2003B. Term bonds fully refunded by the 2014A Series.	03/29/11	05/01/31	True Interest Cost 4.449% 2.5% to 5%	139,055	48,620
2011B Series – Include fixed rate and term rate certificates partially refunded of Series 2007A, 2007B, and 2009A. Term bonds include a mandatory 5 year soft put on 05/01/16 of \$70,000 at 100%. If cannot be remarketed, interest shall accrue at 11% per year.	03/29/11	05/01/32	True Interest Cost 5.154% 5% to 5.75%	137,660	137,660
2012A Series – Include Fixed Rate and Term Rate Certificates partially refunded Series 2003D (\$148,850). Term Bonds include a mandatory 4 year soft put on 8/1/2016 of \$58,780 at 100%.	07/05/12	08/01/29	True Interest Cost 3.606% 2% to 5%	149,365	148,545

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

11. OBLIGATIONS UNDER LEASE PURCHASE AGREEMENT –
CERTIFICATES OF PARTICIPATION AND QUALIFIED ZONE ACADEMY BONDS (QZABs).
Continued:

A summary of Certificates of Participation payable as of June 30, 2015 is as follows (in thousands):

<u>Debt Series</u>	<u>Issue Date</u>	<u>Final Maturity</u>	<u>Interest Rate(s)</u>	<u>Issued</u>	<u>Outstanding</u>
2012B-1 Series – Serial Certificates. Partially refunded 2004A (\$15,575).	07/05/12	10/01/20	True Interest Cost 2.814% 5%	\$ 13,765	\$ 13,765
2012B-2 Series – Serial Certificates. Partially refunded 2005A (\$16,725).	07/05/12	04/01/20	True Interest Cost 2.379% 4%	15,655	15,655
2013A Series – Serial Certificate. Partially refunded 2006A (\$15,335), 2006B (\$12,470), 2007A (\$9,525), 2007B (\$2,075) and 2008B (\$30,320).	05/01/13	05/01/32	True Interest Cost 4.199% 5%	68,230	68,230
2013B Series – Serial Certificates. Fully refunded 2003D (\$2,110) and partially refunded 2009A (\$6,395).	05/01/13	02/01/30	True Interest Cost 4.097% 5%	8,160	8,160
2014A Series – Term Rate Certificates fully refunding the 2011A Term Rate Certificates. The bonds have a mandatory 10 year soft put on 5/1/2024 at 100%. If cannot be remarketed, interest shall accrue at 11% per year.	03/11/14	05/01/31	True Interest Cost 4.056% 5%	70,980	70,980
2014B Series - Serial Certificates. Fully refunding on a forward refunding basis the 2004A with a gross savings of \$3,320 and a net present value savings of \$3,213.	07/03/14	10/01/18	True Interest Cost 1.410% 1.41%	38,130	38,130
2014C Series – Serial Certificates	06/30/14	05/1/24	True Interest Cost 2.210% 2.21%	4,085	3,770
2014D Series – Serial Certificates. Partially refunding 2006A (\$146,565) and 2006B (\$151,230) with a gross savings of \$31,047 and a net present value savings of \$24,556.	11/20/14	11/01/31	True Interest Cost 3.053% 4% to 5%	276,995	276,995
2015A Series – Serial Certificates. Partially refunding 2007A (\$249,470) and 2007B (\$76,740) with a gross savings of \$29,644 and a net present value savings of \$22,847.	01/21/15	05/01/32	True Interest Cost 3.166% 5%	306,820	306,820
				<u>\$ 3,820,253</u>	<u>\$ 2,701,463</u>

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

11. OBLIGATIONS UNDER LEASE PURCHASE AGREEMENT –
CERTIFICATES OF PARTICIPATION AND QUALIFIED ZONE ACADEMY BONDS (QZABs).
Continued:

At June 30, 2015 the following defeased certificates remain outstanding:

Defeased Certificates	Amount Outstanding (\$ in thousands)
2006A	\$ 151,445
2006B	\$ 157,720
2007A	\$ 249,470
2007B	\$ 76,740
2008B	\$ 14,700

Debt service requirements for obligations under lease purchase agreements – Certificates of Participation and QZABs to maturity, assuming the obligations will be remarketed based on the specified soft put dates disclosed below, are as follows (in thousands):

Year Ending June 30	Principal	Interest****	Total Debt Service Requirements*
2016**	\$ 73,335	\$ 110,413	\$ 183,748
2017***	107,280	107,839	215,119
2018	116,385	102,974	219,359
2019	127,767	98,726	226,493
2020	125,578	94,012	219,590
2021 - 2025**	669,126	391,475	1,060,601
2026 - 2030	958,752	233,145	1,191,897
2031 - 2035	484,340	39,950	524,290
2036 - 2037	38,900	524	39,424
Total	\$ 2,701,463	\$ 1,179,058	\$ 3,880,521

* The schedule above reflects required annual payments to the sinking fund for the retirement of the debt, and are not considered reduction of principal until the year of maturity. Total balance in the sinking funds as of year end is \$36,823.

** Requirements for 2016 and 2024 include mandatory soft puts. If the District is unable to remarket the debt, the interest rate on the COPS will increase to 11%. Series 2011B has a 5-year soft-put on May 1, 2016 of \$70 million. Series 2012A has a 4 year soft put on August 1, 2016 of \$58.78 million. Series 2014A has a 10 year soft put on May 1, 2024 of \$71 million. The District refunded on a forward basis the 2011B and 2012A soft puts with the 2016A and 2016B COP Series respectively, which were sold on April 28, 2015 and are set to close on February 3, 2016. (see Note 20)

*** Requirements for 2017 include a 5-year floating rate note for COP Series 2008C, effective May 16, 2012 based on 70% of LIBOR plus 0.80%. The District intends to remarket in full, however if it cannot be remarketed interest shall accrue at base rate plus 1%, and from the 31st day, interest shall accrue at base rate plus 5%.

**** Interest rates on several obligations are variable. The rates for such obligations range from 0.82% - 0.93%.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

11. OBLIGATIONS UNDER LEASE PURCHASE AGREEMENT –
CERTIFICATES OF PARTICIPATION AND QUALIFIED ZONE ACADEMY BONDS (QZABs).
Continued:

Hedging Derivative Instrument:

Objectives: The District entered into pay-fixed interest rate forward swaps (referred to herein collectively as “Swaps”) in order to lower its cost of capital and protect against rising interest rates. The Swaps are classified as cash flow hedges on the District’s floating rate debt and were executed to manage its mix of fixed and floating rate exposure in its on-going borrowing program.

The following Swaps had changes in fair value totaling \$896 (in thousands) classified as a decrease of the Deferred Outflow of Resources and all fair values (including accrued interest) have been calculated using the zero-coupon method independently calculated. This method calculates the future net settlement payments required by the swap, assuming that the current forward rates implied by the yield curve correctly anticipate future spot interest rates. The payments are then discounted using the spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement of the swap.

Counterparty	Notional Amount Outstanding	Effective Date	Termination Date	Associated Certificates	Fixed Payable Swap Rate	Variable Receivable Swap Rate	Counterparty credit rating at June 30, 2015*	Fair Value at June 30, 2015
Royal Bank of Canada	\$51,680,000	04-01-2007	08-01-2027	COP 2002A	3.821%	70% 1Mo LIBOR	Aa3/AA-/AA	(7,683,039)
Royal Bank of Canada	\$51,680,000	04-01-2007	08-01-2027	COP 2002B	3.821%	70% 1Mo LIBOR	Aa3/AA-/AA	(7,806,886)
Royal Bank of Canada	\$55,280,000	03-08-2012	07-15-2027	COP 2008C	3.909%	70% 1Mo LIBOR	Aa3/AA-/AA	(11,085,868)
							Total	\$ (26,575,793)

*Moody’s/S&P/FITCH

Using rates as of June 30, 2015, debt service requirements for variable rate debt and net Swap payment, assuming current interest rates remain the same, are as follows (in thousands):

Fiscal Year	Principal	Interest	Hedging Derivative Instruments, Net	Total Interest	Total Debt Service Requirement
2016	\$ 7,935	\$ 1,318	\$ 5,705	\$ 7,023	\$ 14,958
2017	\$ 8,330	\$ 1,266	\$ 5,406	\$ 6,672	\$ 15,002
2018	\$ 7,990	\$ 1,195	\$ 5,078	\$ 6,273	\$ 14,263
2019	\$ 8,610	\$ 1,127	\$ 4,622	\$ 5,749	\$ 14,359
2020	\$ 8,855	\$ 1,055	\$ 4,433	\$ 5,488	\$ 14,343
2021 – 2025	\$ 51,550	\$ 4,077	\$ 16,655	\$ 20,733	\$ 72,283
2026 – 2028	\$ 65,370	\$ 1,025	\$ 3,691	\$ 4,716	\$ 70,086
Total	\$ 158,640	\$ 11,063	\$ 45,590	\$ 56,654	\$ 215,294

Risk Disclosure:

Credit Risk. The Swaps rely upon the performance of the third parties who serve as swap counterparties, and as a result the District is exposed to credit risk, or the risk that a swap counterparty fails to perform according to its contractual obligations. The appropriate measurement of this risk at the reporting date is the fair value of the Swaps, as shown in the columns labeled Fair Value in the table above. To mitigate credit risk, the District maintains strict credit standards for swap counterparties. The current swap counterparty has ratings in double-A category or better. To further mitigate counterparty credit risk, the District’s swap documents require counterparties to post collateral for the District’s benefit if they are downgraded below Aa3 by Moody’s and below AA- by Standard & Poor’s, if the swap values exceed specified thresholds. Collateral is to be in the form of US Treasuries or Agency securities held by a third party custodian. Currently, the Swaps have not been in an asset position requiring the posting of collateral. There is no master netting arrangement on the outstanding Swaps.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

11. OBLIGATIONS UNDER LEASE PURCHASE AGREEMENT –
CERTIFICATES OF PARTICIPATION AND QUALIFIED ZONE ACADEMY BONDS (QZABs).
Continued:

Interest Rate Risk. The Swaps are intended to protect the District against changes in floating interest rates. If floating rates rise, the District's payment on the variable rate bonds should increase but should be offset by the variable rate payments it receives under the Swaps.

Basis Risk. The District's Swaps expose the District to basis risk should the relationship between the floating rates the District will receive on the swaps (70% of LIBOR) fall short of the variable rate on the associated bonds, the expected savings may not be realized. As of June 30, 2015, the variable rate was 0.07%, while the LIBOR rate was 0.19% on both the 2002A & 2002B certificates, and the District received 0.13% (70%) on both the 2002A & 2002B certificates. As of June 30, 2015, the 2008C variable rate was 0.13%, while the LIBOR rate was 0.19% and the District received 0.13% (70%).

Termination Risk. The District's Swap agreements do not contain any out-of-the-ordinary termination events that would expose it to significant termination risk. In keeping with market standards the District or the counterparty may terminate each swap if the other party fails to perform under the terms of the contract. In addition, the swap documents allow either party to terminate in the event of a significant loss of creditworthiness. If at the time an early termination of the swap was declared and the swap had a negative value, the District would be liable to the counterparty for a payment equal to the fair value of such swap. The District views such events to be remote in the case of the current counterparty which is rated Aa3/AA-. On March 8, 2012 the District replaced the Merrill Lynch Capital Markets (MLCS) swap associated with the 2008C COP due to an Additional Termination Event, which occurred when MLCS guarantor, Merrill Lynch & Co. was downgraded by Moody's to below A3. The District's Swap agreements provide the optional right of the District to replace the swap with a new creditworthy counterparty when an Additional Termination Event occurs.

12. DEBT SERVICE:

The amount available for debt service consists of resources from the Debt Service Funds legally required to be used for debt service until the related debt is extinguished (in thousands):

<u>Categories:</u>	<u>Fund Balance</u>
Restricted for Payment of State Board of Education and Capital Outlay Bonds	\$ 695
Restricted for Payment of District Bond Funds	27,298
Restricted for Other Debt Service	12,249
Total Available in Debt Service Funds	<u>\$ 40,242</u>

All Certificates of Participation Lease Payments and all other amounts required to be paid by the School Board under the various Series under the Master Lease and all other Leases are made from legally available funds appropriated for such purpose by the School Board. The substantive portion for these payments is provided by the Local Optional Millage Levy on ad-valorem property. Separate Lease Payment Accounts are established for each series of Certificates issued under the Trust Agreement. Lease Payments are due under the Master Lease on an all-or-none basis and are payable on a parity basis solely from legally available funds appropriated by the School Board for such purpose. Such payments are normally transferred to the Trustee 15 days before Lease Payments are due.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

13. ESTIMATED LIABILITY ON INSURANCE RISKS AND PENDING CLAIMS:

The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; administrative errors and omissions; injuries to employees, students and guests; as well as natural disasters. The District is self-insured for portions of its general and automobile liability insurance, workers' compensation and health insurance. Losses involving auto and general liability claims are limited (generally) by provisions of the Florida State Statute 768.28. Claims brought against the District are handled by a contracted third-party administrator. The District purchases commercial insurance for other risks including property and other miscellaneous risks as follows:

Type	Risk Retention/ Deductible	Coverage after Retention/Deductible
Workers' Compensation	\$1,500,000	Statutory/\$3,000,000
General, Fleet Liability, and Errors and Omissions	\$200,000/\$300,000	\$500,000 per occurrence, \$3,250,00 annual aggregate
Property	\$100,000,000 per occurrence for hurricanes; \$1,000,000 per incident for all other perils.	\$300,000,000 per occurrence/annual aggregate for all perils including windstorms, earthquakes and floods.
	\$100,000 for each act of terrorism	\$50,000,000 annual aggregate

Accordingly, liabilities for certain retained risks are reported when it is probable that a loss has occurred and the amount of the loss can be reasonably estimated. The District's estimated liability for self-insured losses relating to the casualty program consisting of general liability, automobile liability, professional liability/errors and omissions, and workers' compensation claims was determined by an independent actuarial valuation performed as of June 30, 2015. Liabilities, as determined by the actuary, include an amount for claims that have been incurred but not reported (IBNR). Claims liabilities are calculated considering the effects of inflation, recent claim settlement trends including frequency and amount of pay-outs and other economic and social factors. The portion of the liability that is due and payable at June 30, 2015 is recorded in the General Fund and the remaining portion is recorded in the government-wide financial statements. Liability for incurred losses to be settled by fixed or reasonably determinable payments over a long period of time are reported at their present value using expected future investment yield of 2.5%.

The School Board authorized the purchase of Individual Stop Loss (ISL) coverage for its self-insured health program effective January 1, 2015 from Cigna, with an attachment point of \$880,000 per claimant.

The School Board approved a set of premium equivalent rates, based upon actuarial projections of claims including claims incurred but not reported (IBNR) for the calendar year, provided by the School Board's Employee Benefits Consulting firms of AON Hewitt and Cigna. The calendar year 2015 monthly rates for the three offered Open Access Programs (OAP) are \$692 (OAP 10), \$656 (OAP 20) and \$655 (Local Plus). The Board's contribution for employee only coverage is limited to the \$655 (Local Plus); therefore, employees who choose the OAP 10 or OAP 20 are subject to a monthly cost share based upon their salary band. Effective January 1, 2010, the cost of dependent healthcare coverage became banded by salary tiers which was renewed for January 1, 2015.

The School Board continues to offer an opt out provision for employees who can provide proof of insurance coverage. Employees who opt out receive a monthly adjustment to gross compensation of \$100/month.

The District's estimated liability for health insurance claim payments was determined by an independent actuarial valuation performed as of June 30, 2015.

There were no losses which exceeded coverage in fiscal years ended June 30, 2013, 2014 and 2015.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

13. ESTIMATED LIABILITY ON INSURANCE RISKS AND PENDING CLAIMS, Continued:

A total estimated liability amount of \$178.7 million was actuarially determined to cover reported and unreported claims payable at June 30, 2015. It is estimated that of the current portion, \$61.0 million is due within a year. The remaining \$117.7 million will be due in future years.

	Estimated Liability For Pending Claims (in thousands)		
	Current Portion	Long-Term Portion	Total
Workers' compensation	\$ 29,671	\$ 104,998	\$ 134,669
General and occupational liability	4,216	10,664	14,880
Fleet liability	1,274	2,043	3,317
Group Health	25,881	-	25,881
Total	\$ 61,042	\$ 117,705	\$ 178,747

Changes in the balance of claims liabilities for the years ended June 30, 2014 and 2015 are as follows (in thousands):

	Balance July 1, 2013	Current year claims and changes in estimates	Claim payments	Balance June 30, 2014
Workers' compensation	\$ 85,479	\$ 75,052	\$ (33,332)	\$ 127,199
General and occupational liability	11,671	5,042	(1,972)	14,741
Fleet liability	3,862	2,100	(1,549)	4,413
Group Health	37,623	322,805	(327,621)	32,807
Total	\$ 138,635	\$ 404,999	\$ (364,474)	\$ 179,160

	Balance July 1, 2014	Current year claims and changes in estimates	Claim payments	Balance June 30, 2015
Workers' compensation	\$ 127,199	\$ 41,782	\$ (34,312)	\$ 134,669
General and occupational liability	14,741	2,552	(2,413)	14,880
Fleet liability	4,413	1,050	(2,146)	3,317
Group Health	32,807	302,973	(309,899)	25,881
Total	\$ 179,160	\$ 348,357	\$ (348,770)	\$ 178,747

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

14. CHANGES IN LONG-TERM LIABILITIES:

Long-term liabilities balances and activity for the year ended June 30, 2015 are as follows (in thousands):

	<u>Balance July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance June 30, 2015</u>	<u>Amounts Due Within One Year</u>
Bonds Payable	\$ 423,738	\$ 13,351 *	\$ (72,077)	\$ 365,012 **	\$ 43,272
Certificates of Participation Payable, net	2,855,557	721,900 ***	(757,920)	2,819,537 ****	73,335
Derivative Instrument Liabilities	27,472	-	(896)	26,576	-
Capital Leases Payable	103,555	32,570	(29,735)	106,390	35,727
Self-Insurance Estimated Claims Payable	179,160	348,357	(348,770)	178,747	61,042
Retirement Incentive Benefits	1,515	7	-	1,522	167
Compensated Absences	277,091	23,483	(25,085)	275,489	15,939
Other Post Employment Benefits	19,976	6,465	-	26,441	-
Interlocal Construction Contract Agreement	2,000	-	-	2,000	-
Total	<u>\$ 3,890,064</u>	<u>\$ 1,146,133</u>	<u>\$ (1,234,483)</u>	<u>\$ 3,801,714</u>	<u>\$ 229,482</u>

* Includes premium on refunding of debt of \$824.

** Includes unamortized premium in the amount of \$15,861.

*** Includes premium on refunding of debt of \$99,954.

**** Amount is \$118,074 more than the principal balance of \$2,701,463 in Note 11, the difference represents the net unamortized premium on outstanding debt issues.

Payments for insurance claims (other than health insurance claims that are paid from the Internal Service Fund), retirement incentive benefits, compensated absences, and other post employment benefits are paid by the General Fund. Capital Leases are primarily paid from capital project funds.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

15. STATE REVENUE SOURCES:

A major source of the District's revenue is received from the State of Florida, who provided approximately 34% of total revenues in fiscal year 2014-15. The following is a schedule of state revenue sources and amounts (in thousands):

<u>Sources</u>	<u>Amount</u>
Florida Education Finance Program	\$ 661,800
Categorical Educational Programs	425,989
Workforce Development	79,272
Charter School Capital Outlay Funding	19,441
Capital Outlay and Debt Service (CO&DS) Withheld for SBE/COBI Bonds	13,437
Public Education Capital Outlay (PECO)	5,987
Food Service Supplement	2,210
CO&DS Distributed	1,381
District Discretionary Lottery Funds	1,299
Adults with Disabilities	1,065
Workforce Education Performance Incentive	893
Full Service Schools	747
State License Tax	225
CO&DS Withheld For Administrative Expense	225
Interest on Undistributed CO&DS	98
SBE/COBI Bond Interest	11
Miscellaneous	3,254
Total	<u>\$ 1,217,334</u>

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

16. 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 taxes are assessed by the County Property Appraiser and are collected by the County Tax Collector.

Property values are assessed as of January 1 of each year. Taxes are levied after the millage rate is certified in September of each year. 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% for early payment.

Taxes become delinquent on April 1 of the year following the year levied for. State law provides for enforcement of collection of real property taxes. First, interest-bearing tax certificates are sold at public auction to recover delinquent taxes. Finally, if the tax certificates are not paid with accrued interest by the property owner, the purchaser of the tax certificate is entitled to take possession of the property. Accordingly, substantially all of the taxes assessed for calendar year 2014 have been recognized for the fiscal year ended June 30, 2015.

The State Constitution limits the levying of non-voted taxes by the School Board to 10 mills (\$10.00 per thousand of assessed valuation). State law prescribes on an annual basis the upper limit of non-voted property tax millage that may be levied. For fiscal year 2014-15, 7.775 mills was levied. The total adjusted assessed value for calendar year 2014 on which the fiscal year 2015 levy was based, was approximately \$227.8 billion.

Actual property taxes collected and reflected in the table below totaled 94.3% of taxes levied, including collections from prior years' tax levies but exclude tax redemptions. The Miami-Dade County Tax Collector is not required by law to make an accounting to the District of the difference between taxes levied and taxes collected. However, because discounts are allowed for early payment of taxes and because of other reasons for noncollection, the District's budget anticipates that 96% of taxes levied will be collected.

The following is a summary of millages and taxes levied on the 2014 tax roll for the fiscal year 2014-15 (in thousands):

		Taxes		
	Millages	Levied	Collected	Uncollected (Net)
GENERAL FUND				
Nonvoted School Tax:				
Required Local Effort	5.527	\$ 1,297,756	\$ 1,223,044	\$ 74,712
Discretionary Local Effort	.687	161,310	152,023	9,287
	6.214	\$ 1,459,066	\$ 1,375,067	\$ 83,999
CAPITAL PROJECT FUNDS				
Nonvoted Tax:				
Local Capital Improvements	1.561	\$ 366,528	\$ 345,774	\$ 20,754
DEBT SERVICE FUNDS				
Voted Tax:				
Debt Service - General				
Obligation Bonds	.199	\$ 46,726	\$ 44,326	\$ 2,400

Taxes reported in the Governmental Funds as reflected above include an accrual only for taxes collected within 60 days after the fiscal year-end. In the government-wide financial statements the District bases the estimates of taxes receivable and uncollectible taxes on historical experience. For fiscal year 2014-15, the District considered \$49.9 million or 2.7% of levied taxes as uncollectible.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

17. RETIREMENT BENEFITS:

The School Board provides retirement benefits to its employees through the Florida Retirement System (FRS and HIS), the Supplemental Early Retirement Plan (SERP), and a Deferred Retirement Option Program (DROP), as well as state approved Other Post Employment Benefits (OPEB) in the form of subsidized health insurance premiums.

Florida Retirement System

The School Board participates in 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 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.

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 for FRS and HIS totaled \$63.3 million for the fiscal year ended June 30, 2015.

FRS Pension Plan

Plan Description. The FRS Pension Plan (Plan) is a cost-sharing multiple-employer defined benefit pension plan, with a Deferred Retirement Option Program (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.
- *Special Risk Class* – Members who are employed as law enforcement officers and meet the criteria to qualify for this class.

Employees enrolled in the Plan prior to July 1, 2011, vest at six years of creditable service and employees enrolled in the Plan on or after July 1, 2011, vest at eight years of creditable service. All vested members, enrolled prior to July 1, 2011, are eligible for normal retirement benefits at age 62 or at any age after 30 years of service (except for members classified as special risk who are eligible for normal retirement benefits at age 55 or at any age after 25 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 (except for members classified as special risk who are eligible for normal retirement benefits at age 60 or at any age after 30 years of service). Members of the Plan may include up to 4 years of credit for military service toward creditable service.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

17. RETIREMENT BENEFITS, Continued:

Florida Retirement System - continued

The Plan also includes an early retirement provision; however, there is a benefit reduction for each year a member retires before his or her normal retirement date. The Plan provides retirement, disability, death benefits, and annual cost-of-living adjustments to eligible participants.

DROP, subject to provisions of Section 121.091, Florida Statutes, permits employees eligible for normal retirement under the Plan to defer receipt of monthly benefit payments while continuing employment with an FRS employer. An employee may 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 five highest fiscal years' earnings; for members initially enrolled on or after July 1, 2011, the average final compensation is the average of the eight highest fiscal years' earnings. The total percentage value of the benefit received is determined by calculating the total value of all service, which is based on the retirement class to which the member belonged when the service credit was earned. Members are eligible for in-line-of-duty or regular disability and survivors' benefits. The following chart shows the percentage value for each year of service credit earned:

<u>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
<i>Special Risk Regular</i>	
Service from December 1, 1970 through September 30, 1974	2.00
Service on and after October 1, 1974	3.00

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.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

17. RETIREMENT BENEFITS, Continued:

Florida Retirement System - continued

Contributions. The Florida Legislature establishes contribution rates for participating employers and employees. Contribution rates during the 2014-15 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	7.37
FRS, Elected County Officers	3.00	43.24
FRS, Senior Management Service	3.00	21.14
FRS, Special Risk Regular	3.00	19.82
FRS, Special Risk Administrative	3.00	42.07
DROP - Applicable to		
Members from All of the Above Classes	0.00	12.28
FRS, Reemployed Retiree	(2)	(2)

Notes: (1) Employer rates include 1.26 percent for the postemployment health insurance subsidy. Also, employer rates, other than for DROP participants, include 0.04 percent for administrative costs of the Investment Plan.

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

The District's contributions, for FRS and HIS totaled \$123.4 million and employee contributions totaled \$45.1 million for the fiscal year ended June 30, 2015.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2015, the District reported a liability of \$282.7 million for its proportionate share of the Plan's net pension liability. The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2014. The District's proportionate share of the net pension liability was based on the District's 2013-14 fiscal year contributions relative to the 2013-14 fiscal year contributions of all participating members. At June 30, 2014, the District's proportionate share was 4.63 percent, which was a decrease of (.023) percent from its proportionate share measured as of June 30, 2013.

For the fiscal year ended June 30, 2015, the District recognized pension expense of \$26.1 million related to the Plan. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (in thousands):

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

17. RETIREMENT BENEFITS, Continued:

Florida Retirement System - continued

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Differences between expected and actual experience	\$ -	\$ 17,496
Change of assumptions	48,962	-
Net difference between projected and actual earnings on FRS pension plan investments	-	471,616
Changes in proportion and differences between District FRS contributions and proportionate share of contributions	-	3,327
District FRS contributions subsequent to the measurement date	107,295	-
Total	<u><u>\$ 156,257</u></u>	<u><u>\$ 492,439</u></u>

The deferred outflows of resources related to pensions, totaling \$107.3 million, resulting from District contributions to the Plan subsequent to the measurement date, will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (in thousands):

<u>Fiscal Year Ending June 30</u>	<u>Deferred outflows/ (inflows), net</u>
2016	\$ (89,956.4)
2017	(89,956.4)
2018	(89,956.4)
2019	(89,956.4)
2020	(89,956.4)
Thereafter	6,305.0

Actuarial Assumptions. The total pension liability in the July 1, 2014 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	7.65 percent, net of pension plan investment expense, including inflation

Mortality rates were based on the Generational RP-2000 with Projection Scale BB, with adjustments for mortality improvements based on Scale AA.

The actuarial assumptions used in the July 1, 2014, valuation were based on the results of an actuarial experience study for the period July 1, 2008, through June 30, 2013.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

17. RETIREMENT BENEFITS, Continued:

Florida Retirement System - continued

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	1.00%	3.11%	3.10%	1.65%
Intermediate-Term Bonds	18.00%	4.18%	4.05%	5.15%
High Yield Bonds	3.00%	6.79%	6.25%	10.95%
Broad US Equities	26.50%	8.51%	6.95%	18.90%
Developed Foreign Equities	21.20%	8.66%	6.85%	20.40%
Emerging Market Equities	5.30%	11.58%	7.60%	31.15%
Private Equity	6.00%	11.80%	8.11%	30.00%
Hedge Funds / Absolute Return	7.00%	5.81%	5.35%	10.00%
Real Estate (Property)	12.00%	7.11%	6.35%	13.00%
Total	100.00%			
Assumed inflation - Mean		2.60%		2.00%

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

Discount Rate. The discount rate used to measure the total pension liability was 7.65 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.

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 7.65 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 (6.65 percent) or 1-percentage-point higher (8.65 percent) than the current rate (in thousands):

	1% Decrease (6.65%)	Current Discount Rate (7.65%)	1% Increase (8.65%)
District's proportionate share of the net pension liability	\$ 1,209,211	\$ 282,715	\$ (487,592)

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.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

17. RETIREMENT BENEFITS, Continued:

Florida Retirement System - continued

The Retiree Health Insurance Subsidy Program (HIS)

Plan Description. The Retiree Health Insurance Subsidy Program (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 the State-administered retirement systems in paying their health insurance costs and is administered by the Division of Retirement within the Florida Department of Management Services, Division of Retirement.

Benefits Provided. For the fiscal year ended June 30, 2015, 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, 2015, the contribution rate was 1.26 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 three years. The HIS Plan contributions are deposited in a separate trust fund from which payments are authorized. The 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.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions. At June 30, 2015, the District reported a net pension liability of \$545.1 million for its proportionate share of the HIS Plan's net pension liability. The net pension liability was measured as of June 30, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of July 1, 2014. The District's proportionate share of the net pension liability was based on the District's 2013-14 fiscal year contributions relative to the total 2013-14 fiscal year contributions of all participating members. At June 30, 2014, the District's proportionate share was 5.83 percent, which was a decrease of (.052) percent from its proportionate share measured as of June 30, 2013.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

17. RETIREMENT BENEFITS, Continued:

Florida Retirement System - continued

For the fiscal year ended June 30, 2015, the District recognized pension expense of \$37.2 million related to the HIS Plan. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources (in thousands):

<u>Description</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Change of assumptions	\$ 19,397	\$ -
Net difference between projected and actual earnings on HIS pension plan investments	262	-
Changes in proportion and differences between District HIS contributions and proportionate share of HIS contributions	-	3,872
District contributions subsequent to the measurement date	21,315	-
Total	\$ 40,974	\$ 3,872

The deferred outflows of resources related to pensions, totaling \$21.3 million, resulting from District contributions to the HIS Plan subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ended June 30, 2016. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows (in thousands):

<u>Fiscal Year Ending June 30</u>	<u>Deferred outflows/ (inflows), net</u>
2016	\$ 2,121.8
2017	2,121.8
2018	2,121.8
2019	2,121.8
2020	2,121.8
Thereafter	5,177.5

Actuarial Assumptions. The total pension liability in the July 1, 2014, 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	4.29 percent

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

The actuarial assumptions used in the July 1, 2014 valuation were based on the results of an actuarial experience study for the period July 1, 2008, through June 30, 2013.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

17. RETIREMENT BENEFITS, Continued:

Florida Retirement System - continued

Discount Rate. The discount rate used to measure the total pension liability was 4.29 percent. In general, the discount rate for calculating the total pension liability is equal to the single rate equivalent to discounting at the long-term expected rate of return for benefit payments prior to the projected depletion date. Because the HIS benefit is essentially funded on a pay-as-you-go basis, the depletion date is considered to be immediate, and the single equivalent discount rate is equal to the municipal bond rate selected by the HIS Plan sponsor. The Bond Buyer General Obligation 20-Bond Municipal Bond Index was adopted as the applicable municipal bond index.

Sensitivity of the District's Proportionate Share of the Net Pension Liability to Changes in the Discount Rate. The following presents the District's proportionate share of the net pension liability calculated using the discount rate of 4.29 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 (3.29 percent) or 1-percentage-point higher (5.29 percent) than the current rate (in thousands):

	1% Decrease (3.29%)	Current Discount Rate (4.29%)	1% Increase (5.29%)
District's proportionate share of the net pension liability	\$ 620,000	\$ 545,094	\$ 482,569

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.

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

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 the 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. Allocations to the investment member's accounts during the 2014-15 fiscal year were as follows:

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

17. RETIREMENT BENEFITS, Continued:

Florida Retirement System - continued

<u>Membership 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 one year of service for employer contributions and investment earnings. If an accumulated benefit obligation for service credit originally earned under the FRS Pension Plan is transferred to the Investment Plan, the member must have the years of service required for FRS Pension Plan vesting (including the service credit represented by the transferred funds) to be vested for these funds and the earnings on the funds. Nonvested employer contributions are placed in a suspense account for up to five years. If the employee returns to FRS-covered employment within the five year period, the employee will regain control over their account. If the employee does not return within the five year period, the employee will forfeit the accumulated account balance. Costs of administering the Investment Plan, including the FRS Financial Guidance Program, are funded through an employer contribution of 0.04 percent of payroll and by forfeited benefits of Investment Plan members. For the fiscal year ended June 30, 2015, 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 contributions totaled \$12.0 million for the fiscal year ended June 30, 2015.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

17. RETIREMENT BENEFITS, Continued:

Supplemental Early Retirement Plan

Plan Description

In addition to participating in the FRS Plan, the School Board established an early retirement plan on July 1, 1984. The plan is a single employer, non-contributory defined benefit plan administered by an independent trustee and investments are managed by the District.

Benefits Provided – The Plan was established in order to supplement an early retiree's benefits by the amount of reduction imposed by the FRS. The Plan provides supplemental income for those employees who retired between the ages of 55 and 61 and who had completed at least 25 years, but not more than 28 years of creditable service. Payments under the Plan are equal to the difference in monthly retirement income for the participant under the FRS between the retirement benefit based on average final compensation, as defined above, and creditable service as of the member's early retirement date and the early retirement benefit under the FRS. Benefits are subject to an annual 3% cost of living adjustment. These benefit provisions and all other requirements are established by Florida Statutes, Section 1012.685.

At June 30, 2015 the total number of retirees and beneficiaries of deceased retirees currently receiving benefits is 544, averaging \$623 per month. The School Board closed the Supplemental Early Retirement Plan (the "Plan") to new employees on July 1, 2000, with no additional employees vesting after July 1, 2003.

The Plan is included as a Pension Trust Fund in the accompanying financial statements. Separate stand alone statements are not issued for the Plan.

Contributions - The School Board provides for actuarially determined periodic contributions sufficient to pay the benefits provided by this Plan when they become due. Plan members do not contribute to the Plan. Total contributions to the Plan for 2014-15 fiscal year of \$2,276 (in thousands) were made in accordance with actuarially determined requirements computed through an actuarial valuation performed as of July 1, 2015.

Net Pension Liability

The District's net pension liability was measured as of July 1, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

The following table represents the components of the net pension liability of the District at June 30, 2015 (in thousands).

	<u>June 30, 2015</u>
Total Pension Liability	\$ 38,593
Plan Fiduciary Net Position*	<u>27,195</u>
Net Pension Liability	\$ 11,398
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	70.47 %
Measurement Date	7/1/2014

* Plan Net Position of \$27.2 million was based on an actuarial estimate at the date of the valuation July 1, 2014. The actual Plan Net Position at June 30, 2015 is \$26.1 million.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

17. RETIREMENT BENEFITS, Continued:

Supplemental Early Retirement Plan – continued

Actuarial Assumptions

The total pension liability in the July 1, 2014 actuarial valuation was determined using the following assumptions, applied to all periods included in the measurement:

Inflation	2.5 %
Investment rate of return	6.75 %

The long-term expected rate of return on pension plan investments are developed for each major asset class by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2015 are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Cash/Money Market	2.7%	0.80%
Domestic Equity	42.3%	5.20%
International Equity	23.2%	5.34%
Domestic Fixed Income	31.8%	3.25%
Total	100.0%	

The mortality assumption was changed from the RP2000 Generational Table with Scale AA to the mortality table used by FRS – (Healthy Female – RP 2000 Generational, 100% Annuitant White Collar, Scale BB and Healthy Males – RP 2000 Generational, 50% Annuitant White Collar/50% Annuitant Blue Collar, Scale BB).

Discount Rate

The discount rate used to measure the total pension liability was 6.75 percent. The discount rate reflects the long-term expected rate of return on pension plan investments that are expected to be used to finance the payment of benefits, to the extent that the pension plan's fiduciary net position is projected to be sufficient to make projected benefit payments and pension plan assets are expected to be invested using a strategy to achieve that return. The projection of cash flows used to determine the discount rate assumes the District will continue to make future contributions at the actuarially determined contribution rate.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

17. RETIREMENT BENEFITS, Continued:

Supplemental Early Retirement Plan – continued

Changes in Net Pension Liability

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) – (b)
Balances at June 30, 2014	\$ 41,510	\$ 24,632	\$ 16,878
Changes for the year:			
Interest	2,662	-	2,662
Differences between expected and actual experience	(1,432)	-	(1,432)
Contributions – employer		2,276	(2,276)
Net investment income		4,476	(4,476)
Benefit payments, including refunds of employee contributions	(4,147)	(4,147)	
Administrative expense	-	(42)	42
Net changes	(2,917)	2,563	(5,480)
Balances at June 30, 2015	\$ 38,593	\$ 27,195	\$ 11,398

Sensitivity

The following table illustrates the impact of interest rate sensitivity on the net pension liability for fiscal year ended June 30, 2015.

	1% Decrease (5.75%)	Current Rate (6.75%)	1% Increase (7.75%)
Net Pension Liability	\$ 14,131	\$ 11,398	\$ 8,977

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

17. RETIREMENT BENEFITS, Continued:

Supplemental Early Retirement Plan – continued

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended June 30, 2015, the District recognized pension expense of \$(902) thousand. In addition, the District reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

Deferred Outflows/Inflows

The following table illustrates the deferred inflows and outflows under GASB 68 as of June 30, 2015 (in thousands).

	<u>Deferred Outflows</u>	<u>Deferred Inflows</u>
Net difference between projected and actual earnings on Pension Plan Investments	\$ -	\$ 2,303
Contributions subsequent to the measurement date	<u>2,276</u>	<u>-</u>
Total	<u>\$ 2,276</u>	<u>\$ 2,303</u>

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 ended June 30:</u>	<u>Amount (\$ in thousands)</u>
2016	\$ 575.8
2017	575.8
2018	575.8
2019	575.6

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

17. RETIREMENT BENEFITS, Continued:

Other Post Employment Benefits

As authorized by the Board, employees who retire in the first year of their eligibility under the FRS Plan can receive up to \$1,200 per year as reimbursement for health insurance cost paid until they reach 65 years of age or until they become eligible for Medicare or Social Security disability. In October 2015, approximately 226 retirees will receive an estimated \$167 thousand in premium reimbursements for the year ended June 30, 2015.

From 1991 through 2005, the District offered retirement incentive programs in an effort to reduce salary costs. The programs include enhanced insurance benefits up to the Board's annual monthly contribution and payments of accrued sick leave at an enhanced rate. Enhanced insurance benefits offered to eligible employees, as defined under the provisions of each program, consist of health and term life insurance subsidies for up to ten years. Expenditures for the retirement incentive program are recognized in the General Fund each year on a pay-as-you-go basis. The estimated liability for retirees receiving benefits of approximately \$1.5 million is fully accrued and included in the government-wide financial statements.

The District implemented GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other than Pensions*, for certain postemployment health care benefits provided by the District for the fiscal year ended June 30, 2008.

Plan Description – Effective January 1, 2010, the District changed from a fully-insured health program to a self-insured program for eligible employees and retirees. The Plan operates as a single employer defined benefit plan. Employees who participate in and satisfy the vesting, disability, early or normal retirement provision of FRS may be eligible for Other Post Employment Benefits (OPEB). Retirees and their dependents are permitted to remain covered under the District's respective medical plans as long as they pay the premium charged for the plan and coverage elected. This conforms to the minimum required of Florida governmental employers per Chapter 112.08, F.S.

The State of Florida prohibits the District from separately rating retirees and active employees. The District therefore charges both groups an equal, blended rate premium. Although both groups are charged the same blended rate premium, accounting standards require the actuarial amounts presented above to be calculated using age adjusted premiums approximating claims costs for retirees separate from active employees. The use of age adjusted premiums results in the addition of an implicit rate subsidy into the actuarial accrued liability.

Funding Policy – The District is not required by law or contractual agreement to provide funding for OPEB other than the pay-as-you-go amount necessary to provide current benefits to retirees and eligible dependents. Currently, the District's OPEB benefits are unfunded. That is, there is not a separate Trust Fund or equivalent arrangement into which the District would make contributions to advance-fund the obligation, as it does for its pension plan, FRS. Therefore, the ultimate subsidies which are provided over time are directly financed by general assets of the District, which are invested in short-term fixed income instruments.

Consequently, in accordance with GASB Statement No. 45, the interest discount rate used to calculate the present value and costs of the OPEB must be the long-range expected return on such short-term fixed income instruments. The District selected an interest discount rate of 4.5% for this purpose. In addition to the interest discount rate, the other significant actuarial assumption used is the health care cost trend rate and participation assumptions. The valuation used a health care trend rate of 8% grading down by 0.5% annually to an ultimate of 5% and the inflation rate used is 2.5%. The participation assumption of 25% is the assumed percentage of future retirees that participate and enroll in the health plan. The unfunded actuarial accrued liability is being amortized over the period of 30 years on an open basis. It is calculated assuming a level percentage of projected payroll.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

17. RETIREMENT BENEFITS, Continued:

Other Post Employment Benefits – continued

Annual OPEB and Net OPEB Obligation – The District's annual OPEB cost (expense) is calculated based on the annual required contribution (ARC) of the employer, an amount that was actuarially determined by using the entry age actuarial cost method (one of the actual cost methods in accordance with GASB Statement No. 45), with an amortization of the Unfunded Actuarial Accrued Liability as a level percent of expected payroll.

The following table shows the District's OPEB cost for the fiscal year ended June 30, 2015 (in thousands):

Annual Required Contribution (ARC)	\$ 15,815
Interest on Net OPEB Obligation	899
Adjustment to ARC	(763)
Annual OPEB Cost (Expense)	15,951
Employer Contributions	(9,486)
Increase (decrease) in Net OPEB Obligated	6,465
Net OPEB Obligation at beginning of year	19,976
Net OPEB Obligation at end of year	\$ 26,441

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

The District's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligations for June 30, 2015, was as follows (in thousands):

Fiscal Year	Annual OPEB Cost	Amount Contributed	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2013	\$ 10,391	\$ 14,145	136.1 %	\$ 14,099
2014	\$ 15,385	\$ 9,508	61.8 %	\$ 19,976
2015	\$ 15,951	\$ 9,486	59.5 %	\$ 26,441

Funded Status and Funding Progress as of June 30, 2015 (in thousands):

Actuarial Accrued Liability (AAL) (a)	\$ 200,340
Actuarial Value of Plan Assets (b)	-
Unfunded Actuarial Accrued Liability (UAAL) (c)	\$ 200,340
Funded Ratio (b/a)	0 %
Covered Payroll (Active Members)	\$ 1,717,736
UAAL as a percentage of covered payroll (c/d)	11.7 %

The schedule of funding progress is presented as Required Supplementary Information (RSI) following the notes to the financial statements and presents multi-year trend information about whether the actual value of plan assets is increasing or decreasing over time relative to the accrued actuarial liability for benefits over time.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

18. COMMITMENTS AND CONTINGENCIES:

A. Commitments

As part of its capital outlay program, the District has entered into various construction commitments totaling approximately \$110.2 million as of June 30, 2015, (See Note 4).

The District leases certain facilities and equipment under various cancelable, operating lease agreements with lease terms not extending beyond one year. The total lease rent expense for the fiscal year ended June 30, 2015, under these leases was approximately \$8.5 million.

B. Contingencies

Florida Education Finance Program and Federal, State and Local Grants

The School Board receives funding from the State of Florida under the Florida Education Finance Program (FEFP), which is based in part on a computation of the number of full-time equivalent (FTE) students attending different instructional programs. The accuracy of FTE student data submitted by individual schools and used in the FEFP computations is subject to audit by the state and, if found to be in error, could result in refunds to the state or in decreases to future funding allocations. Additionally, the School Board participates in a number of federal, state and local grants which are subject to financial and compliance audits. It is the opinion of management that the amount of revenue, if any, which may be remitted back to the state due to errors in the FTE student data or the amount of grant expenditures which may be disallowed by grantor agencies would not be material to the financial position of the District.

C. Litigation

The School Board is a defendant in numerous lawsuits as of June 30, 2015. In the opinion of management, the District's estimated aggregate liability, with respect to probable losses, has been provided for in the estimated claim liability accrual in the accompanying financial statements, after giving consideration to the District's related insurance coverage, as well as the Florida statutory limitations of governmental liability on uninsured risks. It is the opinion of management and District's legal counsel that the amount of losses resulting, if any, from the above-mentioned litigation in excess of the amount accrued as of June 30, 2015, would not be material to the financial position of the District.

19. FUND BALANCES:

In accordance with GASB Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, the District reports its fund balance in the following categories:

Nonspendable – The District has \$22.5 million prepaid items and \$8.0 million inventories that are considered nonspendable.

Restricted – The District reported restricted fund balances totaling \$256.3 million comprised of \$5.4 million of State Required Carryover programs, \$19.0 million in Food Service, \$0.4 million in Miscellaneous Special Revenue, \$40.2 million in Debt Services and \$191.3 million in Capital Projects.

Committed – The District did not have any committed fund balances at June 30, 2015.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

19. FUND BALANCES, Continued:

Assigned – The District has assigned fund balances totaling \$20.6 million comprised of \$9.1 million for rebudgets and obligations, \$10.1 million for outstanding encumbrances for goods and services, and \$1.4 million for capital projects.

Unassigned – The portion of fund balance that is the residual classification for the general fund. This balance represents balance amounts that have not been restricted, committed, or assigned for specific purposes. The unassigned fund balance for the General Fund is \$93.8 million.

Committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of those unrestricted fund balance classifications could be used.

Board Policy 6220.01 delineates Fund Balance Reserve Policies to target 5.5% of the combined assigned and unassigned fund balance, as a percentage of Total General Fund Revenues at fiscal year end. At June 30, 2015 the combined assigned and unassigned General Fund Balance totaled \$113.0 million or 4.94% of General Fund Revenues net of charter schools' revenues.

Below is a table of fund balance categories and classifications for the fiscal year ended June 30, 2015 for the Districts' governmental funds (in thousands):

	General Fund	General Obligation School Bonds Funds	Capital Improvement LOML	Other Governmental Funds non-major*	Total
FUND BALANCES					
Nonspendable:					
Inventory	\$ 5,209	\$ -	\$ -	\$ 2,830	\$ 8,039
Prepaid amounts	954	-	20,843	666	22,463
Restricted:					
State Required Carryover	5,358	-	-	-	5,358
Special Revenue:					
Food Service	-	-	-	18,968	18,968
Miscellaneous	-	-	-	399	399
Debt Service	-	-	-	40,242	40,242
Capital Projects	-	125,253	11,487	54,566	191,306
Assigned:					
Rebudgets and Obligations	9,129	-	-	-	9,129
Encumbrances	10,088	-	-	-	10,088
Capital Projects	-	-	-	1,391	1,391
Unassigned:	93,816	-	-	-	93,816
Total Fund Balance	\$ 124,554	\$ 125,253	\$ 32,330	\$ 119,062	\$ 401,199

* Aggregates all of the District's non-major fund balances

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NOTES TO THE FINANCIAL STATEMENTS
For the Fiscal Year Ended June 30, 2015

20. SUBSEQUENT EVENTS:

Tax Anticipation Notes

On July 28, 2015 the District issued \$305 million in Tax Anticipation Notes ("the Notes") with an effective yield of 0.1713%. The Notes were issued to pay operating expenditures incurred prior to the receipt of the ad-valorem taxes levied and collected for operating purposes for the fiscal year commencing July 1, 2015. The notes will mature on February 25, 2016.

General Obligation Bond

On August 12, 2015 the District issued \$192.72 million of Series 2015 Government Obligation Bonds at a premium, which will provide approximately \$200 million of project funding. This is the third issuance in the \$1.2 billion series approved by voter residents on November 6, 2012.

Certificates of Participation

On July 30, 2015 the District issued \$239.6 million of Certificates of Participation (COPs) Series 2015B to provide funds for refunding a portion of the District's outstanding Certificates of Participation, Series 2008B. The Series 2015B certificates will mature on May 1, 2028 and the refunding resulted in \$11.8 million net present value economic savings and the District will pay a true interest cost of 3.1619%.

On July 31, 2015 the District issued \$33.6 million of Certificates of Participation (COPs) Series 2015C to provide funds for refunding an additional portion of the District's outstanding Certificates of Participation, Series 2008B. The Series 2015C certificates will mature on May 1, 2025 and the refunding resulted in \$2.0 million net present value economic savings and the District will pay a true interest cost of 3.09%.

On April 28, 2015 the District sold \$66.4 million of Certificates of Participation (COPs) Series 2016A to provide funds for refunding, on a forward basis, the Series 2011B term rate certificates which had a mandatory soft put on May 1, 2016, with interest accruing thereafter at 11% if the bonds could not be remarketed. The Series 2016A certificates will mature on May 1, 2032. The sale of the Series 2016A COPs will result in \$5.0 million in net present value economic savings and the District will pay a true interest cost of 4.27%. The Series 2016A COPs are set to close on or around February 3, 2016.

On April 28, 2015 the District also sold \$56 million of Certificates of Participation (COPs) Series 2016B to provide funds for refunding, on a forward basis, the Series 2012A term rate certificates which had a mandatory soft put on August 1, 2016, with interest accruing thereafter at 11% if the bonds could not be remarketed. The Series 2016B certificates will mature on August 1, 2027. The sale of the Series 2016B COPs will result in \$0.63 million in net present value economic savings and the District will pay a true interest cost of 3.35%. The Series 2016B COPs are set to close on or around February 3, 2016.

On November 10, 2015 the District sold \$345.9 million of Certificates of Participation (COPs) Series 2015D to provide funds for refunding a portion of the District's outstanding Certificates of Participation, Series 2008B and Series 2009A. The Series 2015D certificates will mature on February 1, 2034 and the refunding resulted in \$19.7 million net present value economic savings and the District will pay a true interest cost of 3.46%. The 2015D refunding is scheduled to close on December 16, 2015.

Qualified Zone Academy Bond

On October 6, 2015 the District issued \$25.0 million of Qualified Zone Academy Bonds (QZAB) Series 2015 to provide funds for facility and technology upgrades. The Series 2015 QZAB certificates mature on September 15, 2034 and the District will pay a true interest cost of 1.10%.



REQUIRED SUPPLEMENTARY INFORMATION





THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE—BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(amounts expressed in thousands)

	Budget as Originally Adopted	Final Amended Budget	Actual GAAP Basis	Variance With Final Amended Budget
Revenues:				
Local sources:				
Ad valorem taxes	\$ 1,400,703	\$ 1,375,067	\$ 1,375,067	\$ -
Interest income	613	762	762	-
Net increase (decrease) in fair value of investments	-	3	3	-
Local grants and other	56,264	67,665	67,665	-
Total local sources	<u>1,457,580</u>	<u>1,443,497</u>	<u>1,443,497</u>	<u>-</u>
State sources:				
Florida education finance program	713,859	661,800	661,800	-
State grants and other	516,609	512,372	512,372	-
Total state sources	<u>1,230,468</u>	<u>1,174,172</u>	<u>1,174,172</u>	<u>-</u>
Federal sources:				
Federal direct	2,015	1,833	1,833	-
Federal through state and local	16,729	18,966	18,966	-
Total federal sources	<u>18,744</u>	<u>20,799</u>	<u>20,799</u>	<u>-</u>
Total revenues	<u>2,706,792</u>	<u>2,638,468</u>	<u>2,638,468</u>	<u>-</u>
Expenditures:				
Current:				
Instructional services	<u>1,894,221</u>	<u>1,835,492</u>	<u>1,832,741</u>	<u>2,751</u>
Instructional support services:				
Pupil personnel services	99,980	105,096	102,883	2,213
Instructional media services	29,715	20,126	19,970	156
Instruction and curriculum development service	21,679	25,865	25,667	198
Instructional staff training services	1,902	3,358	3,350	8
Instruction related technology	29,859	30,135	30,101	34
Total instructional support services	<u>183,135</u>	<u>184,580</u>	<u>181,971</u>	<u>2,609</u>
Pupil transportation services	<u>69,450</u>	<u>73,519</u>	<u>73,322</u>	<u>197</u>
Operation and maintenance of plant:				
Operation of plant	275,126	266,210	265,706	504
Maintenance of plant	88,023	95,886	94,482	1,404
Total operation and maintenance of plant	<u>363,149</u>	<u>362,096</u>	<u>360,188</u>	<u>1,908</u>
School administration	<u>179,096</u>	<u>157,314</u>	<u>157,042</u>	<u>272</u>

	Budget as Originally Adopted	Final Amended Budget	Actual GAAP Basis	Variance With Final Amended Budget
Expenditures, continued				
General administration:				
Central services	\$ 59,002	\$ 53,947	\$ 53,317	\$ 630
Board of education	7,286	7,376	7,210	166
General administration	4,140	5,108	5,104	4
Administrative technology services	2,019	2,841	2,619	222
Fiscal services	12,446	12,200	12,124	76
Total general administration	<u>84,893</u>	<u>81,472</u>	<u>80,374</u>	<u>1,098</u>
Community services	<u>29,547</u>	<u>29,419</u>	<u>29,335</u>	<u>84</u>
Capital outlay	<u>1,186</u>	<u>8,440</u>	<u>7,271</u>	<u>1,169</u>
Debt services:				
Principal retirement	-	457	457	-
Interest and fiscal charges	502	308	308	-
Total debt service	<u>502</u>	<u>765</u>	<u>765</u>	<u>-</u>
Total expenditures	<u>2,805,179</u>	<u>2,733,097</u>	<u>2,723,009</u>	<u>10,088</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(98,387)</u>	<u>(94,629)</u>	<u>(84,541)</u>	<u>10,088</u>
Other financing sources (uses):				
Transfers in	161,423	162,068	162,068	-
Transfers out	(9,731)	(10,690)	(10,690)	-
Proceeds from sale of capital assets	-	434	434	-
Proceeds from loans/leases	-	751	751	-
Total other financing sources (uses)	<u>151,692</u>	<u>152,563</u>	<u>152,563</u>	<u>-</u>
Net change in fund balance	<u>\$ 53,305</u>	<u>\$ 57,934</u>	68,022	<u>\$ 10,088</u>
Fund balance - beginning of year			<u>56,532</u>	
Fund balance - end of year			<u>\$ 124,554</u>	

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY –
FLORIDA RETIREMENT SYSTEM PENSION PLAN
June 30, 2015
(amounts expressed in thousands)**

	<u>2014</u>	<u>2015</u>
District's proportion of the FRS net pension liability	0.4656%	0.4634%
District's proportionate share of the FRS net pension liability	\$ 801,597	\$ 282,715
District's covered-employee payroll	\$ 1,765,382	\$ 1,717,736
District's proportionate share of the FRS net pension liability as a percentage of its covered-employee payroll	45.4%	16.5%
FRS Plan fiduciary net position as a percentage of the total pension liability	88.54%	96.09%

Note: The amounts presented for each fiscal year were determined as of June 30th. The schedule is presented to illustrate the requirements of GASB Statement No. 68. Currently, only data for fiscal years ending June 30, 2014 and 2015 are available.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT CONTRIBUTIONS –
FLORIDA RETIREMENT SYSTEM PENSION PLAN
June 30, 2015
(amounts expressed in thousands)

	<u>2014</u>	<u>2015</u>
Contractually required FRS contribution	\$ 62,663	\$ 101,495
FRS contributions in relation to the contractually required contribution	<u>62,663</u>	<u>101,495</u>
FRS contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
 District's covered-employee payroll	 \$ 1,765,382	 \$ 1,717,736
FRS contributions as a percentage of covered-employee payroll	3.5%	5.9%

Note: The amounts presented for each fiscal year were determined as of June 30th. The schedule is presented to illustrate the requirements of GASB Statement No. 68. Currently, only data for fiscal years ending June 30, 2014 and 2015 are available.

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF THE DISTRICT'S PROPORTIONATE SHARE
OF THE NET PENSION LIABILITY –
HEALTH INSURANCE SUBSIDY PENSION PLAN
June 30, 2015
(amounts expressed in thousands)**

	<u>2014</u>	<u>2015</u>
District's proportion of the HIS net pension liability	0.0588%	0.0583%
District's proportionate share of the HIS net pension liability	\$ 512,051	\$ 545,094
District's covered-employee payroll	\$ 1,765,382	\$ 1,717,736
District's proportionate share of the HIS net pension liability as a percentage of its covered-employee payroll	29.0%	31.7%
HIS Plan fiduciary net position as a percentage of the total pension liability	1.78%	0.99%

Note: The amounts presented for each fiscal year were determined as of June 30th. The schedule is presented to illustrate the requirements of GASB Statement No. 68. Currently, only data for fiscal years ending June 30, 2014 and 2015 are available.

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF DISTRICT CONTRIBUTIONS –
HEALTH INSURANCE SUBSIDY PENSION PLAN
June 30, 2015
(amounts expressed in thousands)**

	<u>2014</u>	<u>2015</u>
Contractually required HIS contribution	\$ 19,266	\$ 19,971
HIS contributions in relation to the contractually required HIS contribution	<u>19,266</u>	<u>19,971</u>
HIS contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
District's covered-employee payroll	\$ 1,765,382	\$ 1,717,736
HIS contributions as a percentage of covered-employee payroll	1.09%	1.2%

Note: The amounts presented for each fiscal year were determined as of June 30th. The schedule is presented to illustrate the requirements of GASB Statement No. 68. Currently, only data for fiscal years ending June 30, 2014 and 2015 are available.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SUPPLEMENTAL EARLY RETIREMENT PENSION TRUST FUND
SCHEDULE OF CHANGES IN THE NET PENSION LIABILITY AND RELATED RATIOS
JUNE 30, 2015
(amounts expressed in thousands)

	<u>2014</u>	<u>2015</u>
Total Pension Liability		
Interest Cost	Not Available	2,662
Differences Between Expected and Actual Experiences	"	(1,432)
Benefit Payments, Including Refunds of Member Contributions	"	(4,147)
Net Change in Total Pension Liability	"	(2,917)
Total Pension Liability - Beginning	"	41,510
Total Pension Liability - Ending	<u>\$ 41,510</u>	<u>\$ 38,593</u>
Plan Fiduciary Net Position		
Contributions - Employer	"	2,276
Net Investment Income	"	4,476
Benefit Payments, Including Refunds of Member Contributions	"	(4,147)
Administrative expense	"	(42)
Net Change in Plan Fiduciary Net Position	"	2,563
Plan Fiduciary Net Position - Beginning	"	24,632
Plan Fiduciary Net Position - Ending	<u>\$ 24,632</u>	<u>\$ 27,195</u>
Net Pension Liability - Ending	<u>\$ 16,878</u>	<u>\$ 11,398</u>
Net Position as a % of the Total Pension Liability	59.34%	70.47%
Covered-employee payroll	N/A	N/A
Net Pension Liability as a percentage of covered-employee payroll	N/A	N/A

Notes to Schedule:

The schedule is presented to illustrate the requirements of GASB Statement No. 68. Currently only data for fiscal years ending June 30, 2014 and 2015 are available.

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SUPPLEMENTAL EARLY RETIREMENT PENSION TRUST FUND
SCHEDULE OF INVESTMENT RETURNS
JUNE 30, 2015**

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
Annual Money-Weighted Rate of Return, Net of investment expense	7.53%	14.85%	(6.16%)	(15.06%)	8.60%	14.10%	2.39%	13.37%	18.53%	3.29%

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
SUPPLEMENTAL EARLY RETIREMENT PENSION TRUST FUND
SCHEDULE OF CONTRIBUTIONS
JUNE 30, 2015
(amounts expressed in thousands)

	<u>2014</u>	<u>2015</u>
Actuarially Determined Contribution	\$ 2,276	\$ 2,276
Contribution made in Relation to the Actuarially Determined Contribution	<u>2,276</u>	<u>2,276</u>
Contribution Deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>
 Covered-Employee Payroll	 Not Applicable*	 Not Applicable*
Contributions as a % of covered employee payroll	Not Applicable*	Not Applicable*

Notes to Schedule:

Valuation Date: July 1, 2014

Methods and assumptions used to determine contributions rates:

Actuarial Cost Method	Entry Age Normal
Asset Valuation Method	Fair Value
Cost of Living Increase	3.00%
Investment Rate of Return	6.75% net pension plan investment expense, including inflation.
Retirement Age	None

Mortality rates were based on RP-2000 Healthy Annuitant/Non Annuitant Mortality Table for Males or Females, as appropriate, with adjustment for mortality improvements based on Scale AA.

- * The School Board closed the Supplemental Early Retirement Plan to new employees on July 1, 2000, with no additional employees vesting after July 1, 2003.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
OTHER POST EMPLOYMENT BENEFITS
SCHEDULE OF FUNDING PROGRESS
June 30, 2015
(amounts expressed in thousands)

Actuarial Valuation Date	Actuarial Accrued Liability (AAL)	Actuarial Value of Plan Assets	Unfunded AAL (UAAL)	Percentage Funded	Annual Covered Payroll	UAAL as Percentage of Payroll
10/1/2006	\$ 322,766	\$ 0	\$ 322,766	0.00 %	\$ 1,619,403	19.93 %
6/30/2009	322,766	0	322,766	0.00 %	1,734,316	18.61 %
6/30/2010	89,069	0	89,069	0.00 %	1,822,042	4.89 %
6/30/2011	86,600	0	86,600	0.00 %	1,823,966	4.75 %
6/30/2012	153,759	0	153,759	0.00 %	1,715,231	8.96 %
6/30/2013	152,835	0	152,835	0.00%	1,709,167	8.94 %
6/30/2014	193,240	0	193,240	0.00%	1,521,809	12.7 %
6/30/2015	200,340	0	200,340	0.00%	1,717,736	11.66 %

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
REQUIRED SUPPLEMENTARY INFORMATION
OTHER POST EMPLOYMENT BENEFITS
SCHEDULE OF EMPLOYER CONTRIBUTIONS
June 30, 2015
(amounts expressed in thousands)

Fiscal Year	Annual Required Contribution (ARC)	Amount Contributed	Percentage of Contribution	Net OPEB Obligation
2011	\$ 5,934	\$ 10,313	173.80%	\$ 19,171
2012	10,127	11,576	114.31%	17,853
2013	10,270	14,145	137.73%	14,099
2014	15,289	9,508	62.2%	19,976
2015	15,815	9,486	60.0%	26,441

COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND OTHER SUPPLEMENTARY INFORMATION





THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2015
(amounts expressed in thousands)

	Total Non-major Special Revenue Funds
ASSETS	
Cash and cash equivalents	\$ 13,136
Equity in pooled cash and investments	5,861
Cash and investments with fiscal agents	-
Total cash, cash equivalents, and investments	<u>18,997</u>
 Taxes receivable	 -
Accounts and interest receivable	25
Due from other governments or agencies	13,106
Inventories	2,830
Prepaid and other assets	-
Total assets	<u>\$ 34,958</u>
 LIABILITIES	
Accounts and contracts payable and accrued expenditures	\$ 4,598
Accrued payroll and compensated absences	2,480
Due to other funds	3,700
Due to other governments or agencies	1,869
Unearned revenue	72
Retainage payable on contracts	42
Total liabilities	<u>12,761</u>
 DEFERRED INFLOWS OF RESOURCES	
Unavailable revenue	-
Total deferred inflows of resources	<u>-</u>
 FUND BALANCES	
Nonspendable	2,830
Restricted	19,367
Assigned	-
Total fund balances	<u>22,197</u>
 TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	 <u><u>\$ 34,958</u></u>

Total Non-major Debt Service Funds	Total Non-major Capital Projects Funds	Total Non-major Governmental Funds
\$ 15,680	\$ 15,378	\$ 44,194
23,980	54,197	84,038
695	-	695
<u>40,355</u>	<u>69,575</u>	<u>128,927</u>
124	-	124
9	13	47
-	9,171	22,277
-	-	2,830
-	666	666
<u>\$ 40,488</u>	<u>\$ 79,425</u>	<u>\$ 154,871</u>
\$ 122	\$ 16,672	\$ 21,392
-	-	2,480
-	-	3,700
-	-	1,869
-	4,359	4,431
-	1,539	1,581
<u>122</u>	<u>22,570</u>	<u>35,453</u>
124	232	356
<u>124</u>	<u>232</u>	<u>356</u>
-	666	3,496
40,242	54,566	114,175
-	1,391	1,391
<u>40,242</u>	<u>56,623</u>	<u>119,062</u>
<u>\$ 40,488</u>	<u>\$ 79,425</u>	<u>\$ 154,871</u>

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NON-MAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(amounts expressed in thousands)**

	Total Non-major Special Revenue Funds	Total Non-major Debt Service Funds
Revenues:		
Local sources:		
Ad valorem taxes	\$ -	\$ 44,326
Food service sales	17,314	-
Interest income	33	1,219
Net increase (decrease) in fair value of investments	-	-
Local grants and other	3,904	5
Total local sources	<u>21,251</u>	<u>45,550</u>
State sources:		
Public education capital outlay	-	-
Food services	2,210	-
State licensing revenue	-	13,437
State grants and other	-	11
Total state sources	<u>2,210</u>	<u>13,448</u>
Federal sources:		
Federal grants and other	290,527	-
Food services	135,242	-
Total federal sources	<u>425,769</u>	<u>-</u>
Total revenues	<u>449,230</u>	<u>58,998</u>
Expenditures:		
Current:		
Instructional services		
Basic programs	106,132	-
Exceptional child programs	42,401	-
Adult and vocational-technical programs	11,271	-
Total instructional services	<u>159,804</u>	<u>-</u>
Instructional support services	98,452	-
Pupil transportation services	2,664	-
Operation and maintenance of plant	431	-
School administration	131	-
General administration	9,412	-
Food services	160,056	-
Community services	1,095	-
Capital outlay	15,908	-
Debt service:		
Principal retirement	-	156,107
Interest and fiscal charges	-	142,841
Total expenditures	<u>447,953</u>	<u>298,948</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,277</u>	<u>(239,950)</u>
Other financing sources (uses):		
Issuance of debt for refunding	-	634,472
Premium on refunding of debt	-	100,778
Payments to refunded bond escrow agent	-	(733,725)
Proceeds from loans/leases/construction agreements	-	-
Transfers in	-	206,865
Transfers out	-	-
Total other financing sources (uses)	<u>-</u>	<u>208,390</u>
Net change in fund balances	1,277	(31,560)
Fund balances - beginning of year	20,920	71,802
Fund balances - end of year	<u>\$ 22,197</u>	<u>\$ 40,242</u>

Total Non-major Capital Projects Funds	Total Non-major Governmental Funds
\$ -	\$ 44,326
-	17,314
54	1,306
1	1
60,949	64,858
61,004	127,805
5,987	5,987
-	2,210
-	13,437
21,517	21,528
27,504	43,162
-	290,527
-	135,242
-	425,769
88,508	596,736
-	106,132
-	42,401
-	11,271
-	159,804
-	98,452
-	2,664
-	431
-	131
-	9,412
-	160,056
-	1,095
73,239	89,147
-	156,107
24	142,865
73,263	820,164
15,245	(223,428)
-	634,472
-	100,778
-	(733,725)
31,819	31,819
959	207,824
(43,877)	(43,877)
(11,099)	197,291
4,146	(26,137)
52,477	145,199
\$ 56,623	\$ 119,062



Non-major Special Revenue Funds

The Non-major Special Revenue Funds account for and report the proceeds of specific revenue sources derived from Miami-Dade County, Florida, the State of Florida and the Federal Government; that are restricted or committed to finance designated activities. Activities included within the funds are as follows:

- **Food Service Fund** - Accounts for and reports on proceeds of specific revenues of the food service program in serving breakfast and lunch at the schools.
- **Miscellaneous Special Revenue Funds** - Accounts for and report on proceeds of specific revenues that are restricted or committed to expenditures of the law enforcement and special events fund.
- **Other Federal Programs Fund** - Accounts for and reports on the proceeds of specific revenues of various programs of different funding sources, according to the specifications and requirements of each funding source.
- **Federal Economic Stimulus Funds** - Accounts for and reports on the proceeds from the America Recovery and Reinvestment Act of 2009 (ARRA) programs.





THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2015
(amounts expressed in thousands)

	Food Service Fund	Other Federal Programs Fund
ASSETS		
Cash and cash equivalents	\$ 12,008	\$ 901
Equity in pooled cash and investments	5,636	-
Total cash, cash equivalents, and investments	<u>17,644</u>	<u>901</u>
Accounts and interest receivable	21	-
Due from other governments or agencies	2,682	7,956
Inventories	<u>2,830</u>	<u>-</u>
Total assets	<u>\$ 23,177</u>	<u>\$ 8,857</u>
LIABILITIES		
Accounts and contracts payable		
and accrued expenditures	\$ 728	\$ 3,607
Accrued payroll and compensated absences	651	1,817
Due to other funds	-	1,500
Due to other governments or agencies	-	1,819
Unearned revenue	-	72
Retainage payable on contracts	-	42
Total liabilities	<u>1,379</u>	<u>8,857</u>
FUND BALANCES		
Nonspendable	2,830	-
Restricted	18,968	-
Total fund balances	<u>21,798</u>	<u>-</u>
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	<u><u>\$ 23,177</u></u>	<u><u>\$ 8,857</u></u>

Federal Economic Stimulus Funds	Miscellaneous Special Revenue Funds	Total Non-major Special Revenue Funds
\$ 28	\$ 199	\$ 13,136
-	225	5,861
28	424	18,997
-	4	25
2,468	-	13,106
-	-	2,830
\$ 2,496	\$ 428	\$ 34,958
\$ 262	\$ 1	\$ 4,598
12	-	2,480
2,200	-	3,700
22	28	1,869
-	-	72
-	-	42
2,496	29	12,761
-	-	2,830
-	399	19,367
-	399	22,197
\$ 2,496	\$ 428	\$ 34,958

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NON-MAJOR SPECIAL REVENUE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(amounts expressed in thousands)**

	Food Service Fund	Other Federal Programs Fund
Revenues:		
Local sources:		
Food service sales	\$ 17,314	\$ -
Interest income	33	-
Local grants and other	1	3,623
Total local sources	<u>17,348</u>	<u>3,623</u>
State sources:		
Food services	2,210	-
Total state sources	<u>2,210</u>	<u>-</u>
Federal sources:		
Federal grants and other	9,523	274,819
Food services	135,242	-
Total federal sources	<u>144,765</u>	<u>274,819</u>
Total revenues	<u>164,323</u>	<u>278,442</u>
Expenditures:		
Current:		
Instructional services		
Basic programs	-	105,167
Exceptional child programs	-	42,401
Adult and vocational-technical programs	-	11,271
Total instructional services	<u>-</u>	<u>158,839</u>
Instructional support services	-	94,159
Pupil transportation services	-	2,664
Operation and maintenance of plant	-	236
School administration	-	128
General administration	-	8,501
Food services	160,056	-
Community services	-	1,045
Capital outlay	3,025	12,870
Total expenditures	<u>163,081</u>	<u>278,442</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,242</u>	<u>-</u>
Net change in fund balances	1,242	-
Fund balances - beginning of year	20,556	-
Fund balances - end of year	<u><u>\$ 21,798</u></u>	<u><u>\$ -</u></u>

Federal Economic Stimulus Funds	Miscellaneous Special Revenue Funds	Total Non-major Special Revenue Funds
\$ -	\$ -	\$ 17,314
-	-	33
-	280	3,904
-	280	21,251
-	-	2,210
-	-	2,210
6,185	-	290,527
-	-	135,242
6,185	-	425,769
6,185	280	449,230
965	-	106,132
-	-	42,401
-	-	11,271
965	-	159,804
4,293	-	98,452
-	-	2,664
-	195	431
3	-	131
911	-	9,412
-	-	160,056
-	50	1,095
13	-	15,908
6,185	245	447,953
-	35	1,277
-	35	1,277
-	364	20,920
\$ -	\$ 399	\$ 22,197

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NON-MAJOR SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(amounts expressed in thousands)

	Food Service Fund		
	Final Amended Budget	Actual	Variance
Revenues:			
Local sources:			
Food service sales	\$ 17,314	\$ 17,314	\$ -
Interest income	33	33	-
Local grants and other	1	1	-
Total local sources	17,348	17,348	-
State sources:			
Food services	2,210	2,210	-
Total state sources	2,210	2,210	-
Federal sources:			
Federal grants and other	9,523	9,523	-
Food services	135,242	135,242	-
Total federal sources	144,765	144,765	-
Total revenues	164,323	164,323	-
Expenditures:			
Current:			
Instructional services	-	-	-
Instructional support services	-	-	-
Pupil transportation services	-	-	-
Operation and maintenance of plant	-	-	-
School administration	-	-	-
General administration	-	-	-
Food services	160,056	160,056	-
Community services	-	-	-
Capital outlay	3,025	3,025	-
Total expenditures	163,081	163,081	-
Excess (deficiency) of revenues over (under) expenditures	1,242	1,242	-
Net change in fund balances	\$ 1,242	\$ 1,242	\$ -
Fund balances - beginning of year		20,556	
Fund balances - end of year		\$ 21,798	

Schedule B-3
(Continued)

Other Federal Programs Fund			Federal Economic Stimulus Funds		
Final Amended Budget	Actual	Variance	Final Amended Budget	Actual	Variance
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
5,429	3,623	(1,806)	-	-	-
5,429	3,623	(1,806)	-	-	-
-	-	-	-	-	-
-	-	-	-	-	-
330,622	274,819	(55,803)	7,558	6,185	(1,373)
-	-	-	-	-	-
330,622	274,819	(55,803)	7,558	6,185	(1,373)
336,051	278,442	(57,609)	7,558	6,185	(1,373)
188,897	158,839	30,058	1,213	965	248
115,835	94,159	21,676	5,267	4,293	974
3,278	2,664	614	-	-	-
284	236	48	-	-	-
146	128	18	4	3	1
10,478	8,501	1,977	1,057	911	146
-	-	-	-	-	-
1,291	1,045	246	-	-	-
15,842	12,870	2,972	17	13	4
336,051	278,442	57,609	7,558	6,185	1,373
-	-	-	-	-	-
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
-	-	-	-	-	-
\$ -	\$ -	-	\$ -	\$ -	-

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NON-MAJOR SPECIAL REVENUE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES – BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(amounts expressed in thousands)

	Miscellaneous Special Revenue Funds		
	Final Amended Budget	Actual	Variance
Revenues:			
Local sources:			
Food service sales	\$ -	\$ -	\$ -
Interest income	-	-	-
Local grants and other	280	280	-
Total local sources	280	280	-
State sources:			
Food services	-	-	-
Total state sources	-	-	-
Federal sources:			
Federal grants and other	-	-	-
Food services	-	-	-
Total federal sources	-	-	-
Total revenues	280	280	-
Expenditures:			
Current:			
Instructional services	-	-	-
Instructional support services	-	-	-
Pupil transportation services	-	-	-
Operation and maintenance of plant	195	195	-
School administration	-	-	-
General administration	-	-	-
Food services	-	-	-
Community services	50	50	-
Capital outlay	-	-	-
Total expenditures	245	245	-
Excess (deficiency) of revenues over (under) expenditures	35	35	-
Net change in fund balances	\$ 35	35	\$ -
Fund balances - beginning of year		364	
Fund balances - end of year		\$ 399	

Schedule B-3
(Concluded)

Totals		
Final Amended Budget	Actual	Variance
\$ 17,314	\$ 17,314	\$ -
33	33	-
5,710	3,904	(1,806)
23,057	21,251	(1,806)
2,210	2,210	-
2,210	2,210	-
347,703	290,527	(57,176)
135,242	135,242	-
482,945	425,769	(57,176)
508,212	449,230	(58,982)
190,110	159,804	30,306
121,102	98,452	22,650
3,278	2,664	614
479	431	48
150	131	19
11,535	9,412	2,123
160,056	160,056	-
1,341	1,095	246
18,884	15,908	2,976
506,935	447,953	58,982
1,277	1,277	-
\$ 1,277	1,277	\$ -
	20,920	
	\$ 22,197	



Non-major Debt Service Funds

The Non-major Debt Service Funds account for the payment of interest and principal of the current portion on long-term debt, primarily from tax proceeds and earnings on temporary investments:

- **State Board of Education Bond Funds** - Account for and report on payment of principal and interest on various bond issues serviced by the State.
- **Certificates of Participation Fund** - Accounts for and reports on payment of principal, interest and related costs on obligations pertaining to lease payments, acquisition and construction of schools and ancillary facilities.
- **General Obligation School Bonds Fund** - Accounts for and reports on payment of principal, interest and related costs on bonds of the voter-approved Bond Referendum issued to finance the building of new schools and facilities.
- **ARRA Economic Stimulus Debt Service Fund** - Accounts for and reports on payment of principal and interest for Debt Services for American Recovery and Reinvestment Act school construction bonds.





THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NON-MAJOR DEBT SERVICE FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2015
 (amounts expressed in thousands)

	State Board of Education Bond Funds	Certificates of Participation Fund
ASSETS		
Cash and cash equivalents	\$ -	\$ 359
Equity in pooled cash and investments	-	12,012
Cash and investments with fiscal agents	695	-
Total cash, cash equivalents, and investments	695	12,371
 Taxes receivable	-	-
Interest receivable	-	-
Total assets	\$ 695	\$ 12,371
 LIABILITIES		
Accounts and accrued expenditures payable	\$ -	\$ 122
Total liabilities	-	122
 DEFERRED INFLOWS OF RESOURCES		
Unavailable revenue	-	-
Total deferred inflows of resources	-	-
 FUND BALANCES		
Restricted	695	12,249
Total fund balances	695	12,249
 TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	 \$ 695	 \$ 12,371

General Obligation School Bonds Fund	ARRA Economic Stimulus Debt Service	Total Non-major Debt Service Funds
\$ 15,321	\$ -	\$ 15,680
11,968	-	23,980
-	-	695
27,289	-	40,355
124	-	124
9	-	9
\$ 27,422	\$ -	\$ 40,488
\$ -	\$ -	\$ 122
-	-	122
124	-	124
124	-	124
27,298	-	40,242
27,298	-	40,242
\$ 27,422	\$ -	\$ 40,488

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NON-MAJOR DEBT SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(amounts expressed in thousands)

	State Board of Education Bond Funds	Certificates of Participation Fund
Revenues:		
Local sources:		
Ad valorem taxes	\$ -	\$ -
Interest income	-	1,194
Local grants and other	-	5
Total local sources	<u>-</u>	<u>1,199</u>
State sources:		
State licensing revenue	13,437	-
SBE/COBI bond interest	11	-
Total state sources	<u>13,448</u>	<u>-</u>
Total revenues	<u>13,448</u>	<u>1,199</u>
Expenditures:		
Debt service:		
Principal retirement	11,954	98,183
Interest and fiscal charges	1,533	120,664
Total expenditures	<u>13,487</u>	<u>218,847</u>
Excess (deficiency) of revenues over (under) expenditures	(39)	(217,648)
Other financing sources (uses):		
Issuance of debt for refunding	12,527	621,945
Premium on refunding of debt	824	99,954
Payments to refunded debt escrow agent	(13,603)	(720,122)
Transfers in	-	204,388
Total other financing sources	<u>(252)</u>	<u>206,165</u>
Net change in fund balances	(291)	(11,483)
Fund balances - beginning of year	986	23,732
Fund balances - end of year	<u>\$ 695</u>	<u>\$ 12,249</u>

General Obligation School Bonds Fund	ARRA Economic Stimulus Debt Service	Total Non-major Debt Service Funds
\$ 44,326	\$ -	\$ 44,326
25	-	1,219
-	-	5
<u>44,351</u>	<u>-</u>	<u>45,550</u>
-	-	13,437
-	-	11
-	-	13,448
<u>44,351</u>	<u>-</u>	<u>58,998</u>
45,970	-	156,107
<u>18,167</u>	<u>2,477</u>	<u>142,841</u>
<u>64,137</u>	<u>2,477</u>	<u>298,948</u>
(19,786)	(2,477)	(239,950)
-	-	634,472
-	-	100,778
-	-	(733,725)
-	2,477	206,865
-	<u>2,477</u>	<u>208,390</u>
(19,786)	-	(31,560)
47,084	-	71,802
<u>\$ 27,298</u>	<u>\$ -</u>	<u>\$ 40,242</u>

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
DEBT SERVICE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(amounts expressed in thousands)

	State Board of Education Bond Funds		
	Final Amended Budget	Actual GAAP Basis	Variance
Revenues:			
Ad valorem taxes	\$ -	\$ -	\$ -
State licensing revenue	13,437	13,437	-
SBE/COBI bond interest	11	11	-
Interest income	-	-	-
Local grants and other	-	-	-
Total revenues	<u>13,448</u>	<u>13,448</u>	<u>-</u>
Expenditures:			
Debt service:			
Principal retirement	11,954	11,954	-
Interest and fiscal charges	1,533	1,533	-
Total expenditures	<u>13,487</u>	<u>13,487</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(39)</u>	<u>(39)</u>	<u>-</u>
Other financing sources (uses):			
Issuance of debt for refunding	12,527	12,527	-
Premium on refunding of debt	824	824	-
Payments to refunded bond escrow agent	(13,603)	(13,603)	-
Transfers in	-	-	-
Total other financing sources (uses)	<u>(252)</u>	<u>(252)</u>	<u>-</u>
Net change in fund balances	(291)	(291)	\$ -
Fund balances - beginning of year	986	986	
Fund balances - end of year	<u>\$ 695</u>	<u>\$ 695</u>	

Certificates of Participation Fund		
Final Amended Budget	Actual GAAP Basis	Variance
\$ -	\$ -	\$ -
-	-	-
-	-	-
1,194	1,194	-
5	5	-
<u>1,199</u>	<u>1,199</u>	<u>-</u>
98,183	98,183	-
120,664	120,664	-
<u>218,847</u>	<u>218,847</u>	<u>-</u>
(217,648)	(217,648)	-
621,945	621,945	-
99,954	99,954	-
(720,122)	(720,122)	-
204,388	204,388	-
<u>206,165</u>	<u>206,165</u>	<u>-</u>
(11,483)	(11,483)	<u>\$ -</u>
23,732	23,732	
<u>\$ 12,249</u>	<u>\$ 12,249</u>	

General Obligation School Bonds Fund		
Final Amended Budget	Actual GAAP Basis	Variance
\$ 44,326	\$ 44,326	\$ -
-	-	-
-	-	-
25	25	-
-	-	-
<u>44,351</u>	<u>44,351</u>	<u>-</u>
45,970	45,970	-
18,167	18,167	-
<u>64,137</u>	<u>64,137</u>	<u>-</u>
(19,786)	(19,786)	-
-	-	-
-	-	-
-	-	-
-	-	-
-	-	-
(19,786)	(19,786)	<u>\$ -</u>
47,084	47,084	
<u>\$ 27,298</u>	<u>\$ 27,298</u>	

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
DEBT SERVICE FUNDS
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(amounts expressed in thousands)

	<u>ARRA Economic Stimulus Debt Service Fund</u>		
	<u>Final</u>	<u>Actual</u>	
	<u>Amended</u>	<u>GAAP Basis</u>	<u>Variance</u>
	<u>Budget</u>		
Revenues:			
Ad valorem taxes	\$ -	\$ -	\$ -
State licensing revenue	-	-	-
SBE/COBI bond interest	-	-	-
Interest income	-	-	-
Local grants and other	-	-	-
Total revenues	<u>-</u>	<u>-</u>	<u>-</u>
Expenditures:			
Debt service:			
Principal retirement	-	-	-
Interest and fiscal charges	2,477	2,477	-
Total expenditures	<u>2,477</u>	<u>2,477</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,477)</u>	<u>(2,477)</u>	<u>-</u>
Other financing sources (uses):			
Issuance of debt for refunding	-	-	-
Premium on refunding of debt	-	-	-
Payments to refunded bond escrow agent	-	-	-
Transfers in	2,477	2,477	-
Total other financing sources (uses)	<u>2,477</u>	<u>2,477</u>	<u>-</u>
Net change in fund balances	-	-	<u>\$ -</u>
Fund balances - beginning of year	-	-	
Fund balances - end of year	<u>\$ -</u>	<u>\$ -</u>	

Schedule C-3
(Concluded)

Totals		
Final Amended Budget	Actual GAAP Basis	Variance
\$ 44,326	\$ 44,326	\$ -
13,437	13,437	-
11	11	-
1,219	1,219	-
5	5	-
<u>58,998</u>	<u>58,998</u>	<u>-</u>
156,107	156,107	-
142,841	142,841	-
<u>298,948</u>	<u>298,948</u>	<u>-</u>
(239,950)	(239,950)	-
634,472	634,472	-
100,778	100,778	-
(733,725)	(733,725)	-
206,865	206,865	-
<u>208,390</u>	<u>208,390</u>	<u>-</u>
<u>\$ (31,560)</u>	(31,560)	<u>\$ -</u>
	71,802	
	<u>\$ 40,242</u>	



Non-major Capital Projects Funds

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

- **Impact Fees Funds** - Accounts for and reports on local revenues associated with new construction and development.
- **State Board of Education/Capital Outlay Bond Indebtness (SBE/COBI) Funds** - Accounts for and reports on the state sales of SBE bonds on behalf of the School Board for eligible capital projects.
- **Master Equipment Lease Fund** - Accounts for and reports on funds for leased equipment acquisitions.
- **Public Education Capital Outlay (PECO) Funds** - Accounts for and reports on funds received from the State for the construction and maintenance of schools.
- **Capital Outlay and Debt Service Funds** - Accounts for and reports on the excess dollars from the debt service funds, used for construction and maintenance of schools.
- **Certificates of Participation Funds** - Accounts for the issuance of Certificates of Participation, used for the acquisition and construction of schools and ancillary schools.
- **Other Capital Projects Funds** - Accounts for resources used in site acquisition, construction, renovation and remodeling of educational facilities.





THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NON-MAJOR CAPITAL PROJECTS FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2015
(amounts expressed in thousands)

	Impact Fee Funds	SBE/ COBI Funds	Master Equipment Lease Fund
ASSETS			
Cash and cash equivalents	\$ 3,023	\$ 48	\$ -
Equity in pooled cash and investments	6,781	-	31,683
Total cash, cash equivalents, and investments	9,804	48	31,683
Accounts and interest receivable	5	-	-
Due from other governments or agencies	6,819	-	-
Prepaid and other assets	-	-	666
Total assets	\$ 16,628	\$ 48	\$ 32,349
LIABILITIES			
Accounts and contracts payable and accrued expenditures	740	-	13,227
Retainage payable on contracts	-	48	-
Unearned revenue	-	-	-
Total liabilities	740	48	13,227
DEFERRED INFLOWS OF RESOURCES			
Unavailable revenue	-	-	-
Total deferred inflows of resources	-	-	-
FUND BALANCES			
Nonspendable	-	-	666
Restricted	15,888	-	18,456
Assigned	-	-	-
Total fund balances	15,888	-	19,122
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES, AND FUND BALANCES	\$ 16,628	\$ 48	\$ 32,349

Public Education Capital Outlay (PECO) Funds	Capital Outlay and Debt Service Fund	Certificates of Participation	Other Capital Projects Funds	Total Non-major Capital Projects Funds
\$ 8	\$ 52	\$ -	\$ 12,247	\$ 15,378
-	337	4,281	11,115	54,197
8	389	4,281	23,362	69,575
-	-	-	8	13
-	1,703	-	649	9,171
-	-	-	-	666
\$ 8	\$ 2,092	\$ 4,281	\$ 24,019	\$ 79,425
2	10	1	2,692	16,672
-	216	42	1,233	1,539
-	-	-	4,359	4,359
2	226	43	8,284	22,570
-	232	-	-	232
-	232	-	-	232
-	-	-	-	666
6	1,634	4,238	14,344	54,566
-	-	-	1,391	1,391
6	1,634	4,238	15,735	56,623
\$ 8	\$ 2,092	\$ 4,281	\$ 24,019	\$ 79,425

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NON-MAJOR CAPITAL PROJECTS FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(amounts expressed in thousands)**

	Impact Fee Funds	SBE/ COBI Funds	Master Equipment Lease Fund
Revenues:			
Local sources:			
Interest income	\$ 11	\$ -	\$ 6
Net increase (decrease) in fair value of investments	-	-	-
Local grants and other	34,930	-	-
Total local sources	<u>34,941</u>	<u>-</u>	<u>6</u>
State sources:			
Public education capital outlay	-	-	-
Other state revenue	-	-	-
Total state sources	<u>-</u>	<u>-</u>	<u>-</u>
Total revenues	<u>34,941</u>	<u>-</u>	<u>6</u>
Expenditures:			
Capital outlay	7,071	-	44,151
Debt service	-	-	16
Total expenditures	<u>7,071</u>	<u>-</u>	<u>44,167</u>
Excess (deficiency) of revenues over (under) expenditures	<u>27,870</u>	<u>-</u>	<u>(44,161)</u>
Other financing sources (uses):			
Transfers in	-	-	-
Transfers out	(17,079)	-	-
Proceeds from loans/leases/construction agreements	-	-	31,819
Total other financing sources (uses)	<u>(17,079)</u>	<u>-</u>	<u>31,819</u>
Net change in fund balances	10,791	-	(12,342)
Fund balances - beginning of year	5,097	-	31,464
Fund balances - end of year	<u>\$ 15,888</u>	<u>\$ -</u>	<u>\$ 19,122</u>

Public Education Capital Outlay (PECO) Funds	Capital Outlay and Debt Service Fund	Certificates of Participation	Other Capital Projects Funds	Total Non-major Capital Projects Funds
\$ -	\$ 2	\$ 18	\$ 17	\$ 54
-	-	1	-	1
-	-	-	26,019	60,949
-	2	19	26,036	61,004
5,987	-	-	-	5,987
19,441	1,479	-	597	21,517
25,428	1,479	-	597	27,504
25,428	1,481	19	26,633	88,508
592	2,034	1,460	17,931	73,239
-	8	-	-	24
592	2,042	1,460	17,931	73,263
24,836	(561)	(1,441)	8,702	15,245
-	-	-	959	959
(24,830)	-	(1,968)	-	(43,877)
-	-	-	-	31,819
(24,830)	-	(1,968)	959	(11,099)
6	(561)	(3,409)	9,661	4,146
-	2,195	7,647	6,074	52,477
\$ 6	\$ 1,634	\$ 4,238	\$ 15,735	\$ 56,623

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
CAPITAL PROJECTS FUNDS*
SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES—BUDGETARY BASIS
BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(amounts expressed in thousands)

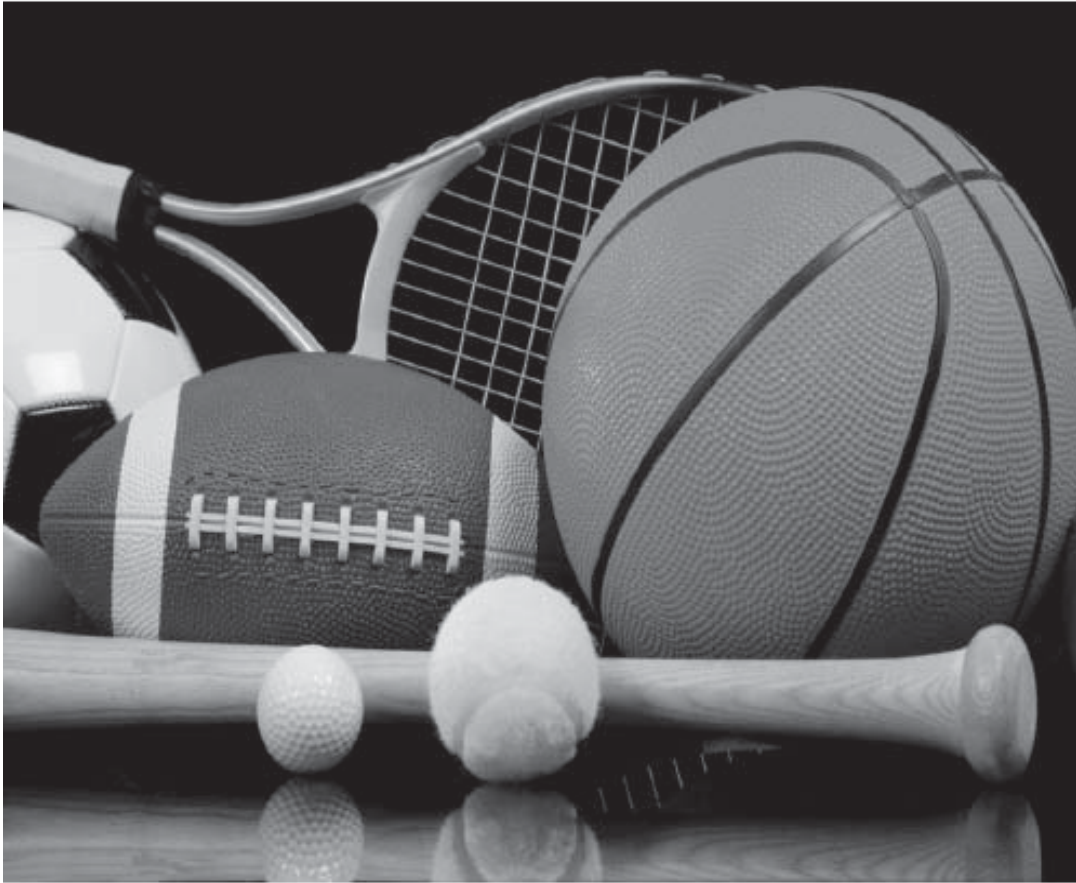
	Totals		
	Final Amended Budget	Actual Budgetary Basis	Variance
Revenues:			
Local sources:			
Ad valorem taxes	\$ 345,774	\$ 345,774	\$ -
Interest income	549	549	-
Net increase (decrease) in fair value of investments	(5)	(5)	-
Local grants and other	67,569	60,949	(6,620)
Total local sources	<u>413,887</u>	<u>407,267</u>	<u>(6,620)</u>
State sources:			
Public education capital outlay	5,987	5,987	-
Other state revenue	21,517	21,517	-
Total state sources	<u>27,504</u>	<u>27,504</u>	<u>-</u>
Total revenues	<u>441,391</u>	<u>434,771</u>	<u>(6,620)</u>
Expenditures:			
Capital outlay	839,999	220,865	619,134
Debt service:			
Interest and fiscal charges	363	168	195
Total expenditures	<u>840,362</u>	<u>221,033</u>	<u>619,329</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(398,971)</u>	<u>213,738</u>	<u>612,709</u>
Other financing sources (uses):			
Transfers in	959	959	-
Transfers out	(359,202)	(359,202)	-
Issuance of debt	398,636	-	(398,636)
Proceeds from loans/leases/construction agreements	31,819	31,819	-
Total other financing sources (uses)	<u>72,212</u>	<u>(326,424)</u>	<u>(398,636)</u>
Net change in fund balances	<u>\$ (326,759)</u>	<u>(112,686)</u>	<u>\$ 214,073</u>
Fund balances - beginning of year		326,892	
Fund balances - end of year		<u>\$ 214,206</u>	

*Florida Statutes, Section 1013.61, requires that the capital outlay budget designate the proposed capital expenditures by project for the year from all sources. Accordingly, annual budgets for the Capital Projects Funds are adopted on a combined basis only. Therefore, both major and non-major funds are presented in this schedule.

Agency Fund

Agency Fund accounts for the resources of the Schools' Internal Fund, which is used to administer monies, collected at the schools in connection with school, student athletics, class and club activities.





THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
SCHOOLS' INTERNAL FUND
COMBINING STATEMENT OF CHANGES IN ASSETS AND LIABILITIES
FOR THE FISCAL YEAR ENDED JUNE 30, 2015
(amounts expressed in thousands)

	<u>Balance</u> <u>July 1, 2014</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance</u> <u>June 30, 2015</u>
Assets				
Cash and cash equivalents	\$ 5,128	\$ 91,071	\$ 90,089	\$ 6,110
Investments	17,715	10,357	11,325	16,747
Accounts receivable, net	-	1,283	-	1,283
Interest receivable	41	10	41	10
Total assets	<u>\$ 22,884</u>	<u>\$ 102,721</u>	<u>\$ 101,455</u>	<u>\$ 24,150</u>
Liabilities				
Accounts payable	\$ 13	\$ 99	\$ 13	\$ 99
Due to other governments or agencies	3,750	4,355	3,750	4,355
Due to student organizations	19,121	98,267	97,692	19,696
Total liabilities	<u>\$ 22,884</u>	<u>\$ 102,721</u>	<u>\$ 101,455</u>	<u>\$ 24,150</u>

III. Statistical Section



Statistical Section

The Statistical Section presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary says about the District's overall financial health. Contents included are as follows:

- **Financial Trends** - These schedules contain trend information to help the reader understand how the District's financial performance and financial condition have changed over time.
- **Revenue Capacity** - These schedules contain information to help the reader assess the factors affecting the District's ability to generate a significant revenue source and property taxes.
- **Debt Capacity** - These schedules present information to help the reader assess the District's current debt burden and the District's ability to issue additional debt.
- **Demographic and Economic Information** - These schedules offer demographic and economic indicators to help the reader understand the socioeconomic environment within which the District operates.
- **Operation Information** - These schedules contain information about the District's operations and resources to help the reader understand how the District's financial information relates to the services it provides and the activities it performs.





THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NET POSITION BY COMPONENT - PRIMARY GOVERNMENT
Last Ten Fiscal Years
(amounts expressed in millions)
(Unaudited)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Primary Government:					
Governmental activities:					
Net investment in capital assets	\$ 1,429.7	\$ 1,713.0	\$ 1,767.6	\$ 1,764.0	\$ 1,830.1
Restricted	457.0	342.8	356.2	242.0	109.0
Unrestricted	<u>(166.3)</u>	<u>(263.5)</u>	<u>(366.6)</u>	<u>(287.5)</u>	<u>(233.9)</u>
Total primary government net position	<u>\$ 1,720.4</u>	<u>\$ 1,792.3</u>	<u>\$ 1,757.2</u>	<u>\$ 1,718.5</u>	<u>\$ 1,705.2</u>

SOURCE(S): The School Board of Miami-Dade County - Office of the Controller

TABLE 1

<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
\$ 1,670.6	\$ 1,557.5	\$ 1,550.2	\$ 1,480.1	\$ 1,444.1
180.7	173.3	104.2	69.5	55.3
<u>(168.3)</u>	<u>(242.3)</u>	<u>(259.0)</u>	<u>(321.0)</u>	<u>(1,384.1)</u>
<u>\$ 1,683.0</u>	<u>\$ 1,488.5</u>	<u>\$ 1,395.4</u>	<u>\$ 1,228.6</u>	<u>\$ 115.3</u>

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
CHANGES IN NET POSITION - PRIMARY GOVERNMENT
Last Ten Fiscal Years
(amounts expressed in thousands)
(Unaudited)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Primary Government:				
Governmental activities:				
Program Revenues				
Charges for services				
Instruction	\$ 28,102	\$ 28,884	\$ 28,869	\$ 27,633
Pupil transportation services	98	92	140	640
Food services	37,318	40,285	38,366	36,163
Operating grants and contributions				
Pupil transportation services	29,052	29,844	29,465	25,835
Operation and maintenance of plant	29,880	181	-	-
Food services	94,393	96,785	96,810	100,273
Capital grants and contributions				
Operation and maintenance of plant	26,734	41,443	54,032	38,586
Facilities acquisition and construction	54,264	53,491	68,716	11,121
Interest on long-term debt	13,839	12,561	12,687	13,329
Total primary government program revenues	<u>\$ 313,680</u>	<u>\$ 303,566</u>	<u>\$ 329,085</u>	<u>\$ 253,580</u>
Expenses				
Governmental activities:				
Instructional services	\$ 1,830,948	\$ 2,001,297	\$ 2,081,140	\$ 1,934,225
Instructional support services	338,967	361,063	372,134	308,809
Pupil transportation services	86,735	92,194	94,463	86,033
Operation and maintenance of plant	408,675	423,920	436,086	394,904
Food services	137,730	135,818	146,098	133,950
School administration	168,349	178,404	191,333	174,578
General administration	97,063	106,873	109,640	86,407
Other	40,952	42,124	41,957	34,969
Facilities Acquisition and Construction	114,202	131,361	216,473	180,416
Interest on long-term debt	84,056	107,959	117,210	149,822
Unallocated Depreciation/Amortization	77,215	86,541	105,471	134,490
Total primary government expenses	<u>\$ 3,384,892</u>	<u>\$ 3,667,554</u>	<u>\$ 3,912,005</u>	<u>\$ 3,618,603</u>
Net (Expense)/Revenue-Primary Government	<u>\$ (3,071,212)</u>	<u>\$ (3,363,988)</u>	<u>\$ (3,582,920)</u>	<u>\$ (3,365,023)</u>
General Revenues and Other Changes in Net Position				
Taxes				
Property Taxes, Levied for Operational Purposes	\$ 999,850	\$ 1,156,499	\$ 1,303,337	\$ 1,410,467
Property Taxes, Levied for Debt Service	86,264	79,251	87,786	66,703
Property Taxes, Levied for Capital Projects	335,268	402,456	464,681	423,454
Grants and Contributions Not Restricted to Specific Programs	1,699,682	1,695,306	1,614,868	1,352,520
Investment earnings	52,961	71,776	56,622	25,561
Miscellaneous	17,470	21,412	20,518	47,658
Total primary government general revenues	<u>\$ 3,191,495</u>	<u>\$ 3,426,700</u>	<u>\$ 3,547,812</u>	<u>\$ 3,326,363</u>
Change in Net Position	<u>\$ 120,283</u>	<u>\$ 62,712</u>	<u>\$ (35,108)</u>	<u>\$ (38,660)</u>

SOURCE(S): The School Board of Miami-Dade County - Office of the Controller

TABLE 2

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
\$ 29,826	\$ 29,438	\$ 33,094	\$ 32,219	\$ 32,791	\$ 32,491
1,087	760	462	715	313	365
31,902	29,647	27,148	21,546	20,121	17,314
-	-	-	-	-	-
-	-	55	-	-	-
111,940	120,257	121,631	132,541	147,457	146,975
19,601	28,529	14,494	14,394	23,866	25,429
7,403	8,860	10,107	22,708	22,733	36,866
13,471	13,512	13,552	13,591	13,543	13,448
<u>\$ 215,230</u>	<u>\$ 231,003</u>	<u>\$ 220,543</u>	<u>\$ 237,714</u>	<u>\$ 260,824</u>	<u>\$ 272,888</u>
\$ 1,933,411	\$ 2,016,750	\$ 1,918,275	\$ 1,956,415	\$ 2,098,540	\$ 1,954,230
314,994	287,551	277,361	284,372	294,258	280,020
84,479	83,894	81,573	82,507	81,539	76,737
372,935	351,511	344,296	342,379	359,065	357,679
134,808	140,639	145,146	150,301	159,742	159,473
166,116	165,566	154,588	153,151	158,316	154,222
82,454	81,435	83,904	83,985	81,601	82,137
32,843	33,249	30,302	30,982	29,949	30,232
84,195	103,561	77,863	26,584	69,492	100,896
148,251	144,112	136,274	129,252	149,861	137,143
132,979	152,779	155,582	157,235	158,932	160,143
<u>\$ 3,487,465</u>	<u>\$ 3,561,047</u>	<u>\$ 3,405,164</u>	<u>\$ 3,397,163</u>	<u>\$ 3,641,295</u>	<u>\$ 3,492,912</u>
<u>\$ (3,272,235)</u>	<u>\$ (3,330,044)</u>	<u>\$ (3,184,621)</u>	<u>\$ (3,159,449)</u>	<u>\$ (3,380,471)</u>	<u>\$ (3,220,024)</u>
\$ 1,339,331	\$ 1,222,023	\$ 1,191,592	\$ 1,184,421	\$ 1,214,002	\$ 1,385,924
61,145	72,052	44,572	44,454	65,832	44,303
366,078	288,595	301,453	296,122	306,099	348,164
1,466,475	1,677,325	1,415,403	1,495,657	1,605,649	1,476,346
6,794	6,145	3,742	3,228	2,876	2,561
19,095	41,673	33,313	46,986	43,793	53,970
<u>\$ 3,258,918</u>	<u>\$ 3,307,813</u>	<u>\$ 2,990,075</u>	<u>\$ 3,070,868</u>	<u>\$ 3,238,251</u>	<u>\$ 3,311,268</u>
<u>\$ (13,317)</u>	<u>\$ (22,231)</u>	<u>\$ (194,546)</u>	<u>\$ (88,581)</u>	<u>\$ (142,220)</u>	<u>\$ 91,244</u>

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
FUND BALANCES - GOVERNMENTAL FUNDS
Last Ten Fiscal Years
(amounts expressed in thousands)
(Unaudited)

<u>Pre-GASB 54</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>
General Fund:			
Reserved	\$ 85,624	\$ 53,500	\$ 24,451
Unreserved:			
Designated for estimated			
rebudgets and obligations	40,746	43,267	2,243
Undesignated	68,653	40,614	5,936
Total general fund	<u>\$ 195,023</u>	<u>\$ 137,381</u>	<u>\$ 32,630</u>
 All other governmental funds:			
Reserved	\$ 796,322	\$ 978,174	\$ 912,315
Unreserved, reported in:			
Designated for capital projects	313,412	138,767	123,977
Undesignated			
Special revenue funds	(1,681)	(2,374)	(2,130)
Capital projects funds	(68,904)	(148,413)	(128,470)
Total all other governmental funds	<u>\$ 1,039,149</u>	<u>\$ 966,154</u>	<u>\$ 905,692</u>

<u>Post-GASB 54</u>	<u>2009</u>
General Fund:	
Nonspendable:	\$ -
Restricted:	2,908
Assigned:	20,179
Unassigned:	58,136
Total general fund	<u>\$ 81,223</u>
 All other governmental funds:	
Nonspendable:	
Capital Projects	\$ 23,080
Other Non-major	2,044
Restricted:	
Special Revenue	-
Debt Service	76,467
Capital Projects	590,471
Assigned:	
Capital Projects	11,957
Unassigned:	
Special Revenue	(762)
Capital Projects	(50,086)
Total all other governmental funds	<u>\$ 653,171</u>

NOTE(S): Five years of data available for GASB 54 compliance

SOURCE(S): The School Board of Miami-Dade County - Office of the Controller

TABLE 3

2010	2011	2012	2013	2014	2015
\$ 205	\$ 8,580	\$ 6,364	\$ 7,138	\$ 7,843	\$ 6,163
4,522	8,409	5,146	1,522	1,321	5,358
43,431	33,815	51,758	17,733	18,094	19,217
83,574	170,908	80,875	57,957	29,274	93,816
<u>\$ 131,732</u>	<u>\$ 221,712</u>	<u>\$ 144,143</u>	<u>\$ 84,350</u>	<u>\$ 56,532</u>	<u>\$ 124,554</u>
\$ 21,039	\$ 20,301	\$ 20,038	\$ 22,213	\$ 21,461	\$ 20,843
1,525	3,723	2,378	3,109	3,296	3,496
7,095	11,691	14,963	15,036	17,624	19,367
81,329	93,322	79,704	77,619	71,802	40,242
462,843	253,666	105,151	45,183	304,038	191,306
8,686	8,750	9,765	1,395	1,393	1,391
-	-	-	-	-	-
-	-	-	-	-	-
<u>\$ 582,517</u>	<u>\$ 391,453</u>	<u>\$ 231,999</u>	<u>\$ 164,555</u>	<u>\$ 419,614</u>	<u>\$ 276,645</u>

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
CHANGES IN FUND BALANCES-GOVERNMENTAL FUNDS
AND DEBT SERVICE RATIO
Last Ten Fiscal Years
(amounts expressed in thousands)
(Unaudited)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
REVENUES:				
Local sources:				
Ad valorem taxes	\$ 1,414,057	\$ 1,639,072	\$ 1,848,733	\$ 1,888,838
Food services sales	37,318	40,285	38,366	36,164
Interest income	53,821	69,371	55,641	30,251
Net increase (decrease) in fair value of investments	(860)	2,405	982	(351)
Local grants and other	100,773	86,999	83,430	94,635
Total local sources	<u>1,605,109</u>	<u>1,838,132</u>	<u>2,027,152</u>	<u>2,049,537</u>
State sources:				
Florida education finance program	934,884	832,521	690,734	440,202
Public education capital outlay	26,734	41,443	40,825	25,049
Food services	2,781	2,723	2,630	2,416
State grants and other	512,963	587,161	696,917	613,238
Total state sources	<u>1,477,362</u>	<u>1,463,848</u>	<u>1,431,106</u>	<u>1,080,905</u>
Federal sources:				
Federal grants and other	341,552	353,155	346,945	363,618
Food services	86,108	87,367	87,357	91,936
Total federal sources	<u>427,660</u>	<u>440,522</u>	<u>434,302</u>	<u>455,554</u>
Total revenues	<u>\$ 3,510,131</u>	<u>\$ 3,742,502</u>	<u>\$ 3,892,560</u>	<u>\$ 3,585,996</u>
EXPENDITURES:				
Instructional services	\$ 1,797,336	\$ 1,961,556	\$ 2,054,536	\$ 1,913,023
Instructional support services	318,918	342,653	358,938	301,314
Pupil transportation services	85,582	91,462	93,909	86,022
Operation and maintenance of plant	401,684	417,112	430,515	391,532
School administration	165,264	175,793	188,959	174,184
General administration	103,215	111,470	115,339	95,427
Food services	139,409	136,856	147,588	135,864
Community Service	39,993	41,473	41,224	34,701
Capital outlay	663,589	1,110,737	967,355	618,251
Debt service				
Principal	104,445	282,434	130,634	272,654
Interest	85,710	117,454	137,024	153,245
Total expenditures	<u>\$ 3,905,145</u>	<u>\$ 4,789,000</u>	<u>\$ 4,666,021</u>	<u>\$ 4,176,217</u>
Excess of revenues over (under) expenditures	\$ (395,014)	\$ (1,046,498)	\$ (773,461)	\$ (590,221)
Other financing sources (uses)				
Transfers in	245,153	549,922	568,455	680,332
Transfers out	(245,153)	(549,922)	(568,455)	(680,332)
Issuance of debt	462,895	688,209	1,058,545	367,825
Premium on issuance of debt	16,748	33,823	32,161	(1,936)
Issuance of debt for refunding	-	-	-	-
Premium on refunding of debt	-	-	(278,415)	-
Payments to refunding bond escrow agent	-	(11,300)	(245,279)	(57,440)
Proceeds from sale of capital assets	353	1,231	350	345
Proceeds from loans/leases/construction agreements	63,809	169,008	40,886	77,499
Total other financing sources (uses)	<u>\$ 543,805</u>	<u>\$ 880,971</u>	<u>\$ 608,248</u>	<u>\$ 386,293</u>
Net change in fund balances	<u>\$ 148,791</u>	<u>\$ (165,527)</u>	<u>\$ (165,213)</u>	<u>\$ (203,928)</u>
Debt service as a percentage of noncapital expenditures	5.6%	10.4%	6.8%	11.4%

SOURCE(S): The School Board of Miami-Dade County - Office of the Controller

TABLE 4

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
\$ 1,770,556	\$ 1,586,242	\$ 1,541,080	\$ 1,520,106	\$ 1,605,799	\$ 1,765,167
31,902	29,647	27,148	21,545	20,121	17,314
4,443	4,499	3,556	3,290	2,764	2,563
(120)	25	(59)	(62)	113	(2)
83,526	86,541	82,527	99,872	103,433	132,523
<u>1,890,307</u>	<u>1,706,954</u>	<u>1,654,252</u>	<u>1,644,751</u>	<u>1,732,230</u>	<u>1,917,565</u>
451,375	603,780	561,609	610,377	712,494	661,800
5,178	14,895	-	-	-	5,987
2,249	2,136	2,261	2,146	2,231	2,210
528,514	537,531	531,406	542,181	551,514	547,337
<u>987,316</u>	<u>1,158,342</u>	<u>1,095,276</u>	<u>1,154,704</u>	<u>1,266,239</u>	<u>1,217,334</u>
521,840	572,850	358,665	381,118	390,809	311,326
104,107	110,212	112,963	122,149	135,158	135,242
<u>625,947</u>	<u>683,062</u>	<u>471,628</u>	<u>503,267</u>	<u>525,967</u>	<u>446,568</u>
<u>\$ 3,503,570</u>	<u>\$ 3,548,358</u>	<u>\$ 3,221,156</u>	<u>\$ 3,302,722</u>	<u>\$ 3,524,436</u>	<u>\$ 3,581,467</u>
\$ 1,926,447	\$ 2,005,289	\$ 1,904,491	\$ 1,936,994	\$ 2,059,963	\$ 1,992,545
307,703	282,397	269,897	277,591	286,813	280,423
84,186	83,906	81,543	81,096	79,755	75,986
370,137	350,357	343,246	340,929	357,268	360,619
164,967	165,147	154,420	152,857	157,803	157,173
97,421	96,156	91,095	89,560	90,801	89,786
136,740	142,048	145,803	151,711	161,405	160,056
32,511	32,363	30,046	30,829	29,724	30,430
305,287	231,541	189,354	148,644	133,887	244,044
144,900	152,360	153,986	133,117	142,546	156,564
156,486	139,147	108,430	103,280	141,428	143,317
<u>\$ 3,726,785</u>	<u>\$ 3,680,711</u>	<u>\$ 3,472,311</u>	<u>\$ 3,446,608</u>	<u>\$ 3,641,393</u>	<u>\$ 3,690,943</u>
\$ (223,215)	\$ (132,353)	\$ (251,155)	\$ (143,886)	\$ (116,957)	\$ (109,476)
534,579	366,201	344,206	321,832	355,836	369,892
(534,579)	(366,201)	(356,206)	(309,832)	(355,836)	(369,892)
231,345	25,120	-	-	290,565	-
203	57	-	-	14,806	-
(27,380)	278,155	725	255,175	73,943	634,472
	8,479	111	19,772	9,046	100,778
(1,862)	(284,294)	(834)	(272,796)	(82,043)	(733,725)
257	3,650	898	423	625	434
507	102	25,232	2,075	37,256	32,570
<u>\$ 203,070</u>	<u>\$ 31,269</u>	<u>\$ 14,132</u>	<u>\$ 16,649</u>	<u>\$ 344,198</u>	<u>\$ 34,529</u>
<u>\$ (20,145)</u>	<u>\$ (101,084)</u>	<u>\$ (237,023)</u>	<u>\$ (127,237)</u>	<u>\$ 227,241</u>	<u>\$ (74,947)</u>
8.6%	8.2%	7.8%	7.1%	8.0%	8.5%

**THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
ASSESSED VALUE OF TAXABLE PROPERTY**

TABLE 5

(amounts expressed in thousands) (Unaudited)							
Fiscal Year	Assessed Value		Personal Property	Less: Exemptions	Net Assessed Taxable Value	Direct Tax Rate*	
	Residential Property	Non-Residential Property					
2006	\$ 134,652,719	\$ 62,168,087	\$ 15,295,926	\$ 38,328,690	\$ 173,788,042	8.438	
2007	134,007,433	102,574,422	14,957,660	42,709,925	208,829,590	8.105	
2008	158,899,568	113,322,122	15,318,056	42,266,769	245,272,977	7.948	
2009	166,864,820	115,518,645	15,983,145	48,207,243	250,159,367	7.797	
2010	148,033,436	101,993,192	15,512,732	41,438,793	224,100,567	7.995	
2011	128,304,836	94,587,729	15,343,608	42,095,110	196,141,063	8.249	
2012	127,627,907	92,085,058	15,217,124	41,991,505	192,938,584	8.005	
2013	131,395,063	93,095,428	15,258,069	41,604,134	198,144,426	7.998	
2014	139,462,814 **	98,853,331 **	17,283,805 **	41,081,425 **	214,518,525 **	7.977	
2015	153,861,094 **	105,201,439 **	18,030,740 **	42,255,016 **	234,838,257 **	7.974	

* Total District Direct Overlapping Rates are found on Table 7.

** Preliminary assessed value provided by Miami-Dade County Property Appraiser is subject to change pending final Value Adjustment Board hearings.

NOTE(S): Projected assessed valuation as of January 1 reflects 100% of actual value.

SOURCE(S): Miami-Dade County Property Appraiser and Finance Department

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
PRINCIPAL PROPERTY TAX PAYERS
Current year and Nine Years Ago
(amounts expressed in thousands)
(Unaudited)

TABLE 6

<u>Taxpayer</u>	2006 Taxable Assessed Value	Rank	2006 Percentage of Total Taxable Assessed Value	2015 Taxable Assessed Value	Rank	2015 Percentage of Total Taxable Assessed Value
Florida Power & Light Company	\$ 2,150,174	1	1.24 %	\$ 5,344,616	1	2.27 %
BellSouth Telcommunication, Inc.	990,720	2	0.57	314,443	6	0.13
AT&T - BellSouth Telecommunications, Inc.	-	-	-	-	-	-
Aventura Mall Venture	-	-	-	455,462	2	0.19
Fountainebleau Florida Hotel LLC	-	-	-	369,064	4	0.16
SDG Dadeland Associates	396,000	3	0.23	393,000	3	0.17
Graham Companies	346,457	4	0.20	327,657	5	0.14
Jose Milton	328,360	5	0.19	-	-	-
SRI Miami Venture LP	278,800	6	0.16	-	-	-
Dolphin Mall	-	-	-	294,425	7	0.13
Turnberry Associates	249,805	7	0.14	-	-	-
Tarmac America LLC	-	-	-	256,151	9	0.11
200 S Biscayne TIC I LLC	-	-	-	247,600	10	0.11
Flagler Development Company	178,199	10	0.10	-	-	-
Publix Super Markets Inc.	-	-	-	267,274	8	0.11
Crescent Heights Acquisition, Inc.	230,121	8	0.13	-	-	-
Federated Department Stores	181,442	9	0.10	-	-	-
Total	\$ 5,330,078		3.06 %	\$ 8,269,692		3.52 %

NOTE(S): See Table 5 for Total Taxable Value for Miami-Dade County.
FY 2005-2006 was \$173,788,042. FY 2014-15 was \$234,838,256.

SOURCE(S): Miami-Dade County Property Appraiser's Office

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
DIRECT AND OVERLAPPING PROPERTY TAX RATES
Last Ten Fiscal Years
(Unaudited)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
The School Board of Miami-Dade County					
General Fund	5.947	5.691	5.570	5.783	5.998
Debt Service Funds	0.491	0.414	0.378	0.264	0.297
Capital Project Funds	2.000	2.000	2.000	1.750	1.700
Total District Direct Tax Rates	<u>8.438</u>	<u>8.105</u>	<u>7.948</u>	<u>7.797</u>	<u>7.995</u>
Overlapping Tax Rates					
Aventura	2.227	2.227	1.726	1.726	1.726
Bal Harbour	2.902	2.902	2.320	2.309	2.527
Bay Harbor Island	4.900	4.750	3.657	3.975	4.412
Biscayne Park	8.200	9.200	8.340	8.890	8.890
Coral Gables	6.150	6.150	5.250	5.250	5.895
Cutler Bay	2.447	2.447	2.447	2.447	2.589
Doral	2.447	2.447	2.447	2.447	2.447
El Portal	8.700	8.700	7.031	7.844	7.844
Florida City	8.900	8.900	7.750	7.750	7.750
Golden Beach	8.590	8.590	8.500	8.500	8.500
Hialeah	6.800	6.800	6.540	6.540	6.540
Hialeah Gardens	6.120	6.120	4.909	4.900	4.900
Homestead	6.750	6.250	5.159	5.341	6.292
Indian Creek	10.200	8.700	6.950	6.950	6.950
Islandia	9.123	8.193	7.967	6.804	-
Key Biscayne	3.606	3.450	3.200	3.200	3.200
Medley	7.150	6.900	5.751	5.700	5.650
Miami	9.765	9.496	8.378	8.754	8.834
Miami Beach	8.887	8.011	6.933	6.616	6.769
Miami Gardens	3.638	5.149	5.149	5.140	5.373
Miami Lakes	2.825	2.740	2.480	2.480	2.447
Miami Shores	9.180	9.106	7.816	8.293	8.706
Miami Springs	8.342	7.895	6.658	6.799	6.592
North Bay Village	6.212	6.098	4.799	4.799	4.799
North Miami	8.693	8.463	6.932	7.057	7.497
North Miami Beach	8.608	8.409	7.479	7.438	7.573
Opa Locka	9.800	9.800	8.008	8.208	8.300
Palmetto Bay	2.447	2.374	2.374	2.448	2.447
Pinecrest	2.400	2.400	1.950	1.981	2.104
South Miami	6.681	5.881	4.818	5.279	4.953
Sunny Isles Beach	2.950	2.950	2.398	2.484	2.650
Surfside	5.603	5.600	4.250	4.733	4.733
Sweetwater	3.949	3.949	3.279	3.404	3.925
Unincorporated County	2.447	2.447	2.042	2.245	2.298
Virginia Gardens	4.750	4.600	4.081	4.091	4.423
West Miami	8.495	8.495	6.738	6.738	6.738

NOTE(S): Millage rate represents \$1,000 of taxable assessed valuation.
Municipality will show millage rates starting the year after they were incorporated.

SOURCE(S): The School Board of Miami-Dade County, Miami-Dade County Office of the Property Appraiser

TABLE 7

2011	2012	2013	2014	2015*
6.314	6.165	6.204	6.083	6.214
0.385	0.240	0.233	0.333	0.199
1.550	1.600	1.561	1.561	1.561
8.249	8.005	7.998	7.977	7.974
1.726	1.726	1.726	1.726	1.726
2.557	2.447	2.268	2.061	1.965
5.297	5.297	5.297	4.900	4.550
8.993	8.900	9.500	9.700	9.700
6.072	5.869	5.669	5.589	5.559
2.589	2.570	2.570	2.391	2.391
2.447	2.438	2.222	1.928	1.900
7.900	8.300	8.300	8.300	8.300
7.750	7.750	7.750	7.590	7.186
7.014	6.980	6.995	7.245	7.275
6.540	6.540	6.302	6.302	6.302
5.460	5.588	5.381	5.161	5.161
6.292	6.292	6.244	5.922	5.922
1.804	2.720	7.952	7.674	7.500
-	-	-	-	-
3.200	3.200	3.200	3.000	3.000
5.650	5.650	5.585	6.380	5.579
7.674	7.571	7.571	7.647	7.647
6.216	6.166	6.091	5.794	5.709
5.714	6.562	6.362	6.936	6.936
2.370	2.352	2.352	2.352	2.352
8.000	8.000	8.000	8.000	7.900
6.471	6.740	6.995	7.671	7.500
4.777	4.777	4.777	5.474	5.383
8.196	8.196	8.100	7.934	7.934
6.604	6.604	6.604	6.604	6.604
8.800	9.153	9.100	8.500	8.900
2.447	2.447	2.447	2.447	2.447
2.104	2.200	2.200	2.300	2.300
4.953	4.666	4.364	4.364	4.300
2.886	2.886	2.800	2.600	2.500
5.603	5.500	5.300	5.029	5.029
4.662	2.920	2.920	2.749	2.749
2.008	1.928	1.928	1.928	1.928
5.749	5.423	5.423	5.150	5.150
6.886	6.886	6.886	6.886	6.886

* District millage rates are actual. All other millage rates are proposed by the Miami-Dade County Office of the Property Appraiser.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
PROPERTY TAX LEVIES AND COLLECTIONS - PRIMARY GOVERNMENT
Last Ten Fiscal Years
(amounts expressed in thousands)
(Unaudited)

TABLE 8

Fiscal Year	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2006	\$ 1,466,589	\$ 1,414,057	96.4 %	\$ 8,669	\$ 1,422,726	97.0 %
2007	1,695,415	1,639,072	96.7	13,638	1,652,710	97.5
2008	1,919,331	1,850,835	96.4	21,819	1,872,654	97.6
2009	1,959,007	1,888,838	96.4	39,855	1,928,693	98.5
2010	1,805,599	1,770,657	98.1	47,047	1,817,704	100.7
2011	1,614,699	1,586,242	98.2	32,056	1,618,298	100.2
2012	1,525,140	1,509,025	98.9	24,972	1,533,997	100.6
2013	1,584,376	1,495,134	94.4	3,523	1,498,657	94.6
2014	1,647,236	1,605,120	97.4	13,501	1,618,621	98.3
2015	1,872,320	1,765,167	94.3	7,976	1,773,143	94.7

SOURCE(S): The School Board of Miami-Dade County - Office of the Controller

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
RATIOS OF OUTSTANDING DEBT BY TYPE - PRIMARY GOVERNMENT
Last Ten Fiscal Years
(amounts expressed in thousands)
(Unaudited)

TABLE 9

Fiscal Year	Government Activities					Percent of Total Outstanding Debt to Personal Income		Per Capita
	State Board of Education Capital Outlay Bonds	General Obligation Bonds	Certificates of Participation	Capital Leases Payable	Total Primary Government			
2006	\$ 112,020	\$ 501,100	\$ 1,555,970	\$ 65,336	\$ 2,234,426	2.71 %		\$ 940
2007	97,205	444,320	2,023,295	97,153	2,661,973	3.10		1,108
2008	97,560	381,880	2,508,445	132,751	3,120,636	3.51		1,307
2009	88,785	316,285	2,766,125	188,670	3,359,865	3.70		1,401
2010	80,740	267,360	2,939,394	157,509	3,445,003	3.74		1,344
2011	72,715	216,005	2,994,934	125,213	3,408,867	3.48		1,355
2012	61,085	161,860	2,935,340	120,096	3,278,381	3.26		1,285
2013	50,260	123,345	2,878,597	89,332	3,141,534	3.01		1,224
2014	38,508	369,185	2,809,463	103,555	3,320,711	5.82		1,286
2015	25,936	323,215	2,701,463	106,390	3,157,004	5.16		1,186

SOURCE(S): Population and Personal Income - The Beacon Council, Research Development on Table 13
All other information - The School Board of Miami-Dade County - Office of the Controller, Note(s) 10,11,14

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING
Last Ten Fiscal Years
(amounts expressed in thousands)
(Unaudited)

Fiscal Year	General Bonded Debt	Less Amounts Available in Debt Service Funds	Net General Bonded Debt	Net Assessed Property Value	Ratio of Net Bonded Debt to Net Assessed Property Value
2006	\$ 622,374	\$ 61,800	\$ 560,574	\$ 173,788,042	0.32
2007	541,525	65,606	475,919	208,829,590	0.23
2008	479,440	70,695	408,745	245,272,977	0.17
2009	405,070	48,078	356,992	250,159,367	0.14
2010	348,100	48,150	299,950	224,100,567	0.13
2011	288,720	55,660	233,060	196,141,063	0.12
2012	222,945	36,805	186,140	192,938,584	0.10
2013	173,605	33,865	139,740	198,144,426	0.07
2014	407,693	48,070	359,623	214,518,525 *	0.17
2015	365,012 **	27,993	337,019	234,838,257 *	0.14

* Preliminary assessed value provided by Miami-Dade County Property Appraiser is subject to changes pending final Value Adjustment Board hearings.

** Includes unamortized Premium, Note 14

SOURCE(S): Population as of April of each year on Table 10 - U.S. Bureau of Census,
Property values - Miami-Dade County - Office of the Property Appraiser,
All other information - The School Board of Miami-Dade County - Office of the Controller

TABLE 10

<u>Population</u>	<u>Net Bonded Debt per Capita</u>	<u>Pupil Enrollment</u>	<u>Net Bonded Debt Per Pupil</u>
2,376,343	\$ 236	361,550	\$ 1,550
2,402,208	198	353,283	1,347
2,387,170	171	347,774	1,175
2,398,245	149	345,150	1,034
2,563,885	117	345,458	868
2,516,515	93	347,133	671
2,551,255	73	349,945	532
2,565,685	54	353,152	396
2,581,623	139	355,268	1,012
2,662,874	127	355,913	947

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
LEGAL DEBT MARGIN INFORMATION
Last Ten Fiscal Years
(amounts expressed in thousands)
(Unaudited)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Debt limit	\$ 17,378,804	\$ 20,882,959	\$ 24,127,298	\$ 25,015,937
Total net debt applicable to the limit	<u>560,574</u>	<u>475,919</u>	<u>408,745</u>	<u>356,992</u>
Legal debt margin	<u><u>\$ 16,818,230</u></u>	<u><u>\$ 20,407,040</u></u>	<u><u>\$ 23,718,553</u></u>	<u><u>\$ 24,658,945</u></u>
Total net debt applicable to the limit as a percentage of debt	3.23%	2.28%	1.69%	1.43%

SOURCE(S): Miami-Dade County- Office of the Property Appraiser
The School Board of Miami-Dade County - Office of the Controller: Schedule C-2, Note 10

TABLE 11

<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
\$ 22,410,057	\$ 19,614,106	\$ 19,293,858	\$ 19,814,443	\$ 21,451,853	\$ 23,483,826
<u>299,950</u>	<u>233,060</u>	<u>186,140</u>	<u>139,740</u>	<u>359,623</u>	<u>321,158</u>
<u>\$ 24,658,945</u>	<u>\$ 22,110,107</u>	<u>\$ 20,186,913</u>	<u>\$ 19,752,310</u>	<u>\$ 21,092,230</u>	<u>\$ 23,162,668</u>
1.34%	1.19%	0.96%	0.71%	1.68%	1.37%

LEGAL DEBT MARGIN CALCULATION
FOR FISCAL YEAR 2014

Net Assessed Taxable Property Value - January 2014		<u>\$ 234,838,257 *</u>
Limit on Bond Indebtedness, 10% of net assessed taxable property value		\$ 23,483,826
Total Bonded Debt	\$ 349,151	
Less: Net Assets in Debt Service Funds	<u>27,993</u>	
Debt applicable to Limit		<u>(321,158)</u>
Legal Debt Limit		<u>\$ 23,162,668</u>

* Preliminary assessed value provided by Miami-Dade County Property Appraiser is
subject to changes pending final Value Adjustment Board hearings.

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
PLEDGED-REVENUE COVERAGE
Last Ten Fiscal Years
(amounts expressed in thousands)
(Unaudited)

TABLE 12

	Local Optional Millage Levy				
Fiscal Year	Revenue	Debt Service			Coverage Ratio
		Principal	Interest	Total	
2006	\$ 333,576	\$ 38,895	\$ 48,435	\$ 87,330	3.82
2007	402,181	50,563	73,869	124,432	3.23
2008	461,813	58,895	97,929	156,824	2.94
2009	419,758	73,078	116,174	189,252	2.22
2010	368,334	85,724	132,260	217,984	1.69
2011	289,618	90,463	119,636	210,099	1.38
2012	301,450	88,908	92,310	181,218	1.66
2013	291,812	83,292	89,640	172,932	1.69
2014	313,877	90,072	122,695	212,767	1.48
2015	345,774	98,183	120,664	218,847	1.58

Coverage Ratio: Revenue divided by Debt Service Total (Principal and Interest).

SOURCE(S): The School Board of Miami-Dade County - Office of the Controller

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
DEMOGRAPHIC AND ECONOMIC STATISTICS
Last Ten Fiscal Years
(Unaudited)

TABLE 13

Fiscal Year	Population	Personal Income (thousands of dollars)	Per Capita Personal Income	Unemployment Rate
2006	2,376,343	\$ 82,481,222	\$ 34,709	3.8 %
2007	2,402,208	85,978,571	35,791	3.6
2008	2,387,170	88,954,732	37,264	5.3
2009	2,398,245	90,915,774	37,909	8.9
2010	2,563,885	92,227,399	35,972	12.0
2011	2,516,515	97,815,794	38,870	12.7
2012	2,551,255	100,688,604	39,466	9.7
2013	2,565,685	104,373,301	40,680	8.9
2014	2,581,623	57,043,542	22,096	7.2
2015*	2,662,874	61,192,845	22,980	6.2

* Based on estimated calculations.

SOURCE(S): The Beacon Council, Research Development

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
PRINCIPAL EMPLOYERS
Last Year and Nine Years Ago
(Unaudited)

TABLE 14

<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>2006 Percentage of Total Employment</u>	<u>Employees</u>	<u>Rank</u>	<u>2014 Percentage of Total Employment</u>
Miami-Dade County Public Schools	54,387	1	4.63 %	33,477	1	2.57 %
Miami-Dade County	32,265	2	2.75	25,502	2	1.96
Federal Government	18,900	4	1.61	19,200	3	1.48
Florida State Government	20,100	3	1.71	17,100	4	1.31
University of Miami, Inc.	9,367	7	0.80	12,818	5	0.99
Baptist Health Systems of South Florida	10,300	6	0.88	11,353	6	0.87
American Airlines	9,000	8	0.77	11,031	7	0.85
Jackson Memorial Hospital	11,700	5	1.00	9,797	8	0.75
Publix Super Market	-	-	-	4,604	9	0.35
City of Miami	-	-	-	3,997	10	0.31
Florida International University	5,000	10	0.43	-	-	-
Miami Dade Community College	7,500	9	0.64	-	-	-
United Parcel Service	5,000	10	0.43	-	-	-
Total Civilian Labor Force Employment:	<u>1,174,182</u>			<u>1,300,476</u>		

SOURCE(S): The Beacon Council, Research Development

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
NUMBER OF PERSONNEL
Last Ten Fiscal Years
(Unaudited)

TABLE 15

Fiscal Year	(1) Instructional	(2) Administrative and Technical	(3) Other Instructional	(4) Other Non- Instructional	Part-Time Hourly	Total	Ratio of Instructional and Administrative Personnel to Pupils*
2006	23,386	2,019	2,475	10,617	10,978	49,475	0.07
2007	24,308	2,103	2,504	10,649	10,707	50,271	0.07
2008	24,710	2,186	2,500	10,666	10,393	50,455	0.08
2009	23,397	2,047	2,277	11,098	9,292	48,111	0.07
2010	22,540	1,919	2,179	10,514	8,417	45,569	0.07
2011	22,299	1,889	2,116	10,055	7,773	44,132	0.07
2012	21,389	1,890	1,993	9,242	7,675	42,189	0.07
2013	21,161	1,886	1,874	8,910	8,157	41,988	0.07
2014	26,388	1,856	2,700	9,604	5,366	45,914	0.08
2015	20,619	1,867	2,701	9,247	5,123	39,557	0.06

* See Table 17 for pupil enrollment information.

(1) Elementary and Secondary Teachers, Exceptional Student Teachers, Other Teachers, Guidance/Psychological, Librarians, Social Workers, Other Professional Instructional Staff

(2) Officials, Administrators and Managers (Instructional and Non-Instructional), Consultants, Supervisors of Instructional, Principals, Assistant Principals, Community School Coordinators, Other Professional/Technical Staff, Non-Instructional

(3) Teacher Aides

(4) Technicians, Investigators, Patrol Officers, Clerical and Secretarial Staff, Service Workers (including full-time Food Service Workers) and Skilled Crafters and Laborers

SOURCE(S): The School Board of Miami-Dade County - Research Services

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
TEACHER BASE SALARIES
Last Ten Fiscal Years
(Unaudited)

TABLE 16

<u>Fiscal Year</u>	<u>Minimum Salary</u>	<u>Maximum Salary</u>	<u>County Average Salary</u>	<u>Statewide Average Salary</u>
2006	\$ 34,200	\$ 69,225	\$ 47,471	\$ 42,702
2007	37,000	72,225	49,191	45,296
2008	38,000	74,425	50,737	46,922
2009	38,000	74,425	49,555	46,938
2010	38,500	75,425	50,749	46,696
2011	38,500	75,425	52,440	45,723
2012	38,500	75,425	54,000	53,000
2013	40,000	76,425	52,702	52,940
2014	40,500	77,525	54,615	45,723
2015	40,500	77,525	53,304	47,950

SOURCE(S): The School Board of Miami-Dade County; FLDOE

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
OPERATING STATISTICS
Last Ten Fiscal Years
(dollar amounts expressed in thousands)
(Unaudited)

TABLE 17

Fiscal Year	Enrollment	Operating Expenditures	Cost per Pupil	Instructional Staff	Pupil Teacher Ratio	Percentage of Students Receiving Free or Reduced-Price Meals
2006	361,550	\$ 3,051,401	\$ 8.44	23,386	15.46	78.24 %
2007	353,283	3,278,375	9.28	24,308	14.53	78.31
2008	347,774	3,431,008	9.87	24,710	14.07	76.27
2009	345,150	3,132,067	9.07	23,397	14.75	79.68
2010	345,458	3,120,112	9.03	22,540	15.33	83.13
2011	347,133	3,157,663	9.10	22,299	15.57	87.55
2012	349,945	3,020,541	8.63	21,389	16.36	88.99
2013	353,152	3,061,567	8.67	21,161	16.69	89.93
2014	355,268	3,223,532	9.07	26,388	13.46	86.76
2015	355,913	3,147,018	8.84	20,619	17.26	87.21

SOURCE(S): The School Board of Miami-Dade County - Office of the Controller and Research Services Department

THE SCHOOL BOARD OF MIAMI-DADE COUNTY, FLORIDA
CAPITAL ASSET INFORMATION
Last Ten Fiscal Years
(Unaudited)

	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
<u>Schools</u>					
<u>Elementary</u>					
Buildings	1,989	2,556	2,029	2,052	2,068
Square Feet	16,221,552	17,713,348	18,154,936	18,796,652	19,347,677
Capacity	144,538	155,610	164,659	169,860	175,124
Enrollment	167,749	165,018	165,017	163,437	161,894
<u>Middle</u>					
Buildings	420	580	431	455	452
Square Feet	7,198,138	7,775,763	7,904,366	8,434,841	8,317,452
Capacity	-	66,951	63,958	68,540	67,056
Enrollment	68,053	76,601	76,557	79,572	58,830
<u>Senior</u>					
Buildings	372	498	359	369	367
Square Feet	9,788,532	10,698,512	11,416,775	11,756,444	12,908,595
Capacity	-	91,846	90,584	94,806	101,595
Enrollment	101,398	106,410	106,196	102,279	88,685
<u>Other</u>					
Buildings	194	148	167	167	157
Square Feet	3,052,883	1,946,889	2,228,140	2,153,973	2,100,516
Capacity	16,298	9,116	13,946	11,109	10,744
Enrollment	3,928	49,268	48,407	48,860	47,434
<u>Administrative</u>					
Buildings	90	138	95	89	88
Square Feet	1,068,849	1,329,539	1,322,181	1,287,399	1,324,202
<u>Transportation</u>					
Garages	8	9	9	9	9
Buses	1,630	1,865	1,865	1,726	1,623
<u>Athletics</u>					
Football fields	38	38	38	38	38
Soccer fields	5	5	5	5	5
Running tracks	16	16	16	16	16
Baseball/Softball	38	38	38	38	38
Swimming Pools	1	1	1	1	1

SOURCE(S): Florida Inventory of School Houses Report, Permanent Buildings Only

TABLE 18

<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>
2,066	2,041	2,074	2,078	2,080
19,423,637	19,326,611	20,567,609	20,632,822	20,942,594
175,563	173,301	185,440	183,712	185,656
161,687	158,279	159,724	159,962	160,709
449	427	412	409	410
8,156,068	8,056,542	7,667,841	7,626,708	7,655,168
65,769	64,950	69,057	67,511	67,243
54,666	81,213	80,561	79,730	79,393
374	357	344	331	330
13,198,179	13,365,034	12,770,548	13,270,029	13,134,450
103,909	101,046	104,973	108,186	106,620
88,857	106,441	108,162	109,163	109,755
154	172	114	127	123
2,058,234	2,169,806	1,848,408	2,068,055	2,094,041
10,693	11,364	8,279	9,777	9,398
34,884	26,324	28,892	28,153	30,089
82	71	74	77	76
1,289,954	1,237,005	1,197,461	1,208,917	1,369,412
8	9	9	9	9
1,515	1,401	1,446	1,380	1,286
38	38	38	38	38
5	5	5	5	5
16	16	16	16	16
38	38	38	38	38
1	1	1	1	1



Miami-Dade County Public Schools Anti-Discrimination Policy

Federal and State Laws

The School Board of Miami-Dade County, Florida adheres to a policy of nondiscrimination in employment and educational programs/activities and strives affirmatively to provide equal opportunity for all as required by:

Title VI of the Civil Rights Act of 1964 - prohibits discrimination on the basis of race, color, religion, or national origin.

Title VII of the Civil Rights Act of 1964 as amended - prohibits discrimination in employment on the basis of race, color, religion, gender, or national origin.

Title IX of the Education Amendments of 1972 - prohibits discrimination on the basis of gender.

Age Discrimination in Employment Act of 1967 (ADEA) as amended - prohibits discrimination on the basis of age with respect to individuals who are at least 40.

The Equal Pay Act of 1963 as amended - prohibits gender discrimination in payment of wages to women and men performing substantially equal work in the same establishment.

Section 504 of the Rehabilitation Act of 1973 - prohibits discrimination against the disabled.

Americans with Disabilities Act of 1990 (ADA) - prohibits discrimination against individuals with disabilities in employment, public service, public accommodations and telecommunications.

The Family and Medical Leave Act of 1993 (FMLA) - requires covered employers to provide up to 12 weeks of unpaid, job-protected leave to "eligible" employees for certain family and medical reasons.

The Pregnancy Discrimination Act of 1978 - prohibits discrimination in employment on the basis of pregnancy, childbirth, or related medical conditions.

Florida Educational Equity Act (FEEA) - prohibits discrimination on the basis of race, gender, national origin, marital status, or handicap against a student or employee.

Florida Civil Rights Act of 1992 - secures for all individuals within the state freedom from discrimination because of race, color, religion, sex, national origin, age, handicap, or marital status.

Title II of the Genetic Information Nondiscrimination Act of 2008 (GINA) - prohibits discrimination against employees or applicants because of genetic information.

Boy Scouts of America Equal Access Act of 2002 – no public school shall deny equal access to, a fair opportunity for groups to meet on school premises or in school facilities before or after school hours, or discriminate against, any group officially affiliated with Boy Scouts of America or any other youth or community group listed in Title 36 (as a patriotic society).

Veterans are provided re-employment rights in accordance with P.L. 93-508 (Federal Law) and Section 295.07 (Florida Statutes), which stipulate categorical preferences for employment.

In Addition:

School Board Policies 1362, 3362, 4362, and 5517 - Prohibit harassment and/or discrimination against students, employees, or applicants on the basis of sex, race, color, ethnic or national origin, religion, marital status, disability, genetic information, age, political beliefs, sexual orientation, gender, gender identification, social and family background, linguistic preference, pregnancy, and any other legally prohibited basis. Retaliation for engaging in a protected activity is also prohibited.

Revised: (07.14)